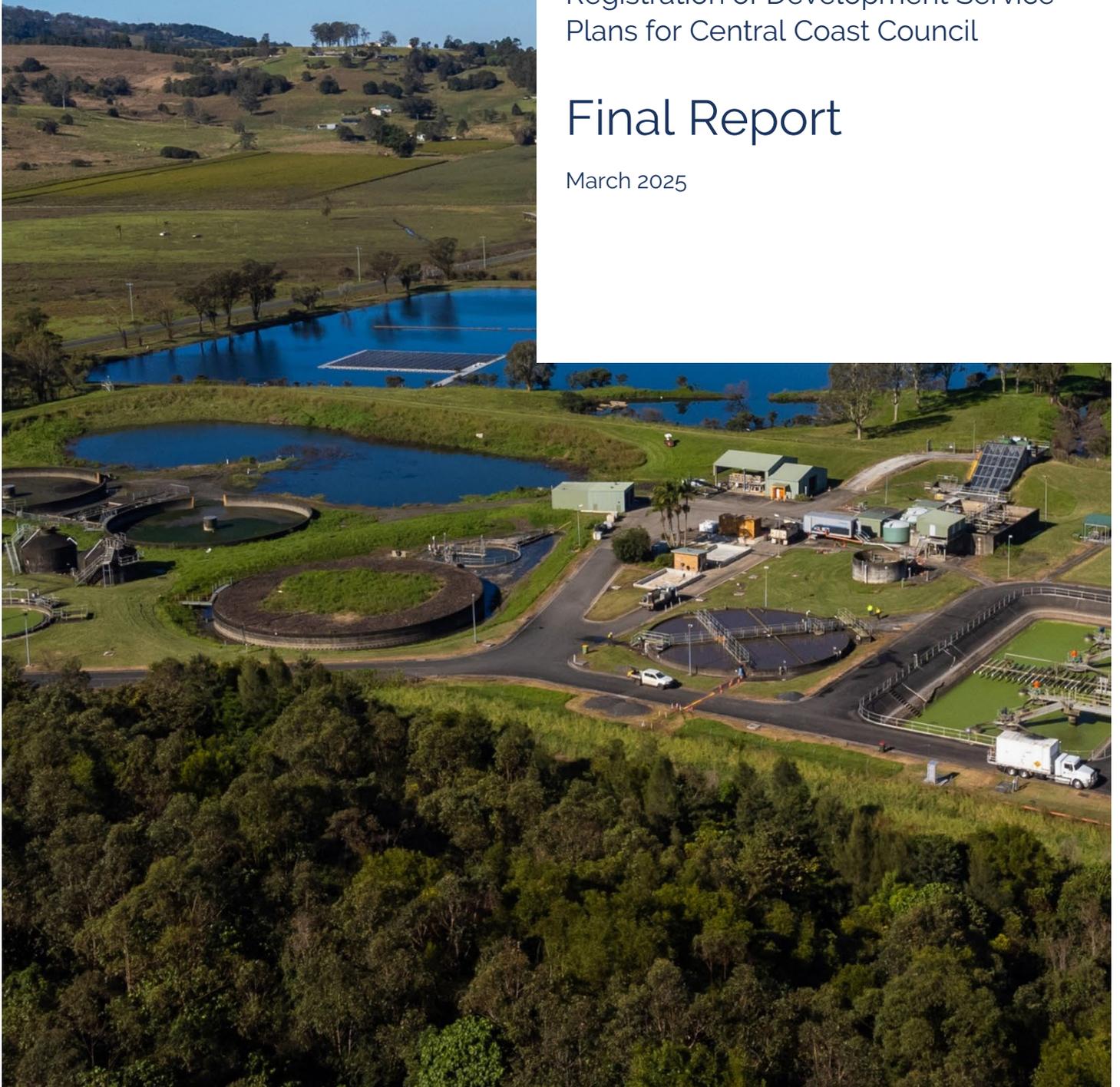




Registration of Development Service Plans for Central Coast Council

Final Report

March 2025



Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly PSM, Chair
Jonathan Coppel
Sharon Henrick
Dr Darryl Biggar

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The Independent Pricing and Regulatory Tribunal

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1 Executive summary

Water and wastewater developer charges are prices for connecting to, or upgrading a connection to, a water supply, wastewater, or drainage system. They are paid by a property developer to the water utility that provides water and wastewater networks.

