BUSINESS NSW

November 2025

NSW Planning Reforms

What they mean for housing, business and regional communities

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Business NSW Policy & Economics

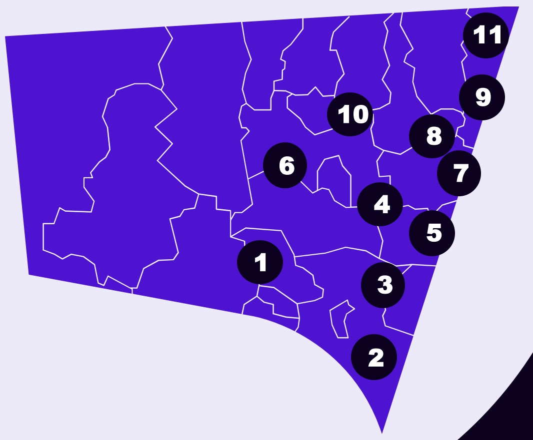
Our purpose

- Develops evidence-based policy to strengthen business growth and competitiveness.
- Provides economic insight to guide government decision-making.
- Advocates for reform in areas that help business.
- Ensures regional business voices shape state priorities.

My Role

- Leads Business NSW's advocacy on energy, infrastructure, planning and environment.
- Builds partnerships across government and industry
- Represents Business NSW on advisory committees statewide

Our state network



1. Murray Riverina
2. South Coast
3. Illawarra
4. Western Sydney
5. Sydney
6. Western NSW
7. Central Coast
8. Hunter
9. Mid North Coast
10. New England North West
11. Northern Rivers

Why Reform Was Needed

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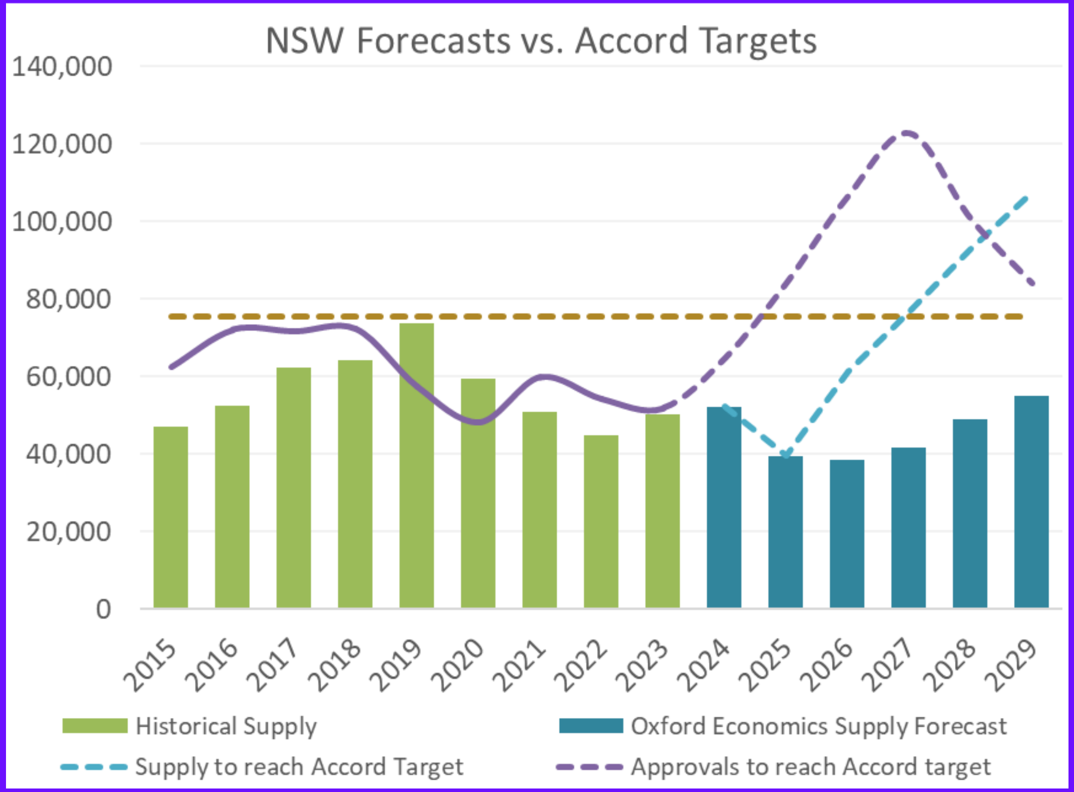
- NSW's planning system slow and inconsistent
- Housing approvals often take 12–24 months.
- Small businesses and councils face high costs and red tape
- Multiple agencies, duplicate referrals, and inconsistent conditions add months to approvals



The Government's goal: 'less process, more homes.'

