

Net Zero Offshore Policy Interactions

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1 Introduction

The Crown Estate (TCE) have commissioned Howell Marine Consulting to advise on the UK government policy and delivery landscape associated with the deployment of marine infrastructure to support ambitions for Net Zero (Net Zero Offshore), particularly in those waters for which TCE has responsibility (i.e. England, Wales and Northern Ireland (NI)). This report addresses key policy frameworks and government actors within UK seas with a focus on English, Welsh and Northern Ireland waters and the main interfaces between them. The report covers the following:

- An overview of marine policy and delivery in the UK setting out the evolution of approach to integration and coordination of marine policy across departments and delivery bodies;
- The policy and delivery structure for delivery of Net Zero Offshore in England, Wales and Northern Ireland; and
- An analysis of the interactions between Net Zero Offshore and other significant policy areas including:
 - Biodiversity
 - Fisheries
 - Oil and Gas
 - Maritime Transport
 - Marine Minerals
 - Marine Heritage
 - Air Defence
 - Coastal Communities

In this report we consider how these policy areas interact with each other, with a focus on the importance of these interactions for delivering Net Zero Offshore and the developing role of key actors within each area. It should be noted that the commentary within this report is based upon the experience and opinion of the authors and would benefit from wider discussion and consultation with key actors.

2 Marine policy and delivery in the UK

2.1 Integrated marine policy in the UK

The UK has long been a global leader in the sustainable management of our seas. A decade ago, the UK government developed a cross party, cross government and cross departmental white paper entitled “Our Seas – A Shared Resource” (2009)¹. This set out a shared vision for sustainable development of our seas and the High Level Marine Objectives which have shaped marine policy in the UK to the present day.

“Our Seas” was put on a statutory footing with the Marine and Coastal Access Act 2009 (MCAA), the Marine Scotland Act 2010 (MCA) and the development of the UK Marine Policy Statement (MPS)² in 2011, another first within Europe and one of the first in the world. This integrated policy and legislative framework provided the foundations for developing integrated management of our ocean, marine spatial planning across the UK and domestic implementation of international commitments.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/182486/ourseas-2009update.pdf

² <https://www.gov.uk/government/publications/uk-marine-policy-statement>

This framework allowed the UK to become one of the earliest adopters of an integrated approach to marine policy. The governance system is made up of a central government in Westminster responsible for England and reserved policy matters across the UK (e.g. safety at sea, defence), and three devolved administrations (Scotland, Wales and Northern Ireland) with responsibilities for their own devolved competencies (e.g. environment, energy, culture). As such, when the UK approached the creation of an integrated approach to marine policy in 2009, there were issues on how to integrate not only between government departments and policy areas, but also between administrations. This issue of integration is an ongoing challenge, and has come to the fore following EU Exit, as the EU played a major role in providing a de facto coordination function on environment policy across administrations.

The approach to integrated policy and delivery at the UK level is set out in Figure 1 below. It consists of the following key components:

- **UK Marine Policy Statement 2010** (UK MPS) that applies to all administrations and all relevant policy and decision making bodies within those administrations. This is discussed in more detail in Section 2.0.
- **UK Marine Strategy 2019** which addresses the UK's obligations under the UK Marine Strategy Regulations and is intended to provide the framework for delivering the UK vision for the marine environment as well as the requirements for good environmental status (GES).
- **Joint Fisheries Statement** which will set out a shared vision for UK fisheries post EU exit, currently in development.
- **UK Marine Science Strategy** which sets the general direction for future marine science across the UK for the period 2010 to 2025.
- **Marine Plans** across each devolved region that look across all relevant policy areas to set out priorities and directions for future development within the plan area at national and / or sub-national (regional) level. These marine plans seek to inform sustainable use of marine resources and help marine users understand the best locations for their activities.

Both at delivery level and within the MPS, the UK marine policy framework includes policy across environment, energy, transport, communities and local government, defence, planning and culture. Of these, policy addressing environment, communities and local government, planning, and culture are devolved. Although transport is devolved, Maritime 2050, the UK government's maritime transport strategy does address aspects of maritime transport in the devolved nations.

