

# IPART Central Coast Public Hearing

Review of Developer Charges for  
Gosford City Council and Wyong Shire Council

**12 November 2012**

Proposal by  
Wyong Shire Council

# Considerations for IPART Review

1. Current Developer Service Charge (DSC) Methodology
2. Proposed adjustments to current methodology

# Current DSC Methodology

- Current methodology established in October 2000
- Council has no particular problem with current methodology
- Two amendments are proposed to methodology variables.

# Proposed Adjustments to Current DSC Methodology

- **Two adjustments proposed:**
  - Recommend reduction of water consumption parameter
    - Change average residential consumption from “205 kilolitres per annum” to “160”
    - The “160” more closely reflective of contemporary conditions
    - Average unlikely to return to “205” in foreseeable future due to community attitudes to water efficiency
  - Recommend remove 85% cap
    - Contradicts transparency of DSC methodology process
    - Cross subsidy by existing residents to development
    - Only applies to Wyong
    - Needs to be resolved in context of Central Coast Water Corporation

# Implications of modelled scenarios

- Four scenarios modelled in submission:
  - water usage of 205 kL/ET with 85% cap [scenario 1]
  - water usage of 160 kL/ET with 85% cap [scenario 2]
  - water usage of 205 kL/ET without 85% cap [scenario 3]
  - water usage of 160 kL/ET without 85% cap [scenario 4]
- Annual average cross subsidy from existing users:
  - scenario 1     \$1.85 M
  - scenario 2     \$0.97 M
  - scenario 3     \$1.10 M
  - scenario 4     \$0

**THANK YOU**