NSW Development Application Process

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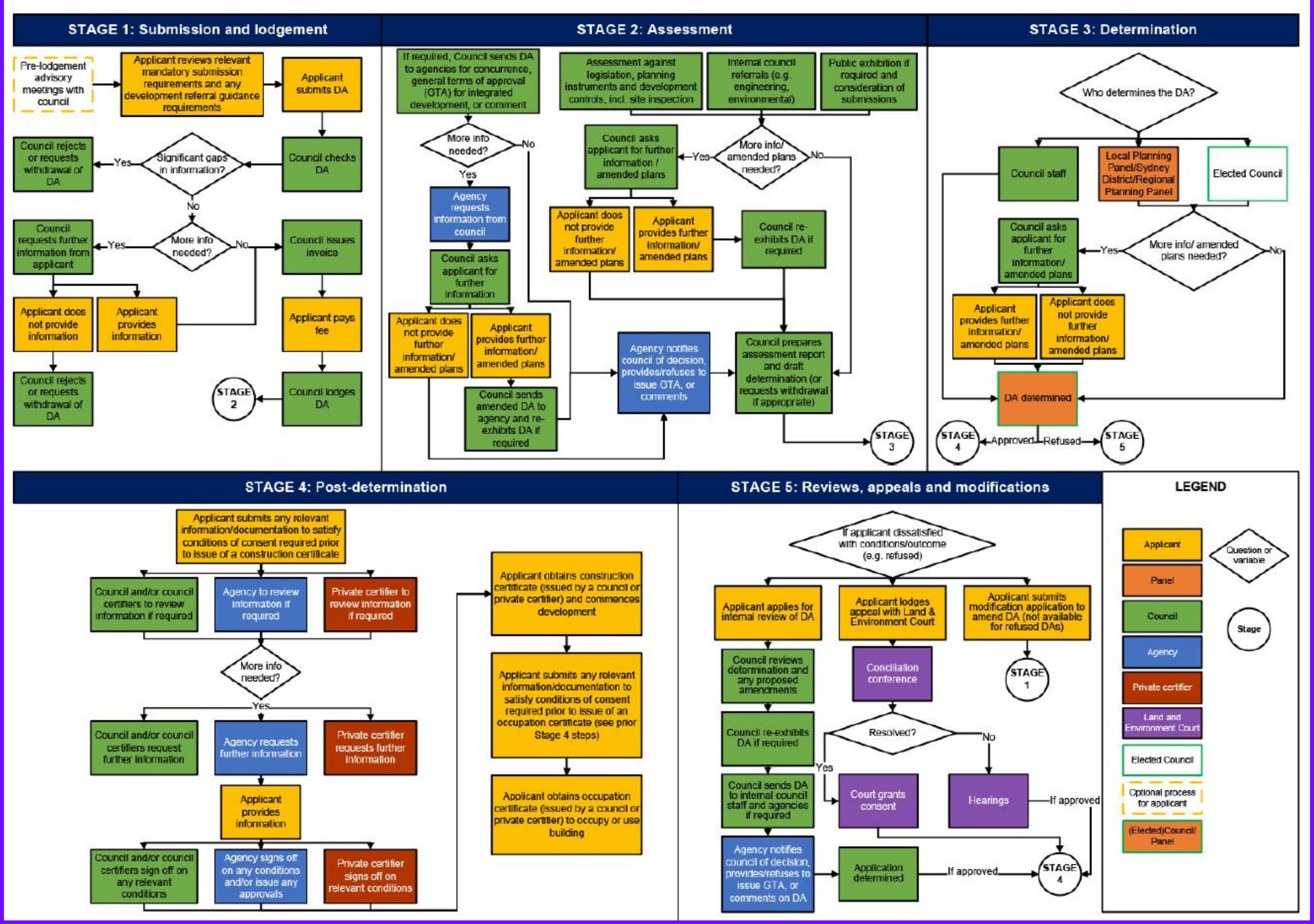

What's Changing – The Ten Key Reforms

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1. Modernised Planning Objectives
2. Development Coordination Authority
3. Statutory Housing Delivery Authority
4. Targeted Assessment Pathway
5. Proportionate Environmental Assessment
6. Simplified Modification Pathways
7. Streamlined Appeals and Review Process
8. Expanded Complying Development
9. Standardised Consent Conditions
10. Removal of Regional Panels

