

REPORT TO: East Lothian Council

MEETING DATE: 24 June 2025

BY: Executive Director for Place

SUBJECT: Reduced Fees for Health-related Planning Applications

1 PURPOSE

1.1 To seek approval for reduced fees to be applied to certain applications within the Planning Service of East Lothian Council.

2 RECOMMENDATIONS

- 2.1 It is recommended that Council approves the introduction from the 01 July 2025 of a 50% reduction of fees for planning applications, certificates of lawful use or development, certificates of proposed use or development, advertisement consents, and applications made under Section 42 of the Town and Country Planning (Scotland) Act 1997 (as amended) in the following circumstances:
 - Where the application relates to development which, in the opinion of the planning authority, has the primary purpose of contributing to a not for profit enterprise or a social enterprise, and
 - Where the application relates to development which, in the opinion of the planning authority, is likely to contribute to improving the health of residents in the area to which the application relates.

3 BACKGROUND

- 3.1 The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 (the Regulations) sets out the level of fees required as part of the submission of planning applications and other associated applications. It also introduced an ability for Planning Authorities to waive or reduce any planning fee for certain applications.
- 3.2 Regulation 5 of the Regulations provides that a planning authority may waive or reduce an application fee for certain types of development, including:

- Where the application relates to development which, in the opinion of the planning authority, has the primary purpose of contributing to a not for profit enterprise or a social enterprise; and
- Where the application relates to development which, in the opinion of the planning authority, is likely to contribute to improving the health of residents in the area to which the application relates.
- 3.3 The statutory definition of what constitutes a 'not for profit' or 'social enterprise' is set out within the Town and Country Planning (Scotland) Act 1997 (as amended) as follows:
 - * "not for profit enterprise" means an organisation which a person might reasonably consider to exist wholly or mainly to provide benefits for society;
 - * "social enterprise" means an organisation whose activities are wholly or mainly activities which a person might reasonably consider to be activities carried on for the benefit of society ("its social objects"), and which:
 - generates most of its income through business or trade;
 - reinvests most of its profits in its social objects;
 - is independent of any public authority; and
 - is owned, controlled and managed in a way that is consistent with its social objects.
- 3.4 A number of local authorities, including Edinburgh, Glasgow, and Perth & Kinross, already offer reduced planning fees for these types of applications.
- 3.5 Having considered the implications of reducing or waiving the fee on these types of applications, it is recommended that a 50% reduction of the fee would be appropriate. This would encourage health-related developments, which would improve the health of residents within the local area. However, there remains a significant amount of work involved in determining these applications and it is therefore still appropriate to take 50% of the fee for the service.
- 3.6 The Regulations state that the planning authority may only waive or reduce application fees following the publication of a charter on its website.
- 3.7 If approved, the Council website will be updated to include a charter information on the reduction of planning fees and updated customer guidance, as set out in Appendix 1.

4 POLICY IMPLICATIONS

4.1 None.

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 Financial The proposed fee reductions would lead to a small reduction in planning fee income. If the 50% reduction had been applied for the last three years, then planning fee income would have reduced by £4,800 in 2023, and by £4,250 in 2024.
- 6.2 Personnel It is considered that at present there is sufficient capacity within the Planning Service to continue to deal with the workload generated by these types of applications.
- 6.3 Other The Planning Service will keep full records of these types of applications processed and the impact of the reduction of income generated. This fee change will be kept under yearly review as part of the annual budget setting process.

7 BACKGROUND PAPERS

7.1 Planning Circular 2/2022 The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022: <u>Planning Circular 2/2022 The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 - gov.scot (www.gov.scot)</u>

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APPENDIX 1

Discretionary Charging Charter- Waived or Reduced Fees

Regulation 5 of the Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 provides local authorities with the discretionary power to waive or reduce fees in the following circumstances:

- Where the application relates to development which, in the opinion of the planning authority, has the primary purpose of contributing to a not for profit enterprise or a social enterprise, AND
- Where the application relates to development which, in the opinion of the planning authority, is likely to contribute to improving the health of residents in the area to which the application relates.

Applications must meet both the above criteria to be considered for an exemption.

East Lothian Council will reduce the required fee by 50% for planning applications, certificates of lawful use or development, certificates of proposed use or development, advertisement consents, applications made under Section 42 of The Town and Country Planning (Scotland) Act 1997 (as amended) and determinations as to whether the planning authority's prior approval is required. The amount levied will depend on the type of application. For example, a £200 fee would be reduced to £100. The full statutory fee should be paid when the application is submitted. The Council will make a decision on receipt of an application as to whether a 50% reduction is applicable and will refund the applicant accordingly.

Prospective applicants should make clear in their supporting information if they are seeking a reduction in the application fee. Clear justification should be given for why the applicant believes that a reduction in the fee is applicable.

The statutory definition of what constitutes a 'not for profit' or 'social' enterprise is set out within the Town and Country Planning (Scotland) Act 1997 (as amended) as follows:

- "not for profit enterprise" means an organisation which a person might reasonably consider to exist wholly or mainly to provide benefits for society,
- "social enterprise" means an organisation whose activities are wholly or mainly activities which a person might reasonably consider to be activities carried on for the benefit of society ("its social objects"), and which— generates most of its income through business or trade -- reinvests most of its profits in its social objects, is independent of any public authority, and is owned, controlled and managed in a way that is consistent with its social objects

If prospective applicants are of the opinion that their organisation meets the above criteria to be considered a not for profit or social enterprise, they should provide a supporting statement outlining why. Any statement should clearly cover the criteria described above. Supporting evidence should also be supplied.

There is no statutory definition of a proposal which is 'improving the health of residents'. Prospective applicants should provide supporting information with any application detailing why they are of the opinion that their proposal will improve the health of residents in the local area.

If a required fee is not paid, the application will not be progressed to determination

| Category | Charge |
|--|---|
| Where an application relates to development which, in the opinion of the planning authority, has the primary purpose of contributing to a not-for-profit enterprise or a social enterprise, and where the application relates to development which, in the opinion of the planning authority, is likely to contribute to improving the health of residents of the area to which the application relates. | Fee reduced by 50% for planning applications, certificates of lawful use or development, certificates of proposed use or development, advertisement consents, and applications made under Section 42 of The Town and Country Planning (Scotland) Act 1997 (as amended). |
| Note: "not for profit enterprise" and "social enterprise" have the meanings in section 252(1F) of the Town and Country Planning (Scotland) Act 1997 (as amended). | Reduced fees subject to agreement by the Planning Authority |