Our Environment

Sustainability Incentives Scheme (SIS) 2026/27 Review: Progress Update

To provide an update on the review of the SIS and seek feedback to assist the Administration in finalising the review to inform the 2027/28 grant scheme

Park Lands Policy and Sustainability
Christina Belperio, Acting Manager Low Carbon & Circular Economy
Sarah Gilmour, Associate Director Park Lands Policy & Sustainability
Ilia Houridis, Director City Shaping

CITY OF ADELAIDE

Key Messages

- On 14 April 2026 Council noted the next programmed review of the Sustainability Grants and Incentives Program Operating Guidelines will be in 2027.

- **Council requested that the review consider further incentives focused on increasing residential strata building and business uptake.**

- The purpose of the workshop is to provide an update on the review of the SIS and seek feedback to assist the Administration in finalising the review.

- A final report and recommendations are proposed to be presented to Council in May 2027 to enable implementation for the 2027/28 financial year, subject to annual business plan and budget deliberations for 2027/28.

Key Questions

KEY QUESTION

What are Council Members' views on how the market maturity of technologies and barriers to adoption should inform our approach to scheme design recommendations?

KEY QUESTION

What are Council Members' views on the SIS serving households, strata and business through one scheme, compared with more tailored support for each group?

Outline of Workshop

1. City of Adelaide: A Climate Leading Capital
2. The SIS at a Glance
3. 2026/27 SIS Review Summary
4. Economic Assessment
5. Review Insights to Date
6. Considerations for the Future of SIS
7. Key Questions
8. Next Steps
9. Additional Information

1. City of Adelaide: A Climate-Leading Capital

CITY OF ADELAIDE

THE SIS TO DATE

1,100
rebates approved

$2.2M
Council funding

$21.2M
total project investment

$7.80
private investment per $1 of Council funding

23,180 tCO2e emissions reduction

OUR TRACK RECORD

+50%
population since 2007*

–25%
community emissions, 2007–2023

WHY NOW

COP31
November 2026, Australia leading the negotiations

LEAD
Our chance to keep leading

City of Adelaide Strategic targets

50% emissions reduction by 2030
Integrated Climate Strategy 2030

Net zero ambition by 2035
Integrated Climate Strategy 2030

Grow the population to 50,000 by 2036
Strategic Plan 2024-2028

COP31 TÜRKİYE ANTALYA

Estimated Resident Population (ERP) | City of Adelaide | Community profile

2. The SIS at a Glance

Sustainability Grants and Incentives Program Operating Guidelines state:

The objectives of the Sustainability Incentives Scheme are:

- **Carbon emissions reduction and increase climate resilience** – support an overall reduction of carbon emissions, drive electrification, and increase climate adaption and resilience across the city.
- **Growing renewables** – increase smart utilisation and storage of renewable electricity during peak supply periods.
- **Support the economy** to divert waste, including food waste, from landfill, become more circular and increase resource recovery.
- **Equity, access, and affordability** – accelerate uptake of sustainable technologies, practices, and initiatives in an equitable and financially responsive way.
- **Minimal administrative burden** – ensuring incentives are relatively simple to assess and provide a transparent application process.

2. The SIS at a Glance

CITY OF ADELAIDE

WHO WE SERVE

- Residents
- Strata and body corporates
- Businesses / building owners
- Non-profits and community groups

WHAT WE WANT TO ACHIEVE

- Lower emissions
- Renewables and storage
- Climate resilience
- Circular economy

WHAT WE OFFER: 18 INCENTIVES

- Smart and green energy
- Active transport
- Resource recovery
- Climate ready buildings
- Whole-of-building approach

ANNUAL BUDGET

$216,275

2026/27 Budget - record uptake in Q1 of FY 26/27

3. 2026/27 SIS Review Summary

OBJECTIVE	COMPLETED	IN PROGRESS
Improve customer experience	Five Terms & Condition documents consolidated and simplified; FAQ and enquiry form added to the City of Adelaide website; customer experience (CX) survey	New web resources, how-to guides and factsheets in development in conjunction with new CoA website launch in November 2026; address CX survey findings
Assess Council's investment	Independent economic assessment of the SIS and cost effectiveness	Consider findings from economic assessment
Leverage other funding	Established partnership with State Government to drive uptake of their new StrataCharge $17.8 m funding program via SIS	Explore State Government funding opportunities for business resource recovery (organics)

3. 2026/27 SIS Review Summary

OBJECTIVE	COMPLETED	IN PROGRESS
Understand strata barriers	Trialed case-management approach for whole-of-building projects since 1 July 2026, resulting in 56% of 26/27 budget being allocated by end of Q1	One-on-one outreach; South Australian Apartment Think Tank on 5 November 2026; StrataCharge partnership delivery
Understand business barriers – Food and Hospitality	Partnered with Green Industries South Australia (GISA) Resource Recovery Precinct Pilot Program (Hospitality businesses in Peel St and Gilbert Place)	Forward planning with City Operations to trial food organics collection service & wrap around business support
Understand business barriers – Commercial buildings	Not scheduled to commence until Q3	Commercial building owner interviews (Q3); Investigation into the opportunities and barriers of upgrading the performance of commercial buildings (targeting C-grade buildings)