Updated Objectives

New coordination bodies

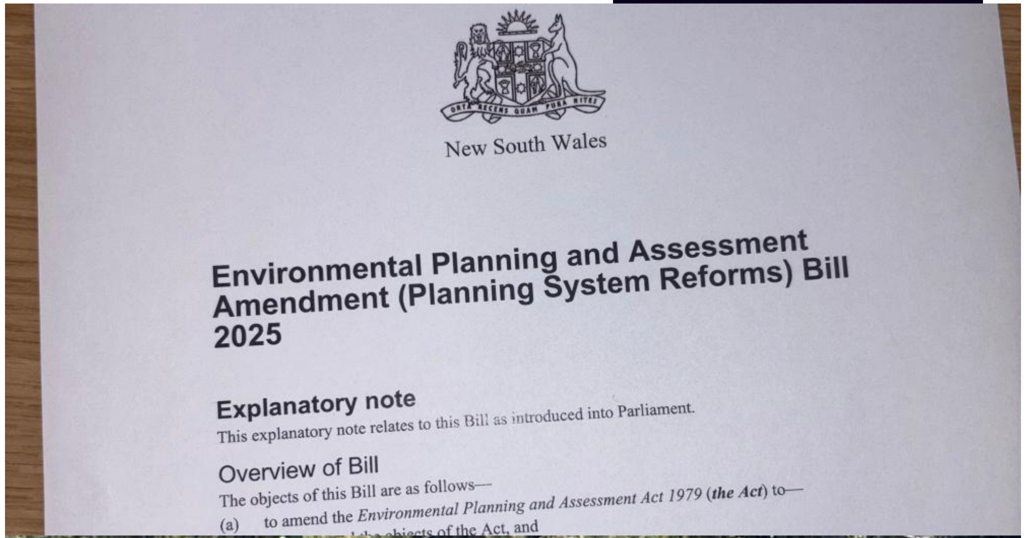
Streamlined approval Pathways

Changes to Consent Authorities and Conditions

Modernised Planning Objectives

The Bill introduces updates to EP&A Act and additional objects that reflect modern planning priorities including:

- Housing supply, delivery and maintenance
- Climate resilience and disaster responsiveness
- Proportionality in assessment
- Risk-based decision-making


New South Wales

Environmental Planning and Assessment Amendment (Planning System Reforms) Bill 2025

Explanatory note

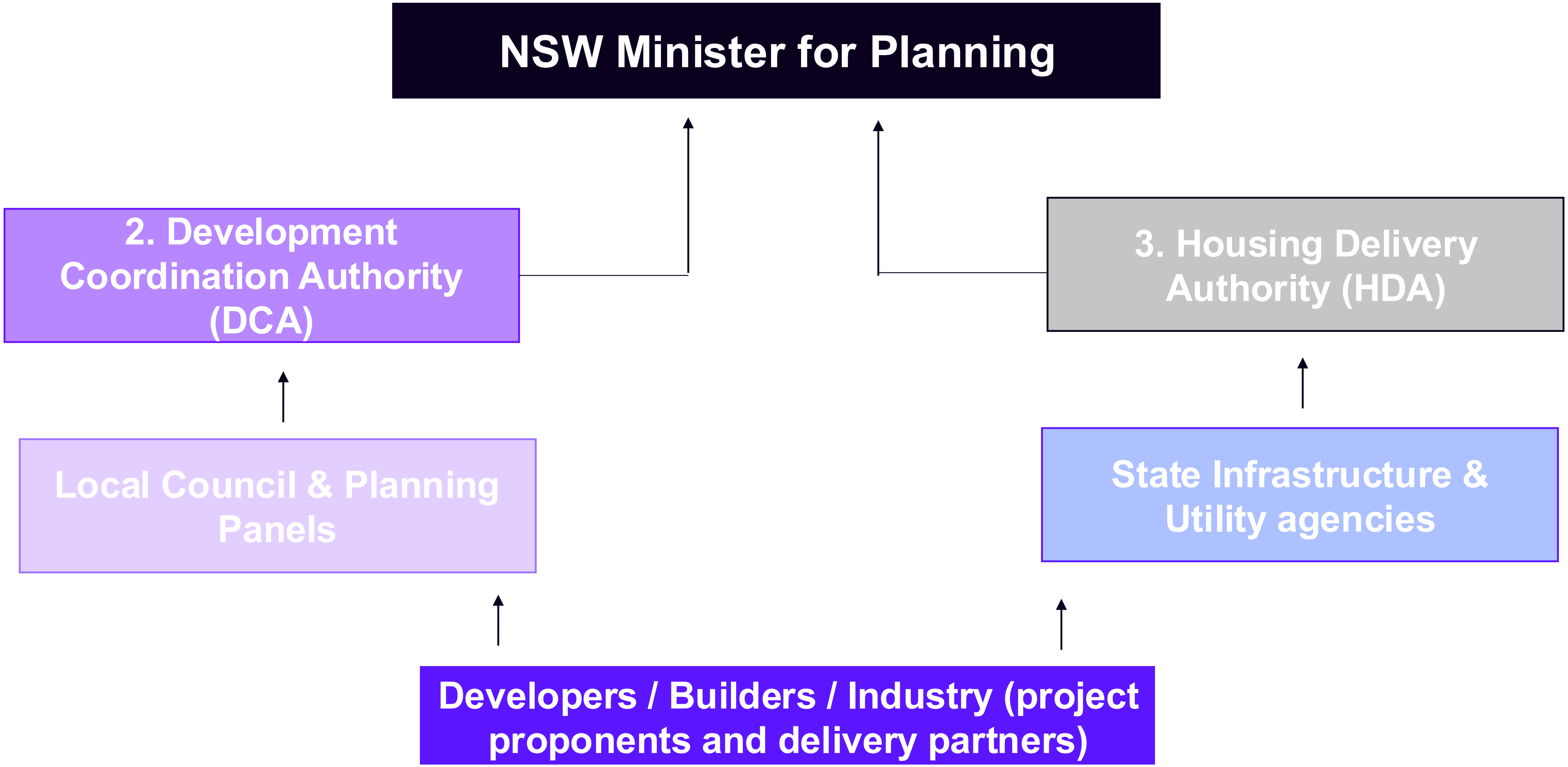
This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are as follows—

