National Distribution Matrix - Identified Local Road Grants (ILRG)
January 2026

	NSW	VIC	QLD	WA	SA	TAS	NT
Grant Pool (2025-26)*	$307.25m (29.01%)	$218.33m (20.62%)	$198.42m (18.74%)	$161.92m (15.29%)	$58.20m (5.5%)	$65.12 (5.3%)	$24.81m (2.34%)
Special Local Roads Programs (SLRP) for 2025-26	-	-	-	$3.78m (2.34%) – Aboriginal Roads Projects $7.57m (4.66%) – Bridge Projects $150.48m (93%) – Grants to Councils Note difference to Grant Pool is reflective of 24-25 adjustment.	<u>Stage 1 (SLRP)</u> 15% of the total pool is set aside for the Special Local Roads Program. $8.73m (15%) – Strategic Road Projects $49.47m (85%) – Grants to Councils	-	-
ILRG Pre-Equalisation Splits	Funding Split (2025-26): $84.6m (27.54%) Urban $222.6m (72.46%) Rural Commission Determined	-	LR Pool Split $27.3M (14%) Min Grant $171.1M (86%) Non-Min Pool is split inverse to Population for the Min Grant & Non MG groups	-	-	-	-
ILRG Equalisation Methodology /Distribution **(State Allocation refers to Allocation of funding to all councils within the State)**	**Funding Allocated:** <u>Urban Allocation</u> 5% Bridge Length 95% road length and population (60:40) <u>Rural Allocation</u> 7% Bridge Length 93% road length and population (80:20)	**Total Network Cost Determines Relativities:** <u>State Allocation</u> Road Length x Average Annual Preservation Costs (APC) (for each traffic volume range) x Cost Modifier = total network cost. Deck area of bridges (concrete and timber) is also included in the total network cost.	**Funding Allocated:** <u>State Allocation</u> LGA allocation = LGA adjusted cost per km (cpk) ÷ Group total cpk x Group funding pool *where*: LGA adjusted cpk = LGA relativity to group lowest cpk x LGA 5-year avg road length *where*: LGA relativity to lowest cpk = LGA cpk ÷ Group minimum cpk	**Asset Preservation Model (APM) Determines Relativities:** <u>State Allocation</u> APM Expenditure = Unit Cost/km x frequency factor x road length. APM incorporates minimum road standards and cost adjustors.	**Funding Allocated:** <u>Stage 2 (Urban/Rural Split)</u> The remaining pool of funding (85%) is divided between urban and rural councils based on shares of Road Length and Population <u>Stage 3 - Urban Allocation</u> The urban pool is allocated to urban councils on the basis of an equal share of road length and population. <u>Stage 4 - Rural Allocation</u> The rural pool is allocated to rural councils on the basis of an equal share of road length, population and council area.	**Roads Preservation Model (RPM) Determines Relativities:** <u>State Allocation</u> Road (or Bridge) Length x Expenditure Need (RPM) per km.	**Funding Allocated:** <u>Territory Allocation</u> Road Type Category x Road Length x Weighting = Weighted Road Length. Weighted Road Length x Location Adjustor = Equalised Road Factor.

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Relevant Notes on Distribution Methodology	• Pre equalization splits to urban and rural agreed between LGNSW and the State Govt at the time the ILRG transferred to the FA Grants. • Urban is within Sydney, Newcastle and Wollongong areas.	• Measurement of traffic volume is based on 9 broad ranges (4 for urban roads and 5 for rural roads) and APC ranges applied to the 9 ranges. • Cost modifiers are applied to the APC for each traffic volume range. • Cost modifiers are freight loading, climate, materials, sub-grade conditions and strategic routes. • The total network cost for each council determines their relativity (share of the pool). • Ignoring caps and collars, each council receives only 18.4% of their total assessed network costs for 2025-26. • Victoria is working on a major State wide local roads program to obtain road length and type through the Departments VicMap system, currently obtained direct from councils, which is quite volatile. Implementation is 1-2 years away. • Since 2024-25, 1% off the Local Roads Grants pool has been calculated for the purposes of the Local Roads Data Project onwards (3-4yrs).	• LGA road length is self-reported by councils in the annual data collection • The road lengths are averaged over 5 years in the calculation to provide stability to the model (as are most inputs in the Qld model) • Cost per km data is provided by Qld Dept of Transport and Main Roads and represents the relative per km cost to maintain roads for each LGA • Cost per km data is also averaged over 5 years to provide stability to the model • The split of the LR funding pool is calculated as the inverse of the population split between the Minimum Grant and non-Minimum Grant councils – roughly 85% / 15% each year.	• The 7% Special Grants distributed to roads servicing indigenous communities (1/3 roads and 2/3 bridges). • The APM assesses the costs of maintaining LG's road network (recurrent maintenance and end of life reconstruction). • The APM includes urban and rural roads (sealed, gravel and formed roads) and different development levels of these roads. • Frequency factor refers to how often work needs to be carried out on a road. • Minimum standards recognises local governments that have not been able to develop road systems as well as more affluent councils. • Cost adjustors: cartage of material, soil conditions, terrain and salt. • Significant data required on road statistics, including length and width of roads, area of bridges and traffic volumes (particularly for unsealed roads). • Deck area of bridges (concrete and timber) is also included in the assessment of asset preservation need. • The State is divided into 21 regions to reflect the main cost differences of maintaining roads within the State. • Councils received 12.89% of their assessed APM requirement in 2025-26.	• The urban split for 2025-26 from Step 2 above is $20.833 million or 42%. • The rural split for 2025-26 from Step 2 above is $28.636 million or 58%. • Road network mapping (GIS) maintained by the Commission and updated every 12 months. • Relativities assessed in ILRG allocations are also applied to SA's Supplementary Local Road Funding Program. • 15% contribution to the Special Local Roads Program also applies to the Supplementary Local Road Funding program. • The Current Supplementary Local Road Funding Program runs for 2023-24 to 2025-26, providing $60 million ($20 million per year).	• The Commission estimates the annualised cost for preserving council road, bridge and culvert assets. • Road types include urban sealed, rural sealed and unsealed roads. • The Commission does not prescribe dimensions for the three road categories. • The Commission assumes that all bridges and culverts are constructed from concrete regardless of the type of material used, while also applying a single preservation rate to these assets. • Road cost adjustors include rainfall, terrain, traffic and remoteness. • An urbanisation allowance is also applied to eligible CBD roads in recognition they are more costly to maintain (calculated at a rate of 3 times the urban road length) • Each council received around 25% of their total assessed RPM need for 2025-26.	• 5 categories of roads recognised – sealed, gravel, formed, flat bladed and cycle path. • Weightings determined by the NT Department of Planning and Infrastructure (whole of life costs). • Weightings are: 27 – Sealed, 12 – Gravel, 7 – Formed, 1 – Flat Bladed Track and 10 – Cycle Path. • Location adjustor for all councils that recognises the cost differences due to remoteness.

- ILRG Grant pool normalised to ignore brought forward payments