

Integrated Climate Strategy Annual Report 2025/26

Wednesday, 23 September 2026

Audit and Risk Committee

Strategic Alignment - Our Environment

Public

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EXECUTIVE SUMMARY

The purpose of this report is to present the second annual report for the Integrated Climate Strategy 2030 - Resilient, Protected, Sustainable (ICS), adopted by Council on 11 June 2024 ([Link 1](#)). The ICS Annual Report 2025/26 is provided as **Attachment A**.

The City of Adelaide (CoA) is amongst a group of leading Australian local governments voluntarily aligning annual reporting of its climate strategy with the Australian Sustainability Reporting Standards AASB S2 Climate Related Disclosures.

While local government is not required to disclose information about climate-related risk and opportunities, proactive voluntary reporting aims to increase transparency for residents, businesses and partners on how the CoA is acting on and mitigating current and future climate change risks.

The ICS Annual Report is structured to describe progress against the ICS and management of climate-related risk for the 2025/26 financial year, aligned with the core elements of AASB S2:

- Governance – processes for monitoring and managing climate-related risks and opportunities.
- Strategy – our approach to managing climate-related risks and opportunities.
- Risk management – processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities.
- Metrics and targets – our performance related to climate risks and opportunities, including progress on targets.

The ICS Annual Report 2025/26 is consistent with the Risk and Reporting Framework presented to the Audit and Risk Committee on 27 September 2024 ([Link 2](#)) and noted by Council at its meeting on 8 October 2024 ([Link 3](#)).

Priorities in the ICS are funded annually through the CoA's Annual Business Plan and Budget process. The priorities for 2026/27 are detailed in **Attachment B** and included in the ICS Annual Report 2025/26.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Receives the Integrated Climate Strategy 2030 – Resilient, Protected, Sustainable (ICS) Annual Report 2025/26 as contained in Attachment A to Item 6.7 on the Agenda for the Audit and Risk Committee held on 23 September 2026.
2. Receives the 2026/27 Implementation Plan for the Integrated Climate Strategy 2030 – Resilient, Protected, Sustainable (ICS), as contained in Attachment B to Item 6.7 on the Agenda for the Audit and Risk Committee held on 23 September 2026.
3. Authorises the Chief Executive Officer, or delegate, to make minor, typographical and technical amendments to the documents as contained in Attachment A and Attachment B to Item 6.7 on the Agenda for the Audit and Risk Committee held on 23 September 2026 for the purpose of finalising the document.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Environment Outcome: A sustainable City where climate resilience is embedded in all that we do.
Policy	The ICS includes actions to integrate climate risk into governance documents, processes, facility planning and management, and service provisions so that risk can be managed.
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	The Climate-Related Financial Disclosures Framework in Australia mandates that organisations recognise climate change as a material risk. It requires integration of climate risk management and adaptation strategies into operations to mitigate legal and liability exposure and enhance climate resilience. The CoA Strategic Risk Register identifies climate change adaptation and vulnerability as a strategic risk. Climate-related risks and opportunities are included within the CoA's Enterprise Risk Management Framework.
Opportunities	The financial implications of implementing the ICS are being addressed through the CoA's Long Term Financial Plan and Asset Management Plans.
26/27 Budget Allocation	The 2026/27 Annual Business Plan and Budget includes strategic investment in climate initiatives totalling \$5.97M, in addition to standard operating expenditure, which includes: • EV charging: \$0.075M • Apartment Food Organics Pilot: \$0.150M • Resilient Flood Planning: \$0.4M • Park Lands Climate Impact Assessment: \$0.10M • City Public Realm Greening: \$2.30M • Park Lands Trail bike crossings: \$2.6M • Integrated Transport Strategy Implementation: \$0.23M • Nursery and green Waste Recycling Facility: \$0.12M The 2026/27 implementation plan for the ICS is contained in Attachment B .
Proposed 27/28 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
26/27 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Purpose

1. This report presents the second annual report for the Integrated Climate Strategy 2030 – Resilient, Protected, Sustainable (ICS) adopted by the Council on 11 June 2024 ([Link 1](#)). The ICS Annual Report 2025/26 is provided as **Attachment A**.
2. The City of Adelaide (CoA) is amongst a group of leading Australian local governments voluntarily aligning annual reporting against its climate strategy with the Australian Sustainability Reporting Standards (ASRS).
3. While the CoA is not yet captured under the ASRS, proactive voluntary reporting aims to increase transparency for residents, businesses and partners on how the CoA is acting on and mitigating current and future climate change risks.