It should be noted that although environment is devolved, prior to EU Exit, approximately 80% of environmental legislation in the UK derived from the EU. As Defra held the coordinating role for UK Government in relation to EU policy and legislation, this effectively became a coordinating role for environment policy in the UK, a role which is being negotiated between administrations following EU Exit. As all jurisdictions are committed to maintaining the safeguards for biodiversity in place pre-EU Exit, there will remain some overall alignment and co-ordination needs but it is yet to be seen how this will be achieved.

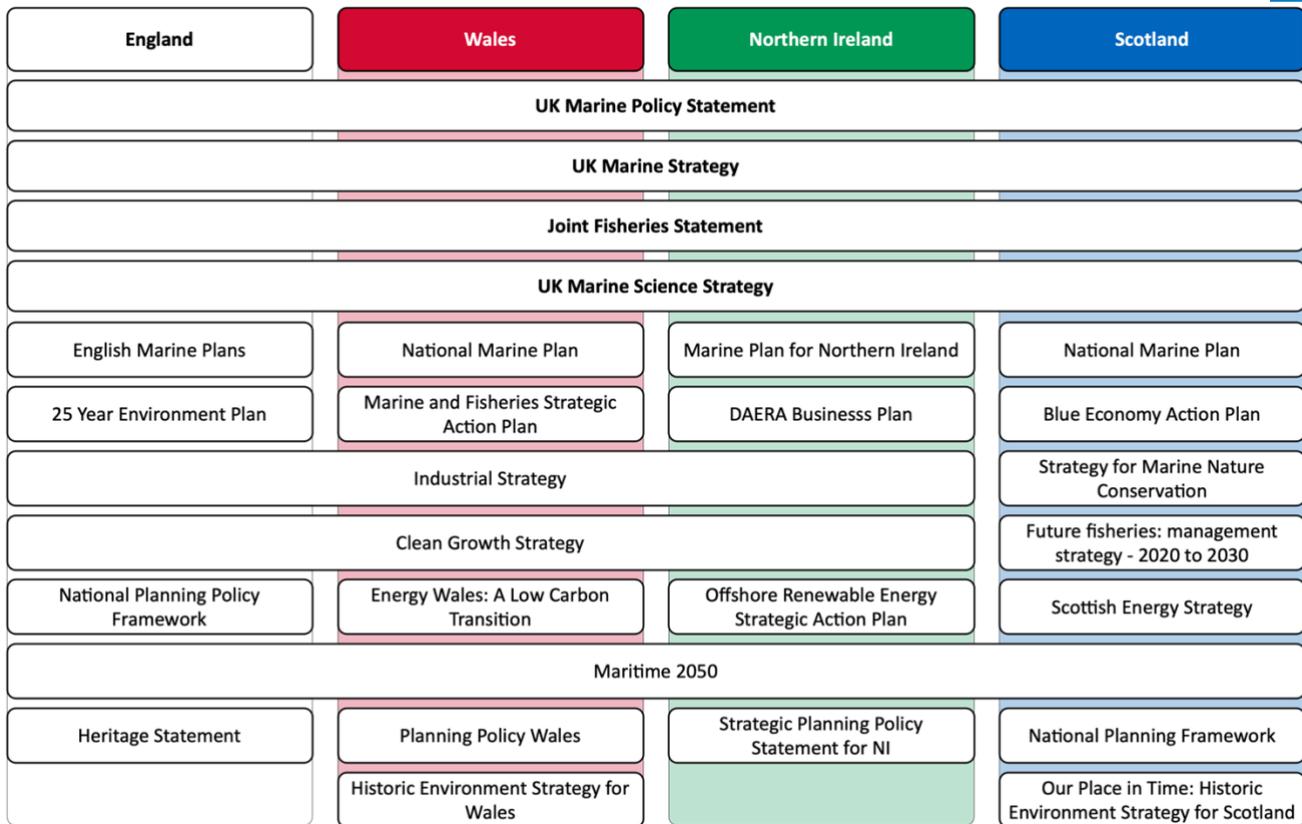


Figure 1 UK Marine Policy Framework

2.1.1 Marine Planning

Marine plans have been prepared by each administration and by statute have to be in place by 2021. They aim to provide greater policy coherence and a forward-looking, proactive and spatial approach to marine management, resources, and the activities and interactions that take place across all policy areas.