IPART's first determination for water and wastewater developer charges was published in 1995. In 2008 the NSW Government set water and wastewater developer charges to zero for Sydney Water and Hunter Water areas of operation. IPART's determination and developer charges for the Central Coast Council (previously Gosford and Wyong Councils) area of operations remained in place all this time.

IPART published its latest [developer charges determination in 2018](#).^a

Central Coast Council has had its current developer charges in place since November 2019. Central Coast Council has now undertaken its 5 yearly review of its Development Servicing Plans (DSPs) as required by our 2018 Determination.^b This included preparing new DSPs, exhibiting and consulting on them. Central Coast Council has now submitted final versions of those DSPs to IPART for registration.

This report identifies:

- the requirements that DSPs must meet for IPART to register them
- our assessment of whether the DSPs meet these requirements and our decisions on registration.

We have concluded our assessment and have determined to:

Decision



1. Register all of Central Coast Councils 2 Water DSPs and its 3 Wastewater DSPs effective from 25 March 2025, or an earlier date as decided by the CEO of IPART

In reaching those decisions, our analysis was limited to assessing whether the DSPs proposed by Central Coast Council met the requirements of our 2018 Determination.^c Those requirements are detailed in section 2 of this report.

Our next review of developer charges will consider whether those requirements, and our overall approach, remain appropriate. We intend to commence that review in 2026.

^a IPART also determined maximum prices for connecting to a recycled water system in 2019.

^b [IPART, Maximum prices for connecting, or upgrading a connection, to a water supply, sewerage, or drainage system. Sydney Water, Hunter Water, and Central Coast Council. Final Determination October 2018 p14](#)

^c The 2018 determination (p12) leaves to Central Coast Council how many DSPs to put in place, and what geographical area they cover. However, it requires CCC to "be reasonably satisfied that it has in place a sufficient number of DSPs, and DSPs that cover a sufficient aggregate area, to meet present demand ... and expected medium-term growth in demand ..."

2 Requirements of registration

The requirements that Central Coast must comply with for IPART to register a Development Servicing Plan (DSP) are detailed in Schedule 4 of the [2018 Determination](#).^d

In summary the requirements for a DSP are that it contains:

- a summary of the contents of the DSP
- information identifying the water or wastewater system(s) it relates to
- a description of size and boundaries of the DSP area
- information on current and projected population and Equivalent Tenements (ETs)
- completed and future capital works
- service standards for that DSP area
- the calculated maximum price in accordance with IPART's methodology
- detailed information on pre-1996 and post-1996 assets and the number of ETs served by the DSPs.

Additionally, Central Coast Council needs to comply with the consultation requirements namely that they:

- exhibit the Draft DSP for 30 working days
- make all the critical data assessable on the Agencies website for the exhibition period
- advertise the draft DSP
- advise industry bodies and known affected developers 10 days prior to the start of the exhibition period
- consider all submissions made and inform IPART of Central Coast Council's response.

^d IPART, Maximum prices for connecting, or upgrading a connection, to a water supply, sewerage, or drainage system. Sydney Water, Hunter Water, and Central Coast Council. Final Determination October 2018

3 Final DSPs submitted to IPART by Central Coast Council

Central Coast Council has submitted 2 water DSPs to IPART being:

1. Northern Region (Former Wyong Council area)
2. Southern Region (Former Gosford Council area)

Central Coast Council also submitted 3 wastewater DSPs to IPART being:

1. Norah Head (Northern Region)
2. Wonga Point (Northern Region)
3. Southern Region

3.1 Our assessment of Central Coast Council's water DSPs

3.1.1 Methodology

We have examined the DSPs and found that all of Central Coast Council's water and wastewater DSPs we considered conformed to the IPART methodology for calculating maximum prices.