(a) to amend the *Environmental Planning and Assessment Act 1979* (**the Act**) to—

New coordination bodies



Streamlined approval Pathways

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Changes to Consent Authorities and Conditions

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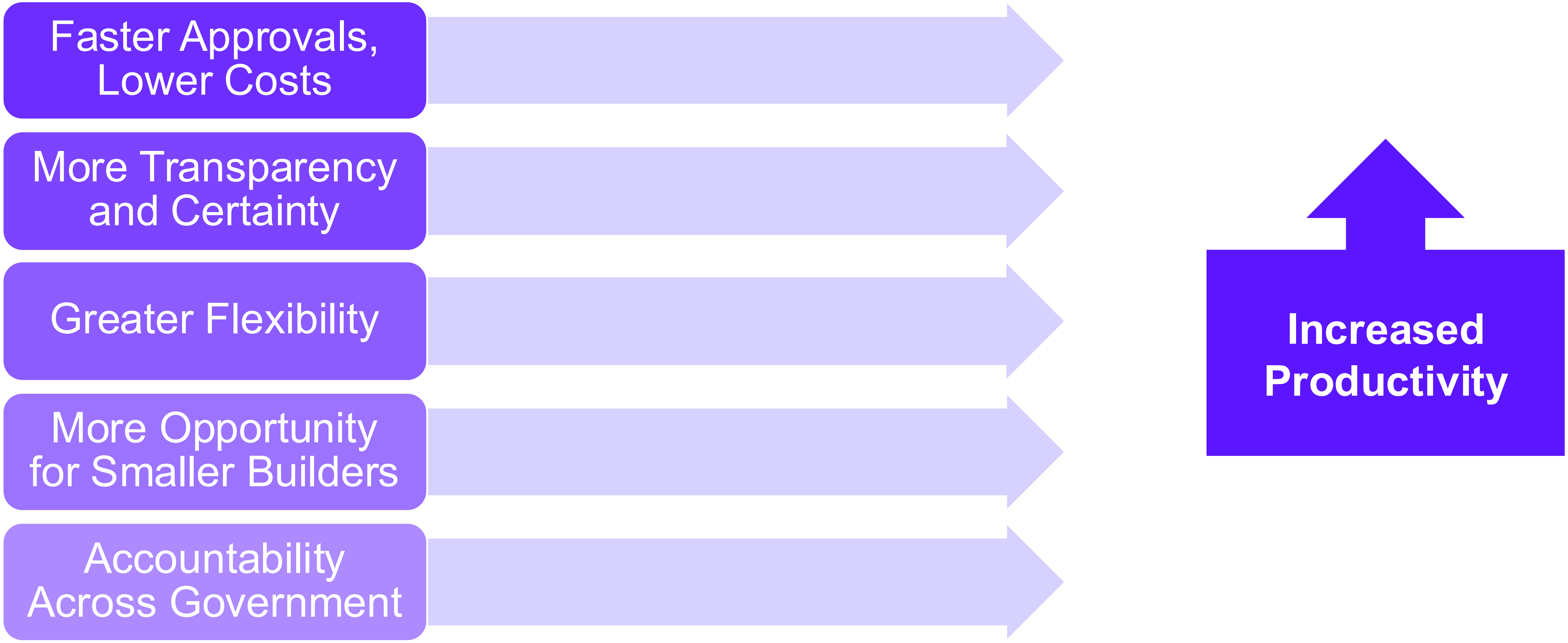
Application of a State-wide Community Participation Plan (CPP)

What this means for business



Northern Rivers and Regional Impact

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- More land brought to market faster
- More options for key worker and medium-density housing
- And more opportunities for local contractors and consultants

Housing targets reminder

- 370,000 new homes are needed in the next five years.
- The average DA takes 90 to 180 days to process.
- Housing approvals have fallen 20% year-on-year, while
- Median house prices are up 9% in the past year alone.

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What Businesses Should Do Now

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1. Review your current projects
2. Engage early with councils
3. Stay close to updates
4. Build capability in your teams
5. Participate in consultation.

Next Steps

- **Q4 2025** – Bill introduced, consultation opens
- **Q1 2026** – Legislation enacted, SEPP and regulation drafting
- **Q2 2026** – Implementation roadmap and agency training
- **Q3 2026** – DCA and HDA become operational
- **Q42026** – Council transition and pilot projects
- **2027** – Statewide rollout and performance monitoring

Are the reforms enough?

What else is impacting housing delivery?

Housing NOW Alliance

Make housing fairer for everyone in NSW.

The Hidden Barrier to Housing Delivery

Infrastructure Backlog

Estimated cost to bring council infrastructure up to a satisfactory standard

- Water
- Sewer
- Roads
- Buildings

Backlogs now exceed **$2.5 billion statewide** (Audit Office, 2024).

