Local Government Program

2026-27
Grant Funding Guidelines

Accelerating circular economy for local government grants

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Government of South Australia
Green Industries SA

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Acknowledgement of Country

Green Industries SA acknowledges and respects the Traditional Custodians whose ancestral lands we live and work upon, and pays respect to their Elders past, present and emerging.

We acknowledge and respect their deep spiritual connections, and the relationship that Aboriginal and Torres Strait Islander people have to Country.

We extend our respect to all Aboriginal and Torres Strait Islander peoples and their nations in South Australia, and across Australia.

About Green Industries SA

Green Industries SA (GISA) is an enabler and driver of change, supporting the development of the circular economy through diverse collaborations which improve productivity, resilience, resource efficiency and the environment.

GISA works to transform how South Australians use and value resources, and the agency's objectives under the *Green Industries SA Act 2004* are to:

- promote waste management practices that, as far as possible, eliminate waste or its consignment to landfill
- promote innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present valuable opportunities to contribute to the state's economic growth.

Learn more about GISA.

South Australia's waste strategy

The Accelerating Circular Economy (ACE) for Local Government grant program supports implementation of *Accelerating SA's transition to a circular economy: South Australia's waste strategy 2025–2030* (the Strategy). The Strategy aims to accelerate South Australia's transition to a circular economy by reducing waste, improving resource recovery, and supporting a low-emissions, resource-efficient economy.

This grant program assists the delivery of actions in the Strategy by supporting:

- reduction of contamination rates in kerbside organics and recycling bins
- development of solutions for high-quality sorting and removal of contaminants from waste
- development and update of local or regional waste and resource recovery plans or strategies aligned with the goals of the circular economy
- development of regional circular economy roadmaps and place-based solutions
- roll-out of recycling and organic waste bins in suitable public places
- initiatives involving collaborative consumption and the development of circular hubs to provide citizens with convenient access to a suite of circular goods and services.

About the ACE for Local Government grant program

GISA has provided funding support to metropolitan and regional councils to assist with the implementation of improved waste and recycling services delivered to residents. This has included support to increase diversion of materials from landfill using better performing waste management systems in tandem with other initiatives, such as investment in education, regional planning, research and development, and infrastructure.

Achieving higher circular economy outcomes requires a greater focus on approaches that prioritise waste avoidance, resource recovery and material circulation. As opportunities for the transition to a circular economy continue to emerge, the program continues to support councils to identify and implement innovative approaches that improve resource recovery performance

outcomes, including opportunities to explore higher-order circular economy initiatives such as reuse and repair, through:

- investigating use of technology, including market testing
- researching and developing strategic plans and roadmaps to guide circular economy initiatives
- improved waste management and resource recovery service provision

By embracing circular economy principles and adopting innovative practices, South Australian councils and council subsidiaries can improve operational performance and high value circular economy outcomes, reduce service costs, and increase householder satisfaction and engagement.

Aim

The ACE for Local Government grant program aims to encourage South Australian councils to increase implementation of circular economy principles and improve waste management and recycling services through the introduction of innovative initiatives, strategies, actions and approaches.

Objective

The above will be achieved by implementing a range of priority initiatives supported through the program, such as:

- detection and reduction of contamination
- using technology and innovation to improve service delivery
- development of circular roadmaps, regional waste management plans and strategies

Outcomes

The initiatives supported through the program are anticipated to result in operational efficiencies, improved understanding of disposal behaviours, increased regional collaboration, and circular economy benefits for the community, the environment and the economy.

Grant funding overview

Funding is open for all South Australian councils and subsidiaries under the *Local Government Act 1999* that manage waste and recycling services (including organics) for residential and small business ratepayers. Applicable services include:

- waste, comingled recyclables and organics collected through kerbside collected bins or at drop-off facilities
- public place comingled and organics recycling
- council-operated commercial collection services.

Priority areas

Priority areas eligible for funding consideration under this program are outlined below.

Priority area A: Contamination detection and reduction

Contamination in kerbside bins, particularly the food organics and garden organics (FOGO) and comingled recycling bins, represents a significant challenge for council waste management services and circular outcomes. It disrupts the operation of material recovery facilities and organics processors, increasing costs of processing while lowering the quality of recovered material and outputs. Contaminated loads may be rejected or disposed of, leading to increased costs for councils and the loss of valuable resources to landfill.

Recognising the impacts of contamination, the Strategy prioritises the reduction of contamination at both the source (household kerbside bins) and within resource recovery processes through several action items, including:

> **3.20** Support the development of solutions for high-quality sorting and removal of contaminants from waste
>
> **3.24** Investigate options to enable a reduction in contamination rates in kerbside organics and recycling bins
>
> **3.25** Support reduction of contamination rates through monitoring, supporting correct use and providing targeted assistance where required.

