

Marine Management Organisation (MMO)

Licensing 2015 changes: business-led marine licences

RPC rating: validated

Description of proposal

The MMO has reviewed its approach to licensing in the light of its experiences since 2011 and of feedback from businesses. As a result, it has introduced a system of licensing which allows businesses to apply for a single licence to cover multiple activities:

- When they have multiple licensable operations in different areas of the country and wish to license activities under a broader dredging and repair plan;
- When they have long-term dredging plans in place and wish to license the totality of activity under these plans; and
- When they wish to combine licensing for a new development project and for the maintenance of the assets created by the project.

Impacts of proposal

Based on administrative data, the MMO estimates that around 50 of the 1400 organisations that use its licensing systems will make use of the new arrangements. Users will tend to be medium or large businesses, though some smaller businesses may be affected. Based on discussions with businesses, the MMO estimates that each application under the new system will take around 40 hours in total, as compared with 14 under the old system. However, under the new system only one application will be required during the appraisal period, as opposed to 4 under the old system, because each licence covers more activities. Using these assumptions and ASHE data for the sector, the regulator estimates:

- Ongoing familiarisation costs of £116 per annum, as a result of familiarisation with the regulations at the point of application;
- Net savings of £1864 per annum, as a result of reductions in the overall time spent on completing applications.

Quality of submission

Date of implementation: March 2016

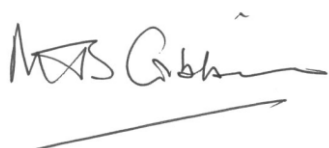
As originally submitted, the MMO's assessment was not fit for purpose, because it assumed that the time taken by a business to complete an application would be the same as the time taken by the MMO to process one. The regulator has now provided more appropriate estimates, based on discussions with businesses, and the RPC is able to validate the proposed (zero) EANDCB.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	£0.0 million
Business net present value	£0.0 million

RPC assessment¹

Classification	Qualifying regulatory provision
EANDCB – RPC validated	£0.0 million
Business impact target score	£0.0 million



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT figures to the nearest £100,000