ICS Annual Report 2025/26

4. The ICS Annual Report is structured to describe progress against the ICS and management of climate related risk for the 2025/26 financial year, aligned with the core elements of the ASRS:
 - 4.1. Governance – processes for monitoring and managing climate-related risks and opportunities.
 - 4.2. Strategy – our approach to managing climate-related risks and opportunities.
 - 4.3. Risk management – processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities.
 - 4.4. Metrics and targets – our performance related to climate risks and opportunities, including progress on targets.
5. The ICS Annual Report 2025/26 is consistent with the Risk and Reporting Framework presented to the Audit and Risk Committee on 27 September 2024 ([Link 2](#)) and noted by Council at its meeting on 8 October 2024 ([Link 3](#)).
6. Key changes made from the first report in 2024/25 include:
 - 6.1. Commitment to transparency and accountability (section 1.3) - is updated to note the annual report is structured around the four AASB S2 core content pillars applied on a voluntary and proportionate basis.
 - 6.2. Basis of preparation and disclosure index (section 1.4) – a new section is included providing a statement covering the five elements required for emissions preparation and disclosure:
 - 6.2.1. Emissions reporting boundary (the City of Adelaide's own operations for FY2025/26, with community emissions on a two-yearly cycle).
 - 6.2.2. Intended users (community and Council rather than investors).
 - 6.2.3. Materiality lens (tied to the climate risk and ICS goals).
 - 6.2.4. Data limitations (including that metrics are not measured annually, Scope 3 estimation methods, community emissions reporting lag and further work required to integrated with the Long Term Financial Plan).
 - 6.2.5. Voluntary context (confirming the CoA's approach to voluntary reporting which is not intended as a compliance statement or external assurance).
 - 6.3. ICS governance structure and roles (section 2.1) - amended to include a diagram outlining the climate risk reporting structure.
 - 6.4. ICS governance capability statement (section 2.2) – new section providing a statement of capability and skills.
 - 6.5. Climate risk method (section 4.2) – new section summarising climate risk method, criteria, review cycle and integration with enterprise risk management and internal audit.
 - 6.6. Linking priority risks and opportunities to assets, actions, metrics and owners (new Section 4.4) – insertion of a table covering the CoA's priority 1 risks (extreme heat, flooding, asset damage/failure, financial and insurance, building transition) and opportunities, each linked to affected assets/services, the ICS actions responding, the ICS metrics, and functional responsibility.
 - 6.7. Appendix 2 Metrics basis of preparation – new appendix describing metrics basis of preparation and target table with scope, base year, review process and limitations.

7. The ICS Annual Report sets out achievements aligned with the Council's Strategic Plan 2024-2028, goals and targets in the ICS, and the 2025/26 climate-related commitments in the Annual Business Plan and Budget 2025/26.
8. The following table summarises the achievement of targets from the Strategic Plan 2024-2028:

Target		Achievement
CoA's target is to halve our climate impact by 2030 and make it nil by 2035. Support a 50% reduction in the city's community greenhouse gas emissions by 2030 from the 2020 baseline, with an ambition to be net zero by 2035	✓	Total emissions for City of Adelaide operations are down 63% since the baseline of FY2020. Community emissions are calculated every two years for the preceding two years due to the time it takes to gather the data. In 2026/27 CoA will be preparing FY2024/25 and FY2025/26 profiles.
Establish a baseline to measure circularity in the City of Adelaide and initiate targets to increase circular economy outcomes	✓	A total of 155 circular businesses were identified, or 1.2% of businesses across the city. Together, their activities generated an estimated \$254.6 million in Sales/Output, contributed \$156 million in value added, and supported approximately 1,080 full-time equivalent jobs in 2023-24.
Support a net increase in street trees annually aligned to heat island data within Council's Climate Strategy	✓	The City Public Realm Greening Program commenced in 2024/25 and was continued in 2025/26. A total of 205 new trees were planted in 2025/26.
All asset investment (design, construct and maintenance) considers and embeds appropriate climate resilient measures	✓	A review of the City of Adelaide's Technical Standard Details investigated material substitution opportunities for asphalt, paving, road base and concrete. Substitution with low-carbon concrete, recycled asphalt product, and recycled crushed concrete as crushed rock placement products was tested with existing suppliers and confirmed to be readily available materials. City of Adelaide is using the material substitutions for projects in design from 1 July 2026 and intends to include them in all capital projects for construction in 2027/28.

