



Aim

The aim of this report is to conduct and prepare the results of business engagement for the South marine plan areas. The report identifies available information to be used for assessing economic impact, through engagement with businesses and representative organisations. The report uses information obtained from engagement to provide estimates of potential costs and benefits of the three draft policy options identified during the South marine plans options process.

Introduction and methodology

Socio-economic evidence is required by MMO to support implementation of a marine planning system that integrates the social requirements, economic potential and the environmental imperatives of our seas within a framework for managing sustainably the marine environment. Improving socio-economic evidence to support English marine plans is in line with MMO's evidence priorities.

The outputs of this project fed into an economic assessment of any likely changes to the baseline economy that are attributable to marine plans. Due to the timing of the project this analysis was undertaken on the three options identified during the options process of the planning cycle.

In this context, the project's primary objective was to undertake an assessment of the socio-economic impacts associated with the introduction of the South Inshore and South Offshore Marine Plans on businesses. The assessment has been collated from a combination of interviews with stakeholders in industry and other relevant bodies. The impacts considered cover both the economic impact, in terms of number of businesses, direct employees and the Gross Value Added (GVA) of the marine sectors, as well as the administrative impact, considered to be both the costs associated with review and

implementation of the plans and savings on costs of applying for a marine license.

Results

This report has provided an updated economic baseline of the South marine plan areas which can be used to calculate the Business as Usual (BAU) value. The number of marine license applications has been extrapolated to provide a 20 year baseline for the number of marine license submissions by industry. This has allowed the baseline cost to industry associated with the administrative burden of applying for marine licenses to be estimated. Costs by sector have been estimated yearly from adoption through to year 20. The calculations and analysis within the report can be applied to future plan areas to provide a consistent approach to analysis.

As well as the costs associated with implementing marine plan policy the report identifies administrative costs associated with reviewing and consulting on revisions to the marine plan.

The report also identifies a series of assumptions required to calculate costs, in terms of administrative and license applications. These assumptions are based on previous work undertaken by the MMO and are detailed in Annex 2 of the report.

Conclusions and recommendations

Over the 20 year vision of the plan all three plan options are predicted to result in a net benefit to business in their medium (most likely) scenario. The prescriptive option is predicted to provide the largest potential, in terms of both number of employees and businesses, due to the increased certainty of this option.

Undertaking stakeholder interviews based on multiple policy options resulted, in some cases, in the interviewee being unable to distinguish



between policy options. Future studies should present stakeholders with a single set of policies.

This report provides information that could be used in an economic assessment of the South marine plans, however additional work will be required to fully inform that assessment.

MMO comments

This report has identified information that has been incorporated into the 'Analysis of Business Impacts' document to support the adoption of marine plans. It should be noted that in order to draft the 'Analysis of Business Impacts' the administrative costs were recalculated to take account of the policy option taken forward into the marine plan.

Further information

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