

Financial Assistance Grants

2020-21

The Victorian Local Government Grants Commission allocates financial assistance grants to support councils in delivering services to their communities.

In 2020-21, Victorian councils will receive a total of \$624.7 million in financial assistance grants:

- \$462.5 million in general purpose grants
- \$162.2 million in local roads grants.

These funds are provided annually by the Australian Government. All of 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


- John Watson (Chair)
- Julie Eisenbise
- Michael Ulbrick

Funds are allocated 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 meetings with the Commission.

General Purpose Grants (\$462.5 million)

General purpose grants are allocated 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.

\$19,014 to \$0.0434 million		Range of general purpose grants
6,595,983		Population of Victoria (June 2019)
\$70.01		Average per capita general purpose grant
\$950.84		Highest per capita general purpose grant
\$21.03		Minimum per capita general purpose grant (Australian Government requirement)

Local Roads Grants (\$162.2 million)

Local roads grants are allocated 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.

\$4,999 to \$0.060 million		Range of local roads grants
132,420 km		Local road length – Victoria
\$1,225		Average local roads grant/km (June 2016)
\$3,047		Highest local roads grant /km
\$442		Lowest local roads grant /km