Water Infrastructure Backlog

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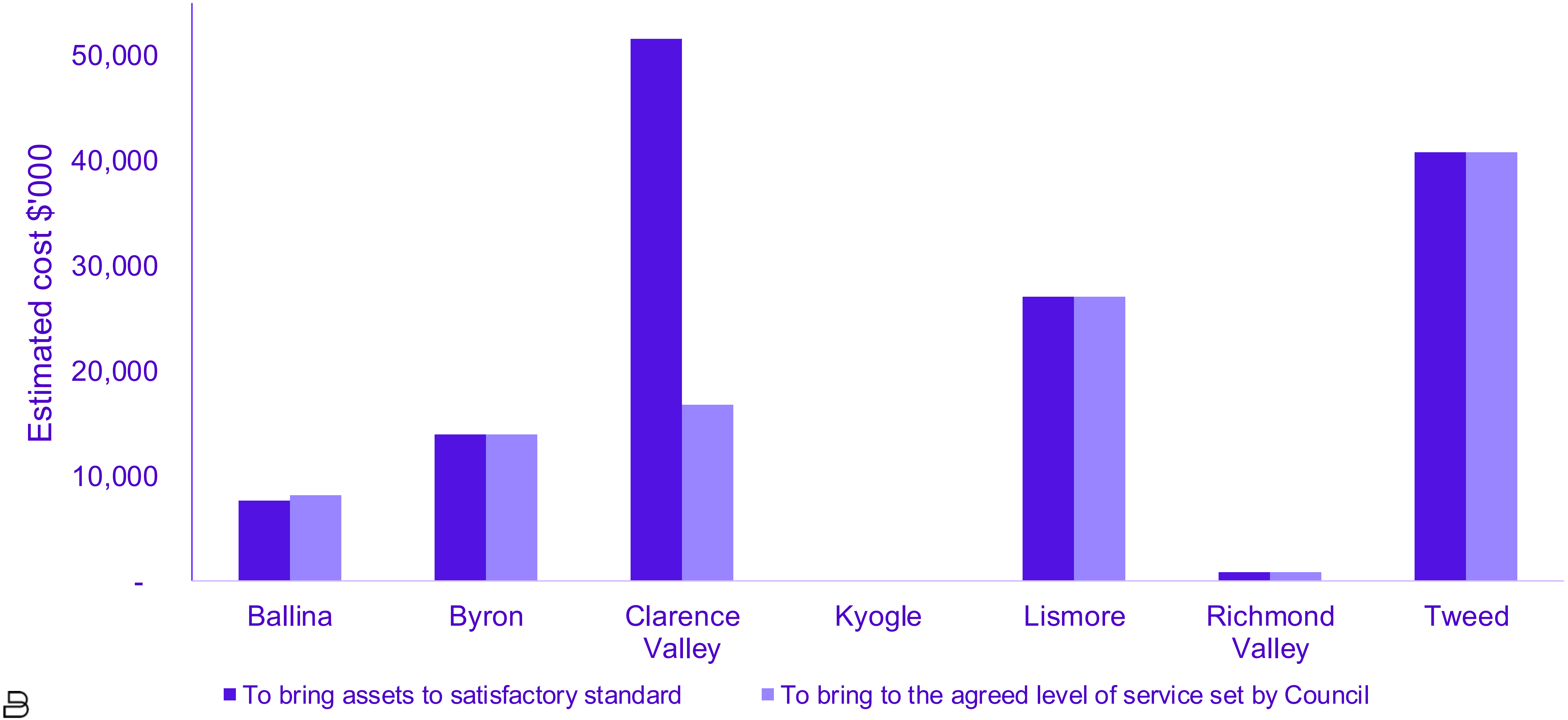
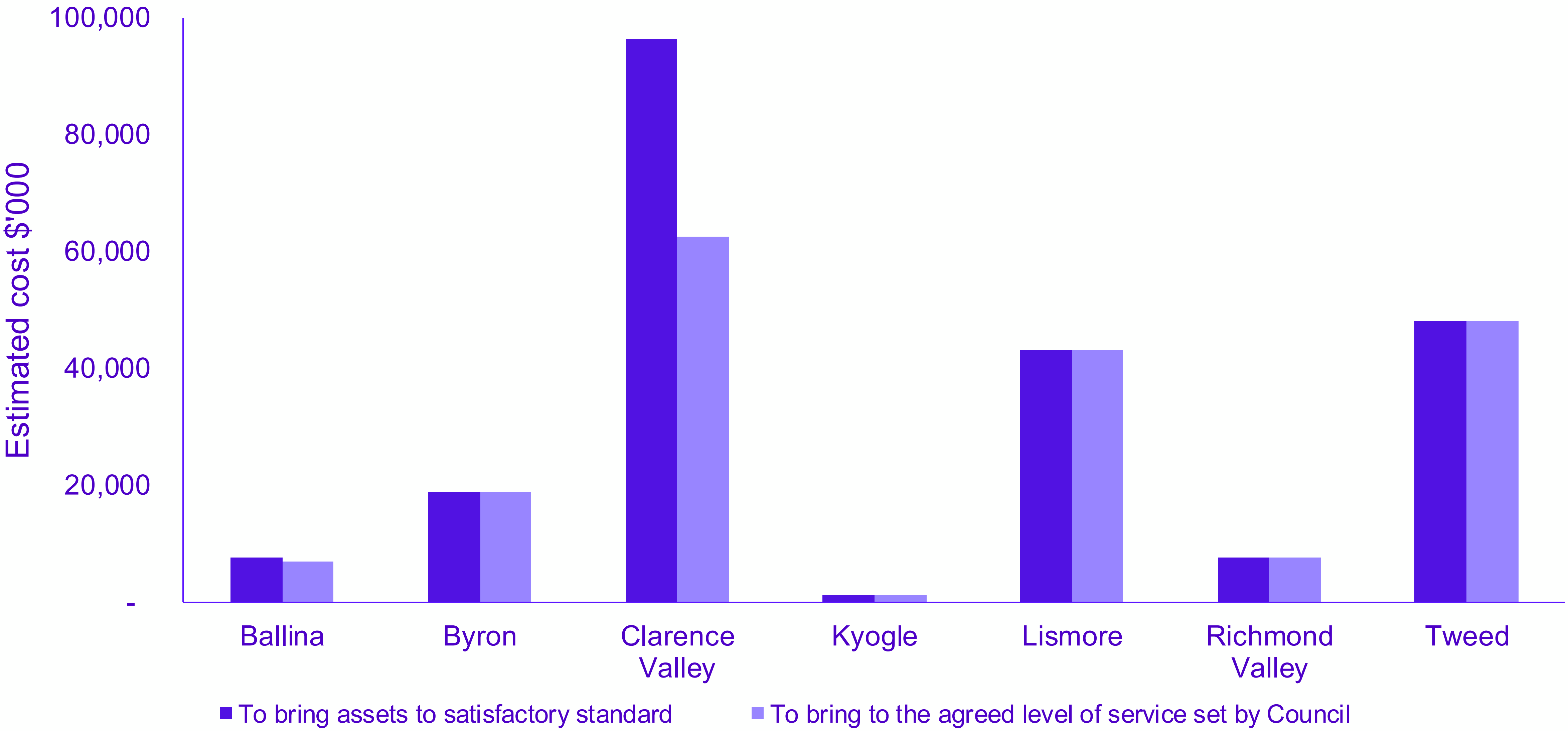