9. In addition to the Strategic Plan 2024-2028 targets, 15 commitments from the ICS were identified for delivery in 2025/26. A statement of achievement is provided in **Attachment A**.
10. Council has completed or is progressing projects under all five goals in the ICS. Key highlights include:
 - 10.1. The decommissioning of gas across three CoA buildings (Victoria Park Grandstand, North Adelaide Community Centre and the Bus Station) and partial electrification of London Road Depot was undertaken in 2025/26. As part of the project, the maintenance workshop at London Road Depot is trialling new electric heaters and heated 'wearables' over the coming months with an assessment planned for later this calendar year to determine the path to finalise the electrification of the site.
 - 10.2. Delivery of a successful year of the Sustainability Incentives Scheme, with funding fully expended. The program delivered 156 projects, resulting in an estimated emissions reduction of 246 tCO₂e.
 - 10.3. The City of Adelaide's online Cool Wayfinding Tool was launched to assist people in finding the most comfortable walking routes in the city on hot summer days. A dashboard shows data from 50 microclimate sensors installed in the CBD, North Adelaide and the Adelaide Park Lands. The Cool Wayfinding Tool uses this data, along with other datasets, to create a thermal comfort model of the city. The tool then allows users to select the 'quickest' route and the 'coolest' route in the city or North Adelaide.
 - 10.4. A comprehensive update to Adelaide Park Lands biodiversity management plans was completed through the Key Biodiversity Area (KBA) Management Plan 2026–2031. The update revises the six KBA Management Plans developed in 2018 and extends coverage to a seventh KBA, the Education Hub at G S Kingston / Wirrarninthe (Park 23), designated following the 2024 Biodiversity Survey.

Risk Management

11. The ICS Annual Report identifies the CoA's existing 20 climate-related risks and their priority.
12. The CoA commenced a review of its climate-related risk and opportunity register in June 2025 to ensure that it best aligns with the ICS, informs updates to strategies, and adapts to changes in climate science or CoA operations.
 - 12.1. This review has subsequently informed the integration of climate risk management into the Council's corporate risk framework, following the reduction of 283 climate-related risks to 12 strategic risks and their incorporation into BDO's Strategic Risk Assessment and Alignment Internal Audit. The responses to the audit were endorsed by SRIA on 6 August 2026 and noted by the Audit and Risk Committee (ARC) on 14 August 2026 and will be reflected in the ICS Annual Report in 2026/27.

2026/27 ICS Implementation Plan

13. Priorities in the ICS are funded annually through the CoA's Annual Business Plan and Budget process. The priorities for 2026/27 are detailed in **Attachment B** and included in the ICS Annual Report, as follows:
 - 13.1. Collaborate with the Department for Environment and Water and Green Adelaide to manage the seasonal migration of Tree Martins.
 - 13.2. Deliver projects to narrow roads, reduce through traffic and implement traffic calming measures that contribute to greening and cooling in line with the City of Adelaide Wellbeing Strategy.
 - 13.3. Deliver system improvements for fuel and fleet management.
 - 13.4. Deliver the Adaptive Reuse City Housing Initiative (ARCHI).
 - 13.5. Deliver the City Public Realm Greening Program.
 - 13.6. Deliver the EV Transition Roadmap including on-street EV chargers in select locations which support the transition to EVs and minimise impacts on the public realm.
 - 13.7. Deliver the Sustainability Incentive Scheme, which supports the community to implement changes to reduce carbon emissions.
 - 13.8. Design an Aboriginal Rangers Program for the Adelaide Park Lands to support traditional land management practices.
 - 13.9. Establish a Sustainability Innovation Design Competition to focus on greening, encouraging sustainability, innovation and efficiencies.
 - 13.10. Improve lighting on the Market Link access footpath to the Adelaide Central Market.
 - 13.11. Support city users to utilise public transport around the City of North Adelaide.
 - 13.12. Support city users travelling into and through the city using active transport, cycle routes and separated bike lanes.
 - 13.13. Support the water course rehabilitation of the Botanic Catchment while undertaking resilient flood planning.
 - 13.14. Undertake a climate impact assessment for the Adelaide Park Lands.
 - 13.15. Undertake a kerbside waste audit to measure diversion of waste from landfill.
 - 13.16. Undertake a pilot in high rise buildings to increase diversion of food organics from landfill.
 - 13.17. Undertake an assessment of the City of Adelaide's Nursery, Green Waste, Recycling and Mulch Centre to improve efficient green waste recycling and improved business services.
 - 13.18. Undertake upgrades to SA Power Networks (SAPN) Luminaries.

Next Steps

14. Pending Council decision, the ICS Annual Report 2025/26 will be finalised and published to the CoA website.
15. Key achievements will be reported in the City of Adelaide Annual Report as required under section 131 of the *Local Government Act 1999* (SA).
16. The Administration will work throughout 2026/27 to deliver the ICS to ensure that climate risk continues to be managed.

DATA AND SUPPORTING INFORMATION

Link 1 – [Integrated Climate Strategy 2030 – Resilient, Protected , Sustainable](#)

Link 2 – [Audit and Risk Committee, 27 September 2024, Integrated Climate Strategy Reporting Framework \(Item 8.6\)](#)

Link 3 – [Council Agenda - Tuesday, 8 October 2024, Recommendations of the Audit and Risk Committee \(Item 12\)](#)

ATTACHMENTS

Attachment A – Integrated Climate Strategy 2030 – Resilient, Protected, Sustainable, Annual Report 2025/26

Attachment B – 2026/27 Implementation Plan - Integrated Climate Strategy 2030 – Resilient, Protected, Sustainable

- END OF REPORT -