Applicants are invited to propose projects that detect, monitor and provide solutions to reduce contamination or improve the quality of sorting to increase resource recovery and improve the quality of recovered materials.

Examples of eligible projects include, but is not limited to:

- Detection and reporting of contamination (e.g. trial of battery-detection technologies or AI-enabled camera systems to identify and detect contamination).
- Monitoring bins and targeted education to householders and small businesses that use council-collected kerbside bins to inform potential solutions

Priority area B: Using technology and innovation to improve service delivery

South Australian councils are invited to consider how technological innovation can be developed and applied to their waste management and resource recovery services. In doing so, councils should expect more efficient and effective operational performance that supports environmental, social, and economic outcomes.

Examples of eligible projects include, but is not limited to:

- Technology that optimises service provision (e.g. smart infrastructure to optimise collection efficiency and recovery performance).
- Digital community engagement for education and behaviour change.

Priority area C: Development of circular roadmaps, waste management plans and strategies

GISA has supported councils to collaborate in the development of waste management plans since 2003–04. Waste management plans help identify workable, efficient and cost-effective solutions for waste management. Many of these plans require updating to ensure they are fit-for-purpose and provide future direction for improved efficiencies in service delivery.

Regional SA faces challenges and opportunities that are unique to regional areas as well as challenges that are common across councils, such as geographically dispersed populations, distance to processing facilities and the related high transport, processing and disposal costs. Recognising these challenges, the Strategy identifies actions to support the circular economy transition in regional areas, which inform this priority area. While there is an emphasis on regional needs, strategic planning is important for all councils. Local governments and local government associations across South Australia are encouraged to consider projects under this priority area.

South Australia's Waste and Resource Recovery Infrastructure Plan (2018), provides guidance for the future infrastructure planning and investment in the waste sector. GISA is currently developing a Circular Economy Resource Recovery Infrastructure Plan which is anticipated to be available in 2027. This new plan will build upon the 2018 plan and the 2020 addendum, expanding the scope to support a more comprehensive circular economy approach. It aims to guide investment over the next 20 years and broaden the focus to include emerging waste streams, circular precincts, community circularity hubs, placed-based assessment and higher-order hierarchy options such as reduction, reuse and repurposing.

The Strategy also recognises and supports the development of regional circular economy roadmaps to identify opportunities and encourage innovative place-based solutions to support the circular economy transition in regional areas.

Example of eligible projects under this priority area includes, but is not limited to:

- Development and/or update of regional waste management plans and strategies.
- Development of regional circular roadmaps and/or investigation of place-based solutions.

Other eligible projects

Other projects eligible for funding consideration are outlined below.

- **Development of council-operated circular hubs**
  Eligible projects may include research, feasibility studies and planning activities to support the establishment of council-operated circular hubs aligned with *Community Circular Hub Guide* to make circular goods and services more accessible and

convenient, and boost sustainability and social connection within communities.

Please note funding under this program is only available for the investigation and development activities for council-operated circular hubs. The construction of infrastructure is not an eligible funding item under this program.

- **Market research to support the development of sustainable and circular economy initiatives**

  Eligible projects may include research to assess community attitudes relating to different collection service frequencies and proposed pilots, use of in-home food waste systems, or other sustainable and circular economy initiatives.

- **Introduction of public bins stations**

  To be eligible for funding, public bin stations will be required to include, at a minimum, a public place organic bin, 10c container collection infrastructure (in the form of a bin or collection racks), and a bin for residual waste. Supporting visual cues are required to be aligned with government / GISA-approved education campaigns, such as *Which Bin.* GISA funding cannot be used for bin collection and/or processing costs.

Conditions of funding

Eligibility criteria

This grant program is available to any council or local government subsidiary established under the *Local Government Act 1999 (SA)* delivering a project within South Australia in accordance with these guidelines. GISA has the discretion to not consider incomplete applications.

Applicants must:

- be a council or local government subsidiary established under the *Local Government Act 1999 (SA)*
- be solvent and able to enter into a legally binding funding agreement with GISA
- comply with all relevant federal and state laws, regulations and any applicable Environment Protection Authority requirements.

Projects must:

- be delivered in South Australia for the benefits of South Australian communities
- contribute to delivery of the program aim, objective and outcomes
- contribute to the implementation of South Australia's waste strategy 2025-30
- align with one or more of the priority areas A to C, or 'other eligible projects' as mentioned above.

What will not be funded

Grant funds will **not** be available for:

- retrospective projects (to be eligible, projects must start after the grant agreement has been executed)
- projects targeting:
    - energy from waste outcomes
    - hazardous waste kerbside collections
    - ‘stand-alone’ education and market research (unless part of a pilot project)
    - infrastructure, unless required as part of projects aligned to priority A or B
- any project deemed more appropriate to fit under an alternative grant funding program (administered by GISA or another organisation)
- any project that GISA deems to be inconsistent with the program aim, objective, and outcomes.