Sewerage Network Backlog



Local Roads Backlog

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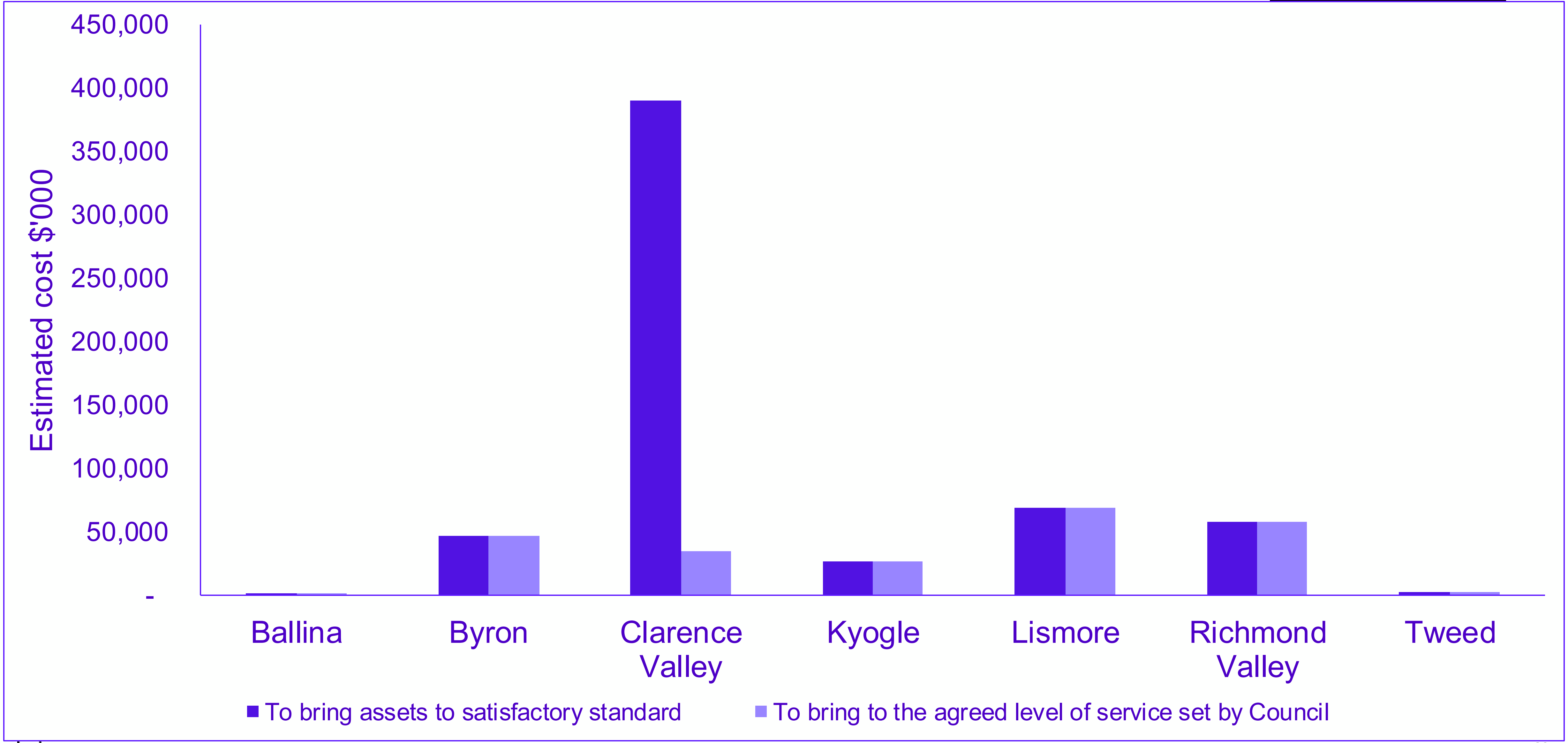
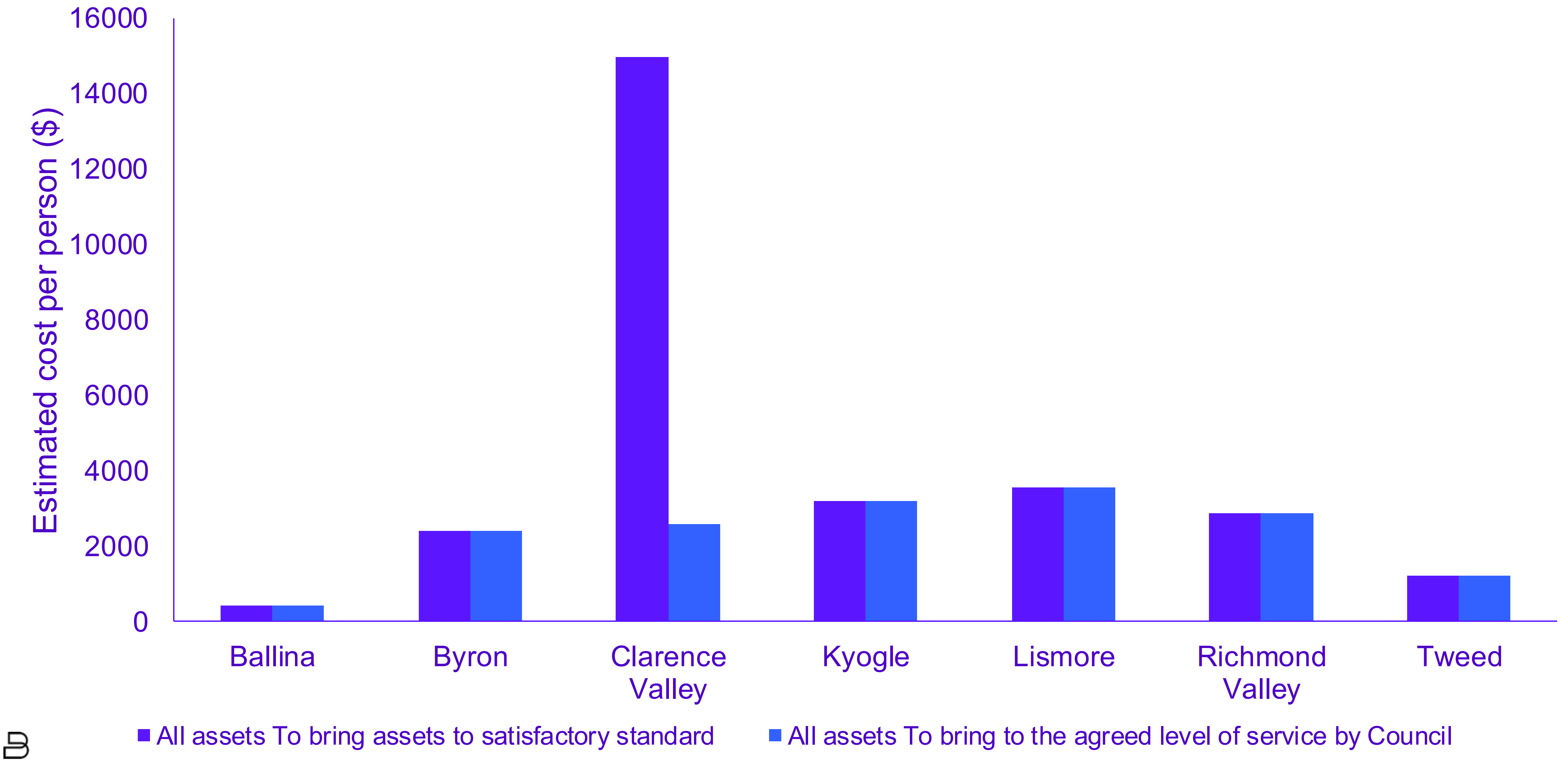


