



FINANCIAL ASSISTANCE GRANTS FOR 2025-2026

For 2025-26, the Australian Government will distribute a total of \$3.45 billion in Financial Assistance Grants (FA Grants) to the States. South Australia will receive \$222.66 million, which includes General Purpose Grants and an Identified Local Road Grants.

The General-Purpose Grants for South Australia are \$164.46 million for 2025-26. This funding is distributed to the States on a per capita basis. The Identified Local Road Grants are distributed to States based on shares of funding allocated prior to the 1991-92 financial year. South Australia receives a fixed allocation of 5.5% of the national local roads pool, which is less than a per capita and per kilometer share of this funding.

The Commission makes recommendations for distribution of the FA Grants based on relative needs.

The Identified Local Roads funding for South Australia are \$58.20 million for 2025-26. 85% (\$49.47 million) of the Identified Local Road Grants are allocated as formulae grants and 15% (\$8.73 million) are allocated as part of the Special Local Roads Program.

The national pool of FA Grants from the Federal Government is indexed (increased) each year in line with the requirements of the Federal legislation.

Indexation of the FA Grants is based on increases or changes in the share of population for each State and increases in the Consumer Price Index.

In 2025-26, there were 68 councils, the Outback Communities Authority and five Aboriginal communities eligible for FA Grants in South Australia.

State Entitlements
Total Commonwealth Financial Assistance Grant Funding for Local Government – 2025-26
Allocation by State as a Percentage of Total Funding Distributed



NSW	\$1051.64 million	30.5%
VIC	\$830.30 million	24.1%
QLD	\$688.36 million	20.0%
WA	\$423.38 million	12.3%
SA	\$222.66 million	6.5%
TAS	\$106.37 million	3.1%
NT	\$47.34 million	1.4%
ACT	\$75.68 million	2.2%



ROADS TO RECOVERY - SPECIAL LOCAL ROADS PROGRAM - 2025-26

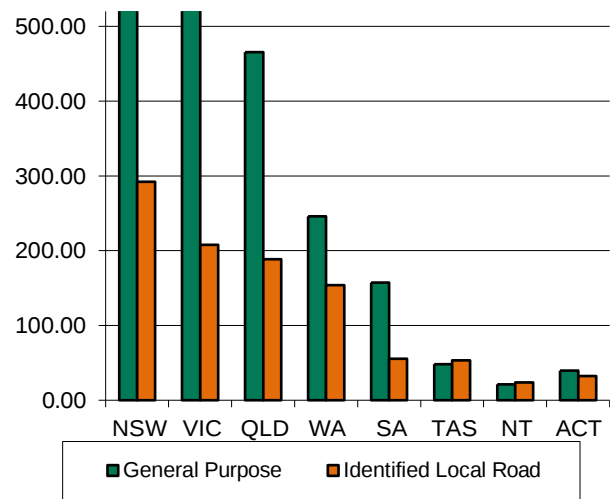
The Federal Government requires that the structure of the allocation of grants under the Roads to Recovery Program for South Australia replicate that of the Identified Local Road Grants, i.e., 85% allocated as formulae grants and 15% allocated to the Special Local Roads Program.

The formulae component of these grants is allocated by the Federal Government directly to councils. The remaining 15% is allocated as part of the Special Local Roads Program. For 2025-26, the Roads to Recovery component of the Special Local Roads Program is \$11.08 million.

Projects funded by the Special Local Roads Program are recommended to the Commission by the Local Government Transport Advisory Panel (the LGTAP), with endorsement from the LGA Board.

Projects may be funded out of each of the Identified Local Road Grants, the Supplementary Local Road Funding or the Roads to Recovery Program or a combination of any of the pools. Grants are tied for a specific project and projects are assessed for strategic importance to the region and the State.

Summary of FA Grants for 2025-26
Based on Final Estimates – July 2025



SUPPLEMENTARY LOCAL ROAD FUNDING

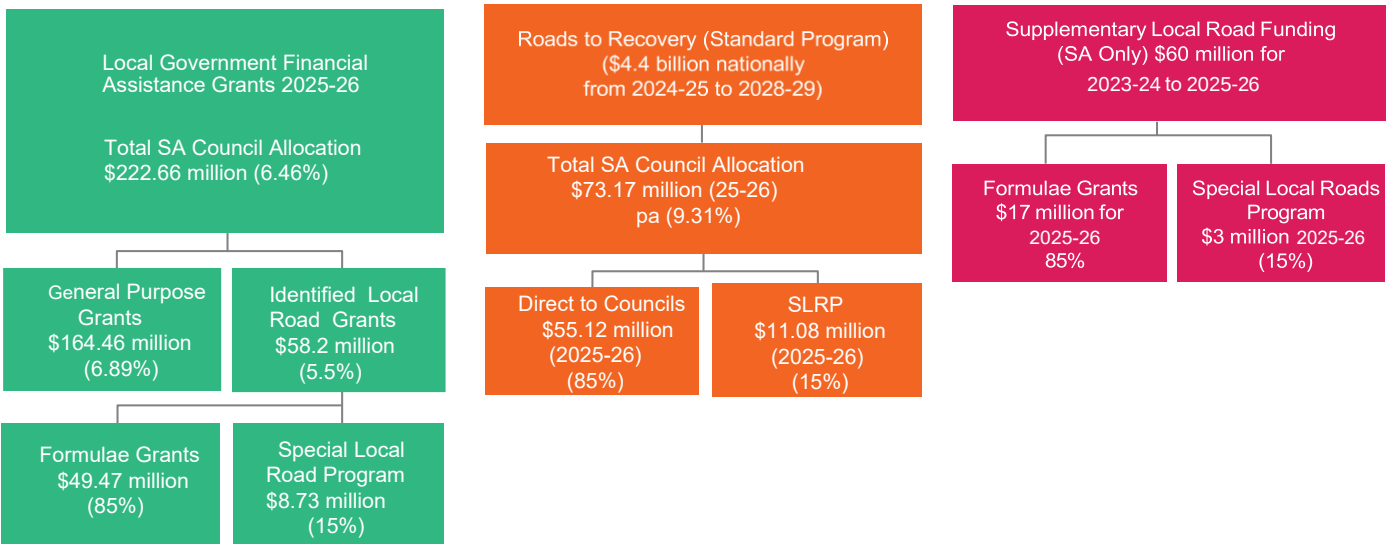
The Supplementary Local Road Funding program is an additional allocation of road funding provided only to South Australia. This funding is provided to address (in part) the inequity that exists in the allocation of the Identified Local Road Grants to South Australia from the FA Grants.

South Australian councils maintain around 11.7% of the nation's local road network, have approximately 7% of the national population and receive only 5.5% of the national pool of Identified Local Road Grants funding.

The Supplementary Local Road Funding was renewed as part of the 2024-25 Federal Budget. The extension of this funding will provide local government with an additional \$60 million over three years from 2023-24 to 2025-26.

Supplementary Local Road funding is distributed to local government in the same manner as the Identified Local Roads Grants (i.e., 85 per cent proportionally allocated to formulae grants and 15 per cent to the Special Local Roads Grants).

Summary of Grant Pools Allocated to South Australia for 2025-26: Based on Final Estimates – July 2025



* Roads to Recovery Allocations for South Australia do not include amounts allocated to DHUD.