Information sheet: Second commencement of the Environmental Planning and Assessment Amendment (Planning System Reforms) Act 2025

Purpose

The *Environmental Planning and Assessment Amendment (Planning System Reforms) Act 2025* (PSR Act), which amends the *Environmental Planning and Assessment Act 1979* (EP&A Act), received assent on 24 November 2025.

The PSR Act makes a number of significant changes to the NSW planning system. None of the provisions in the PSR Act took effect on assent; instead, they are scheduled to commence in stages by proclamation.

The first provisions commenced on 15 December 2025. Further information on the first commencement and the planning reforms more broadly can be found here.

Further provisions of the PSR Act will commence on 21 March 2026. This information sheet explains which provisions are commencing and how any savings and transitional provisions operate.

Targeted assessment development

The PSR Act introduces a new targeted assessment development pathway, which will allow certain projects to forgo a full merit assessment where relevant issues and impacts have already been addressed upfront. The targeted assessment development pathway is only available to development or a class of development declared in a State Environmental Planning Policy (SEPP). A declaration can only be made following a mandatory 28-day exhibition period.

Commencement of provisions

All provisions relating to targeted assessment development will commence on 21 March 2026, which will enable future targeted assessment development declarations to be made.

These include:

- A new definition for “targeted assessment development”
- Inserting Section 4.15(1C) and (1D) to limit the matters for consideration when assessing a development application (DA) for targeted assessment development
- Inserting a new division 4.3A Targeted Assessment Development which sets out the process for and limitations to making a targeted assessment development declaration

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- Amending Schedule 1 to include consultation requirements for DAs for targeted assessment development
- Consequential amendments to apply the targeted assessment development provisions to modification applications.

Savings and Transitional Provisions

The targeted assessment provisions will have no practical effect until a SEPP is made declaring development to be eligible, so no transitional provisions have been made.

Any future SEPP will include transitional provisions if needed.

Modifications to development consents

The PSR Act and accompanying changes to the EP&A Regulation introduce changes to the pathways available for modifying development consents, including:

- Shifting modifications with no environmental impacts from section 4.55(1A) to section 4.55(1) and
- Introducing a 14-day period from lodgement to determine section 4.55(1) modifications in a new section 118A of the *Environmental Planning and Assessment Regulation 2021* (EP&A Regulation). Modifications that are not determined within 14 days cannot be refused and can only be approved with conditions that give effect to the modification (see the new section 4.55A)

Changes have also been made to clarify that, when assessing a modification under sections 4.55(1A), 4.55(2) or 4.56 the matters for consideration in section 4.15(1) must only be considered to the extent they are relevant to the modification application.

More information on modification applications can be found here.

Commencement of provisions

The above amendments to sections 4.55 and 4.56 and the new section 4.55A of the EP&A Act along with the new section 118A and consequential changes to section 119 of the EP&A Regulation commence on 21 March 2026:

PSR Act changes that relate to modifications that are **not** commencing are:

- Amendments to section 4.55 and 4.56 of the EP&A Act that replace references to Development Control Plans with the Community Participation Plan
- The omission of section 4.55(2)(b) and the insertion of section 4.55(3B) into the EP&A Act relating to concurrences and referrals
- Amendments to section 118 of the EP&A Regulations

Savings and Transitional Provisions

Savings and transitional provisions ensure that the changes do not apply to modification applications lodged before the provisions commence.

Division 5.1 assessment and content of an environmental impact statement (EIS)

To embed a more proportionate and risk-based approach to the assessment of activities under Division 5.1 of the EP&A Act, determining authorities are no longer required to take into account all matters affecting or likely to affect the environment *to the fullest extent possible*.

Instead, a determining authority may consider these matters in a manner that is proportionate to the nature and risk of the activity.

Amendments to the Guidelines for Division 5.1 Assessments will be published in response to these changes.

Further amendments have been made to the required content for an EIS in section 192 of EP&A Regulation:

- Section 192(1)(c) has been omitted so that an EIS no longer needs to provide an analysis of feasible alternatives to the development, activity or infrastructure
- Section 192(1)(d)(iii) now only requires an analysis of the *significant* likely impacts on the environment of the development, activity or infrastructure
- Section 192 (1)(iv) and (e) has been updated to refer to proposed mitigation measures.

Commencement of provisions

All of the above provisions commence on 21 March 2026.

Savings and Transitional Provisions

There are no savings and transitional provisions relating to these changes. Any review of environmental factors or EIS prepared under the previous provisions will already meet the requirements of the new provisions.

Reviews and appeals

The PSR Act introduces changes to the review and appeal processes for development applications and modification applications to better align them and give applicants more options when seeking a review.

The eligibility to appeal the deemed refusal of an application has also been expanded to ensure applicants have recourse when it is most needed.

Commencement of provisions

The following changes are commencing on 21 March 2026.

Changes to the review provisions in Division 8.2 of the EP&A Act:

- Allow an applicant 6 months to lodge a review and no time limit on determination
- Allow an applicant to elect to have a review determined by a local planning panel (where one is constituted) if the original determination was made by the council
- Give additional powers to make regulations in relation to reviews
- Make other minor consequential or clarifying amendments

Changes to Division 8.3 of the EP&A Act that:

- Extend the right to an appeal against the deemed refusal of a DA or modification application up until determination
- Prevent an appeal being lodged while a review is underway
- Pause the 6 month appeal clock while a Division 8.2 review is underway so an appeal can still be lodged once a review has concluded
- Remove redundant extended appeal rights that applied during the pandemic

An amendment to section 244 of the EP&A Regulations removes the requirement for a review of a modification application to be lodged within 28 days of determination, extending the time for lodgement to 6 months.

PSR Act changes that relate to reviews that are **not** commencing are:

- Review functions of the Development Co-ordination Authority in sections 8.2(1)(b1) and 8.3(8)
- Removal of reference to the Sydney District and Regional Planning Panels in sections 8.2(1), 8.3(7) and 8.15(4).

Savings and Transitional Provisions

Division 8.2 reviews

The new provisions do not apply where a review or an appeal is already underway. These reviews and appeals must be determined under the previous provisions.

The new provisions will apply to DAs and modifications that have already been determined, as long as no review has been requested or appeal lodged at the time the provisions commence.

Deemed refusal appeals

There are no savings and transitional provisions in relation to the changes to the deemed refusal provisions. This means that any DA or modification applications that has not been determined within the assessment period can be appealed, even if the deemed refusal appeal rights have previously expired.