

Financial Assistance Grants

2026-27

The Victorian Local Government Grants Commission prepares recommendations to the Commonwealth Government for the allocation of financial assistance grants to support councils in delivering services to their communities.

In 2026-27, Victorian councils will receive a total of \$872.3 million in financial assistance grants:

- 642.9 million in general purpose grants
- \$229.4 million in local roads grants.

These funds are provided annually by the Commonwealth Government. This funding is “untied” – i.e. councils can use the grants at their discretion. Grants are paid in quarterly instalments.

Victorian Local Government Grants Commission

The Victorian Local Government Grants Commission is a three-member, independent statutory body.

The Commission is responsible for recommending how the financial assistance grants should be allocated between the state’s 79 councils.

The current members are

- Steven Kingshott (Chair)
- Michael Ulbrick
- Margaret Allan PSM

The Commission makes recommendations to the Commonwealth Government for the allocation of these funds on the basis of a formula which is reviewed annually. Councils are able to have input into the way the grants are allocated through submissions or during meetings with the Commission.

General Purpose Grants (\$642.9 million)

Recommendations for the allocation of general purpose grants are based on an assessment of councils’ relative needs.

This takes account of a range of data for each council including population, number of dwellings, valuations, socio-economic disadvantage, population growth, population dispersion, regional significance and tourism.

\$27.125 million to \$0.518 million		Range of general purpose grants
7,073,756		Population of Victoria (June 2025)
\$87.43		Average per capita general purpose grant
\$1,271.97		Highest per capita general purpose grant
\$27.27		Minimum per capita general purpose grant (Australian Government requirement)

Local Roads Grants (\$229.4 million)

Recommendations for the allocation of local roads grants are based on an assessment of councils’ relative needs in maintaining their local roads.

This takes account of roads lengths and traffic volumes for each council, as well as other factors including climate, freight and sub-grades.

\$6.755 million to \$0.083 million		Range of local roads grants
133,861 km		Local road length – Victoria
\$16.10		Average local roads grant /per capita (June 2025)
\$830.68		Highest local roads grant /per capita
\$5.21		Lowest local roads grant /per capita