4. Economic Assessment

- The economic assessment analysed SIS data from 2014/15 through to the current 2026/27 financial year
- Overall, the SIS is delivering value through strong applicant co-investment and measurable sustainability outcomes
- Technologies and markets have evolved over the lifetime of the scheme
- The assessment included answering the question: *To what extent is the SIS driving uptake or additional investment that would otherwise not have occurred ('additionality')?*
- Some incentives are important enabling measures such as energy storage and switchboard upgrades and do not have standalone cost effectiveness measures
- Whole of building approaches provide the strongest energy-saving outcome (and higher additionality as they address barrier associated with complex building retrofits)
- Solar PV has been the dominant driver of measurable emissions outcomes over the lifetime of the scheme; however, it's additionality may be lower because solar PV is a mature technology with low barriers
- Future scheme design to mature further and enhance evidence led approaches and as a result keep a contemporary focus on benefits to ratepayers and CoA targets.

4. Economic Assessment

Additionality Varies by Incentive

Potentially lower than the central modelled case	Mixed, uncertain or context-dependent	Potentially higher than the central modelled case
• Solar PV	• EV charging stations • Active transportation • Shading devices • Rainwater tanks	• Whole-building approach • Switchboard upgrades • Insulation • Thermally efficient windows or doors
Rooftop solar is a mature market with existing government support. SIS may increasingly influence timing or system size rather than whether installation occurs.	The influence of SIS depends on the applicant, project setting, incentive design and the specific barrier being addressed. Available evidence does not support one consistent direction.	Capital, technical, information and coordination barriers may mean SIS support has greater influence on whether, when or at what scale projects proceed.

Source: Economic Assessment of the Sustainability Incentives Scheme. BDO Report October 2026

5. Review Insights to Date

1	CUSTOMER EXPERIENCE	**Money is not always the barrier to action, it's knowing where to start** Clear guides and resources can close the knowledge gap
2	COUNCIL INVESTMENT	**Additionality varies by incentive, market maturity** *'Capital, technical, information and coordination barriers may mean SIS support has greater influence on whether, when or at what scale projects proceed'*
3	LEVERAGING FUNDS	**Partnerships can multiply support where barriers are high** Complementary programs – CoA incentives prepare strata buildings to access support through State Government programs, increasing impact and CoA investment
4	STRATA INSIGHTS	**Governance, timing & decision making are barriers, not technology** The scheme needs to fit how strata corporations function
5	BUSINESS INSIGHTS – ORGANICS DIVERSION	**Businesses require more than rebates to change how they operate** Systems, supplier connections, and a clear pathway make waste and resource recovery easier to adopt

Common thread: A tailored scheme can do more with better guidance, partners & systems

6. Considerations for the Future of the SIS

CITY OF ADELAIDE

Maintain the current broad range of specified incentives
Regardless of emissions reduction, outcome, direct cost-effectiveness or additionality

Redesign to support key objectives
Eg: Emissions reductions
Proposals assessed on merit against criteria – could remain uncompetitive ‘incentives’ or competitive ‘grant round’

Narrow focus to higher-cost, whole-of-building incentives
Larger projects, fewer applicants, greater additionality
Requires more case management support

Narrow focus to lower-cost incentives
Smaller rebates, more applicants, lower additionality and sustainability outcomes
Simplified administration

Invest in specific outcome(s)
Eg: Electrification, reduced energy use

Invest in specific audience(s)
Eg: residential strata, commercial building owners

Target highest additionality opportunities
Those with higher barriers to adoption and low market maturity

Explore a different pathway for food organics
Eg: a future council-led organics rollout for food businesses

7. Key Questions

KEY QUESTION

What are Council Members' views on how the market maturity of technologies and barriers to adoption should inform our approach to scheme design recommendations?

KEY QUESTION

What are Council Members' views on the SIS serving households, strata and business through one scheme, compared with more tailored support for each group?

8. Next Steps

TODAY

- Council Member feedback to assist in finalising the review

Q2 & Q3

- SA Apartment Think Tank – 5 November 2026
- Business and commercial building owner insight
- New web resources launch
- Bring together review findings to inform scheme recommendations

MAY 2027

- Final report and recommendations to Council

JULY 2027

- Roll out 2027/28 Sustainability Incentives Scheme with approved revisions

Additional Information

Additional Information - 12 Years of the SIS

+ Added **− Removed**

2014/15
+ Solar

2015/16
+ Water saving
+ LED
+ EV chargers
+ Energy storage
+ Energy Smart Buildings
+ Energy monitoring

2016/17
+ Hot water

2017/18

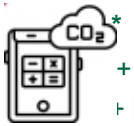
2018/19

2019/20
+ Climate Active Certification
− LED
− Energy monitoring

2020/21
+ Shared solar
+ Perform. ratings

2021/22
− Energy Smart Buildings

2022/23
+ Appliance electrification
+ Controlled load
− Shared solar
− Perform. ratings



2023/24
+ Active transport
+ Food organics
+ Reusables
+ Dishwasher
+ Sorting bins
+ Home assessments
+ REPS top-up
− Hot water
− Controlled load