Funds under this program are **not available** for:

- general organisational administration or operating costs, such as electricity, water and other utilities costs, subscription, lease, licensing fees or insurance costs
- fees for legal and accounting services
- fees associated with insurances
- vehicle purchase, hire, lease, and/or repair.

Funding availability

Applications for grants starting at **$15,000** to a maximum of **$100,000** (excluding GST) per project, per proponent, are invited. Priority will be given to applications which have a budget already allocated and are aligned to the priority areas included above.

All applicants must:

- contribute at least 50% of total project costs from sources other than the South Australian and Australian governments, and not including ‘in-kind’ (non-financial) payments, unless eligible for a reduced co-contribution (see below)
- have projects completed within 2 years of the grant being offered.

Reduced co-contribution:

- Regional councils located outside the Greater Adelaide Region may apply for funding of more than 50% if they can demonstrate limited ability to meet the 50% co-contribution requirement. Applicants applying for a reduced co-contribution must contribute at least 25% of total project costs from sources other than the South Australian and Australian government, excluding ‘in-kind’ contribution.
- Requests for funding of more than 50% of the total project costs will be assessed and considered at GISA’s discretion.

Collaborative applications with project partners such as other industry or local government organisations, associations and representatives from targeted market segments are welcomed.

Submitting your application

All applications must:

- use the relevant application form, available on the GISA website
- be submitted with a declaration signed by an appropriately authorised representative from the applicant organisation such as the chief executive, executive officer, chairperson, or equivalent
- be no more than 20 pages in length, and no more than 10 MB in size (including attachments)
- be submitted electronically (MS Word or Adobe .pdf file) to han.tran@sa.gov.au by **5 pm ACDT, 4 December 2026** with the subject line 'ACE for Local Government grant 2026-27 – application – [applicant name].'

All applications will be acknowledged as 'received' via return email within 2 business days of the submission date. If an application is sent via email and not acknowledged within that timeframe, please contact Han Tran on 0474 193 376.

Further information

For further information, or to discuss your application and eligibility, contact Justin Lang at justin.lang@sa.gov.au or on 0419 948 931.

Assessment process

- Applications will be reviewed by GISA staff to confirm eligibility against the eligibility criteria outlined in these guidelines. GISA has ultimate discretion in eligibility assessment.
- All eligible applications will be assessed by an evaluation panel convened by GISA against the assessment criteria included in these guidelines (see below). The evaluation panel will assess applications based on the information provided in the application form and supporting documentation provided by the applicant with their application. The evaluation panel may be comprised of GISA staff and/or external specialists at GISA's discretion. All panel members will uphold confidentiality and declare any conflict of interest which will be managed by GISA's evaluation Chairperson.
- If required, additional written information may be requested from the applicant to assist with the assessment. Failure to provide information requested by GISA in a timely manner may terminate the assessment process and the application may be deemed ineligible for funding.
- A site visit and/or interview with eligible applicants may be requested as part of the evaluation.
- GISA may conduct due diligence checks on project partners named in the application and the applicant must ensure that project partners agree to cooperate with this requirement and provide information at GISA's request.
- GISA reserves the right not to award funding to applicants where the due diligence risk (including that of project partners) is unsatisfactory or is not able to be effectively managed.
- GISA has the ultimate discretion in relation to its funding decision and applicants should note that irrespective of eligibility and merit, there is no guarantee that an offer of

funding will be made.

- The evaluation panel will recommend projects to be funded and funding amounts to the appropriate GISA delegate for decision, which considers the evaluation outcomes and GISA's budget availability.
- The duration of the assessment process may vary depending on the nature of applications and GISA staff availability. As a guide, the duration between the submission of the application and any additional supporting information requested by GISA (if applicable) and the decision regarding funding approval should take no longer than 6 weeks.
- Initial notification of the success of the application will be provided by email once the assessment process is complete. Funding agreements containing terms, conditions and payment milestones swill be prepared and provided following the initial notification.

Assessment criteria

GISA has the discretion to not consider incomplete applications. Applications must meet all *eligibility criteria* (see previous section) before an assessment will be made. Applications that do not meet all eligibility criteria will not progress to assessment.

Applications that are complete and meet all eligibility criteria will be assessed against the criteria below:

Non-weighted criteria

Each of the following non-weighted criteria will be scored out of 10. Applicants must score at least 5 on each criterion to be considered for funding.

Project management/capacity to deliver

Capability and capacity to manage the project is demonstrated through adequate market research, staff experience, key items identified in budget and relevant quotes.