Total Infrastructure Backlog per Capita



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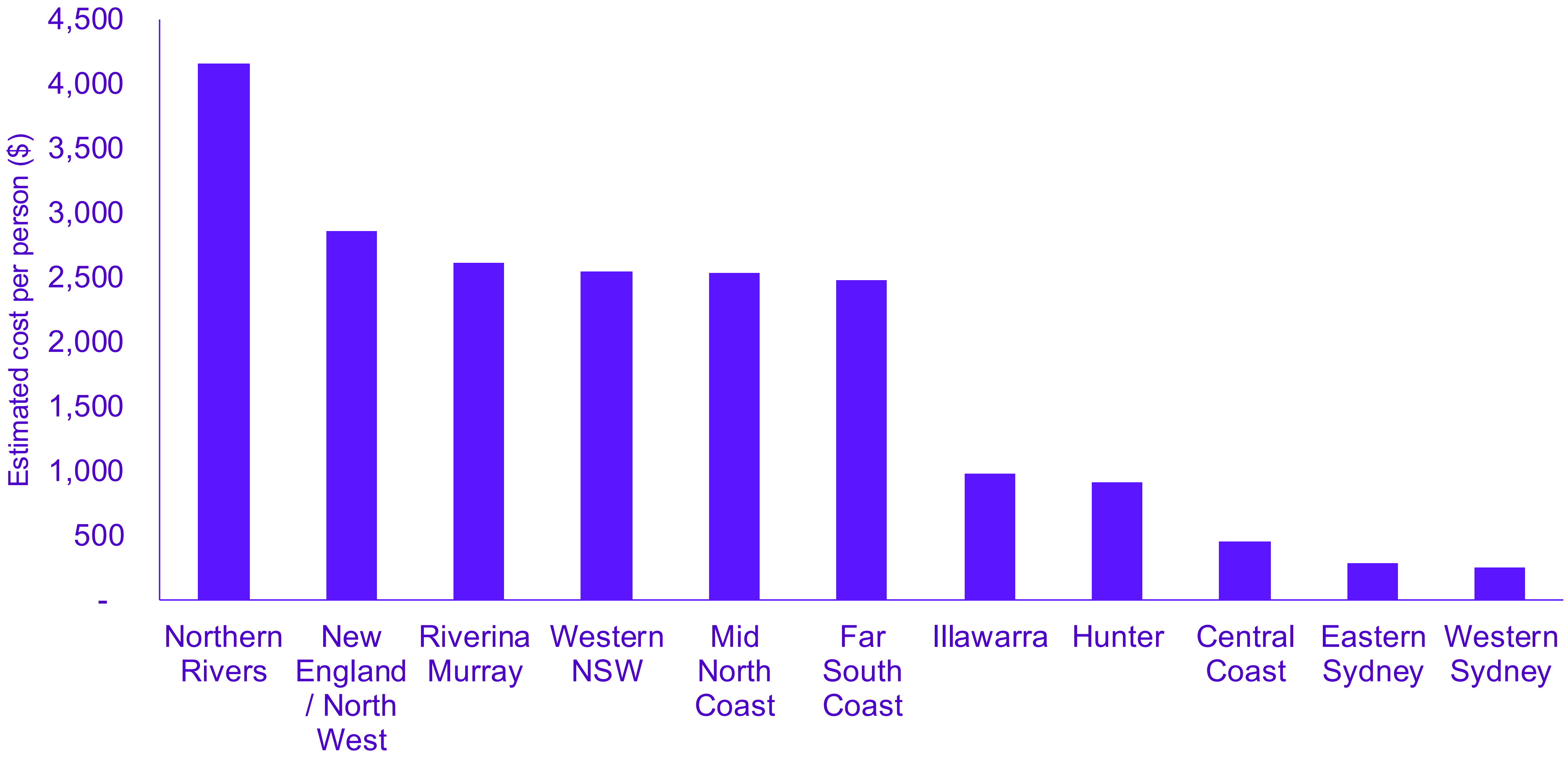

Why It Matters for Housing

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Impact on Supply

- Zoned land remains idle without servicing
- Developments delayed or downsized due to capacity limits
- Uncertainty deters private investment
- Approved housing cannot be released

Impact on Cost

- Developers absorb or pre-fund upgrades, pushing up prices.
- Limited serviced land drives market competition and price inflation.
- Poor infrastructure adds ongoing household and transport costs.
- Fewer new lots = higher prices

Beyond Housing – The Broader Impact

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Constrain business growth

Deters investment

Slow productivity and supply chains

Limit economic diversification

Reduce regional competitiveness

Decrease workforce retention

Turning backlogs into Growth Pipelines

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- Transparent backlog reporting and prioritisation
- Long-term asset management reform
- State–Local Infrastructure Partnership Fund
- What else?

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