3.1.2 Consultation

We have reviewed the consultation material supplied by Central Coast Council and found that it has sufficiently complied with the notification and exhibition requirements of our Determination.

The exhibition period is mandated as 30 working days^e and Utilities are required to advertise the exhibition and its start date. The exhibition period was for 30 working days from 17 July to 27 August. However, Central Coast Council did not put a notice in the local newspaper until 18 July (one day late). It is noted however, that CCC did notify development stakeholders on their mailing list on 3 July 2024 that the exhibition period would start on 17 July. Notwithstanding this minor issue we consider that stakeholders were adequately informed and had sufficient time to consult and make a submission.

3.1.3 Information Requirements

We found that Central Coast Council's water and wastewater DSPs that we considered generally complied with the information requirements of the 2018 Determination with the following two minor exceptions.

^e IPART, Maximum prices for connecting, or upgrading a connection, to a water supply, sewerage, or drainage system. Sydney Water, Hunter Water, and Central Coast Council. Final Determination October 2018, p13.

1. Central Coast Council did not refer to service standards in the DSPs. Central Coast Council have subsequently included a link to the service standards document in the DSP documents to comply with the information requirements.
2. Central Coast Council only provided an Equivalent Tenement (ET) for the whole of the Northern District sewerage DSP. Central Coast Council have subsequently provided a disaggregated number for the Norah Head DSP and Wonga Point DSP. These now comply with the information requirements.

3.1.4 Content Requirements

We consider that the water and wastewater DSPs comply with the content requirements of our 2018 Determination.

Attachment A tabulates our assessment of each of Central Coast Council's DSPs against each of the relevant criteria from our 2018 determination.

3.1.5 Other Matters-Aggregation of Sewerage DSPs

In our 2018 review we noted a balance must be achieved between signalling the location-specific costs of development and the administrative costs of maintaining many DSP areas. If DSP areas are too large, costs could be averaged across disparate areas, lowering administrative costs but nullifying price signals.^f

Central Coast Council has increased the number of sewerage DSPs from 2 to 3. We note that as part of the registration process Central Coast Council provided additional information on the likely DSP charges if the sewerage DSPs were based on 8 sewerage treatment catchments rather than 3 outfall locations.

We encourage Central Coast Council to consider expanding the number of sewerage DSPs to 8 based on treatment catchments at the next review.

^f Ibid p64

4 Our decisions on DSP registration

Decisions

-  1. We have reviewed Central Coast Council's 2 Water DSPs and have concluded that they meet the requirements set out in our 2018 Determination and have therefore decided to register them
-  2. We have reviewed Central Coast Councils 3 Wastewater DSPs and have concluded that they meet the requirements set out in our 2018 Determination and have therefore decided to register them

Appendices

A Central Coast Council's compliance with our 2018 determination

Central Coast Council	Minimum content for each DSP								
	(a) summary	(b) system	(c) description of area	(d) demographic planning info	(e) timing of works	(f) service standards	(g) max price	(h) asset list	(i) comparison if DSP remade
Water DSPs									
Northern Region	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Southern Region	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wastewater DSPs									
Norah Head (Northern Region)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wonga Point ((Northern Region)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Southern Region	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Consultation and registration requirements for DSPs						
	(a)(1) DSP exhibited?	(a)(2) critical data provided?	(a)(3) exhibition advertised?	(b) key stakeholders informed?	(c) submissions considered in final DSPs?	(d) DSPs forwarded to IPART, with info on submissions?
Water DSPs						
Northern Region	Yes	Yes	Qualified Yes	Yes	Yes	Yes
Southern Region	Yes	Yes	Qualified Yes	Yes	Yes	Yes
Wastewater DSPs						
Norah Head (Northern Region)	Yes	Yes	Qualified Yes	Yes	Yes	Yes
Wonga Point ((Northern Region)	Yes	Yes	Qualified Yes	Yes	Yes	Yes
Southern Region	Yes	Yes	Qualified Yes	Yes	Yes	Yes

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