Timing

Demonstrate in the project budget table a timeframe for key project activity. Preference will be given to projects that can be completed/commissioned within 2 years from offer of grant. Projects that commence before or from 1 July 2027 may be considered favourably.

Risk

Applicants are required to undertake and include a risk assessment of the key risks associated with the proposed project and are responsible for project risk management. Guidance is provided in Appendix 1 on the program webpage. Applications should identify appropriate and relevant risks and strategies to mitigate risk when assessed as 'medium' in accordance with template provided in the application form.

Weighted criteria

The following criteria each have a different maximum score as indicated in the criteria headings. Those with a higher maximum score are deemed to be weighted higher than others

and will contribute more to the overall decision-making process when considering which applications are recommended for funding approval.

Applications must score at least 50% of the allocated maximum score for each criterion below to be considered for funding approval. Those with the highest tallied score across the weighted criteria will be given preference for funding recommendation.

Benefits of the project (20)

- The improvements in municipal services such as collection efficiency, cost effectiveness, customer service, community impact/support and environmentally responsible waste management and circular economy practices.
- The potential for the project to be scaled for wider uptake across the local government sector with learnings from all intellectual property shared through case studies and presentations.
- Contribution of the project to enable a more circular economy for South Australia where materials are used for their highest order purpose for as long as possible.

Project viability (10)

A business case which demonstrates the initiative will result in or contribute to:

- economic development benefits
- reduced costs and/or more efficient and effective services
- improved services within the community
- improved circular economy outcomes for South Australia.

Value for money (10)

This will consider:

- the expected benefits of the project regarding landfill diversion, reduced contamination of organics and recycling streams, and improved circularity outcomes for the community and South Australia against the total project cost and funding requested.
- the extent that grant monies are leveraged with other funding; and
- whether there is an existing budget allocation for the initiative will also be considered.

Alignment with priority areas under the 2026-27 program (10)

Applications that clearly match a priority area (listed previously) will receive a higher score in this section.

Access and rights to intellectual property

Applicants and their project partners (if applicable) must be able to demonstrate they have access to any intellectual property necessary to carry out the project.

Funding recipients are required to provide GISA with access to all project intellectual property, reports, findings and outcomes, which may be shared to support the broader sector development.

Privacy and commercial-in-confidence considerations

All applications will be treated as commercial-in-confidence. GISA reserves the right to include third party evaluations as part of the assessment process and has the ultimate discretion in relation to publicity for successful applications.

Insurance

The applicant must hold and maintain Public Liability insurance and Professional Indemnity insurance (or equivalent) to the value of at least $1 million per claim for the duration of the proposed project.

Councils covered under the Mutual Liability Scheme are encouraged to ensure all sub-contractor(s) or service provider(s) engaged for project delivery hold and maintain both Public Liability and Professional Indemnity insurance valued at a minimum of $1 million per claim for the duration of the proposed project and personal accident insurance where volunteers are expected to be involved with projects.

Approvals required

All required approvals, such as a council resolution, are to be provided within 3 months of receiving the initial notification or within 3 months of signing of the grant agreement, as determined in writing between successful applicants and GISA

Grant agreement

Successful applicants will be required to enter into a grant agreement with GISA. This agreement will set out the terms of the grant, conditions, payment schedules, project timing, key performance indicators, reporting requirements and other matters.

A copy of the standard grant agreement can be provided on request.

Duration

Grants may be provided for eligible project costs incurred for a maximum period of 24 months from the date of execution of a grant agreement, or as otherwise negotiated and agreed by GISA. The duration of the grant will be detailed in the grant offer.

Reporting

GISA requires successful applicants to provide regular reporting on the project's progress and outcomes. The reporting will be determined on a case-by-case basis. Reporting requirements and payment milestones will be included in grant offers and agreements.

Publicity, promotion and case studies

Successful applicants are not permitted to publicise projects without gaining prior written approval from GISA.

GISA has ultimate discretion about publicity of projects and the state government (GISA) must be acknowledged in all media and promotional activities relating to successful projects.

Terms and conditions regarding publicity will be included in grant agreements.

All successful applicants must be willing to cooperate and participate in the development of case study and/or other public-facing materials based on funded projects if requested by GISA. Case study and other materials will use information of a non-sensitive nature and will be available to successful applicants for their own promotional and/or educational purposes following initial publication by GISA.

All successful applicants must, if requested, supply a high-resolution logo, and authorise its use on the GISA website, and agree to be listed as a program participant on GISA's 'projects funded' webpage.

The value of grants will also be listed against the successful applicant's name on the GISA website, with a short description of the funded project.

Unsuccessful applications

Applicants that have been unsuccessful for receiving grant funding will be notified in writing, including a summary of the reasons why the application was not successful and guidance on how any queries may be raised.

Please contact the Program Manager for further information.