2024/25
+ Climate Smart Buildings
+ Insulation
+ Shading
+ Switchboards
+ Windows and doors
+ Trees and native plants
− Climate Active Certification
− REPS top-up

2025/26
Focus on whole-of-building

2026/27
Record uptake by Q1

ANNUAL BUDGET

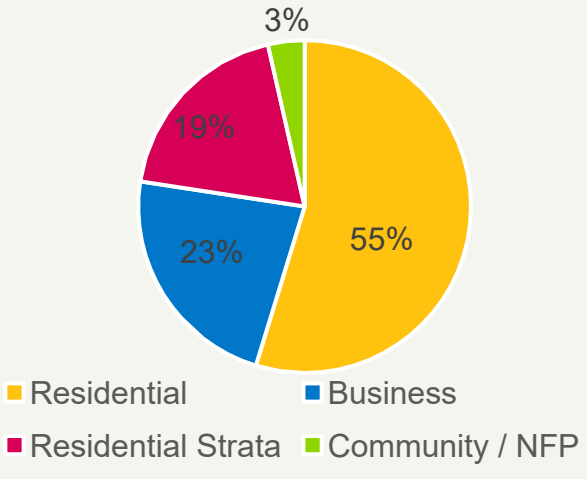
2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
$10K	$300K	$439K	$536K	$344K	$232K	$266K	$163K	$200K	$200K	$214K	$233K	$216K

**Carbon Emissions Calculations Introduced*

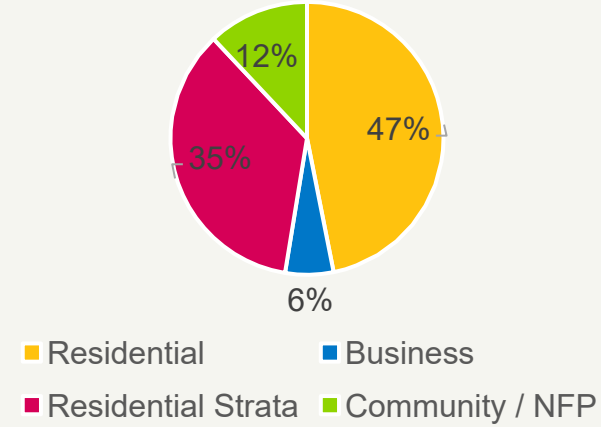
Additional Information - 12 Years of the SIS

Rebates approved by property type

2014/15 – 2026/27 YTD

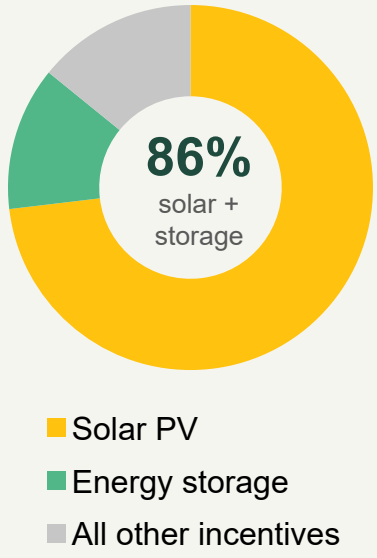


FY 2025/26



Where project investment went

2014/15 – 2026/27 YTD



Additional Information - 12 Years of the SIS

	Incentive	Residential (incl. strata)	Commercial	Not-for-profit
Smart and green energy	Appliance electrification	50% to $2,000	50% to $10,000	50% to $10,000
	Switchboard upgrades	50% to $5,000	50% to $5,000	50% to $5,000
	Solar PV	20% to $5,000	20% to $5,000	20% to $5,000
	EV charging stations	50% to $1,000	50% to $1,000	50% to $1,000
	Energy storage	50% to $1,000	50% to $1,000	50% to $1,000
Active transport	E-bikes, cargo bikes, bike racks	20% to $500; racks 20% to $200 (strata only)	20% to $500	20% to $500
Climate ready	Shading devices	50% to $2,000	50% to $2,000	50% to $2,000
	Thermal windows and doors	50% to $3,500	50% to $3,500	50% to $3,500
	Insulation	50% to $2,000	50% to $2,000	50% to $2,000
	Rainwater tanks	50% to $5,000	50% to $5,000	50% to $5,000
	Green walls and roofs	50% to $5,000	50% to $5,000	50% to $5,000
	Trees and native plants	Up to $100	Up to $100	Up to $100
Whole building	Whole-building approach	Design and documentation: 50% to $10,000. Bundled rebates: 50% to $20,000 (4 storeys or fewer) or $40,000 (5+). Pre-commitment required.		
Resource recovery	Food organics collection	Not available	Up to $4,000	Up to $4,000
	Green waste diversion	50% to $5,000*	50% to $5,000	50% to $5,000
	Indoor sorting bins	Not available	50% to $5,000	50% to $5,000
	Reusable containers (delivery)	Not available	50% to $500	50% to $500
	Reusable containers (purchase)	Not available	50% to $10,000	50% to $10,000

** Residential strata without a green waste collection service but with a garden.*