The approach to marine planning and its current status differs across administrations:

- England:** Regional marine plans are in the process of being finalised for 10 marine plan areas³ extending out to the exclusive economic zone (EEZ) limit for English seas. These provide a long-term (20 years) view of activities and will be reviewed every 3 years. Four of these marine plan areas are already complete (East inshore and offshore and South inshore and offshore) and the rest will be completed in 2021.
- Wales:** The Welsh National Marine Plan was published in 2019 and sets the policy for the next 20 years for the sustainable use of Welsh Seas.
- Northern Ireland:** The Marine Plan for Northern Ireland is a single document made up of two plans, one for the inshore region and one for the offshore region, and provides the basis for guide the regulation, management, use and protection of our marine area. It is in draft form and not yet formally adopted.

³ There will be 10 marine plans as the North West will have a single plan following requests to have a single process and one plan for these areas.

- **Scotland:** A National Marine Plan was developed in 2015 and sets the policy framework for activities at sea and addresses the management of both Scottish inshore waters (out to 12 nautical miles) and offshore waters (12 to 200 nautical miles). Within this framework, 11 Scottish Marine Regions have been defined covering inshore waters for which regional marine plans will be developed by Marine Planning Partnerships (MPPs). Three MPPs have been established but no regional marine plans have yet been formally adopted. The NMP is reviewed every 3 years with the next review due in 2021.

2.2 Policy delivery across the UK

From a delivery perspective, each devolved administration has developed a different approach to managing integration suited to their own administrative, political and geographical needs, as set out in Figure 2.

- **England** created an independent non-departmental public body (the Marine Management Organisation (MMO)) which reported to five government departments (Defra; DfT; BEIS; MHCLG; and MoD). The MMO is responsible for managing fisheries, marine protected areas, marine licensing and marine spatial planning. There are still important delivery functions that sit outside of the MMO (e.g. seabed leasing, oil and gas, maritime affairs, nationally significant infrastructure permitting), but they all operate within the framework set out by the MMO as Marine Plan Authority.
- **Wales** have a marine policy team within Welsh Government (Economy, Skills and Natural Resources), with most operational decision making being assigned to Natural Resources Wales whose remit is the sustainable management of Wales' natural resources, both on land and at sea.
- **Northern Ireland** have a very small administration and the NI assembly was suspended from 2017 to 2020. As such, much of the policy and operational decision making is located within a team in the Department for Agriculture, Environment and Rural Affairs.
- **Scotland** combined all devolved functions to do with the marine environment (fisheries, marine protected areas, marine licensing, marine spatial planning) into one body (Marine Scotland), that has responsibility for policy making, operational decision making and science across different functions (Marine Scotland Science, Marine Scotland Planning and Policy and Marine Scotland Licensing Operations Team). This has created a directorate within Scottish Government for marine matters that has both policy and operational control as well as responsibility for delivering the science to inform decision making.

In addition to these regional delivery models there are cross-cutting functions. Most notably:

- Across all administrations:
 - Ministry of Defence (MOD) has responsibility for defence of the realm.
 - Joint Maritime Operations Command (JMOC) is responsible for monitoring and surveillance of human activity at sea across all functions, including fishing, navigation, safety at sea, customs, defence and security services.
 - The Joint Nature Conservation Committee (JNCC) are the statutory nature conservation body for all UK waters outside 12 nm.
 - The Oil and Gas Authority (OGA) work with the industry and government to maximise the economic recovery of UK oil and gas and support the UK government in its drive to reach net zero greenhouse gas emissions by 2050.

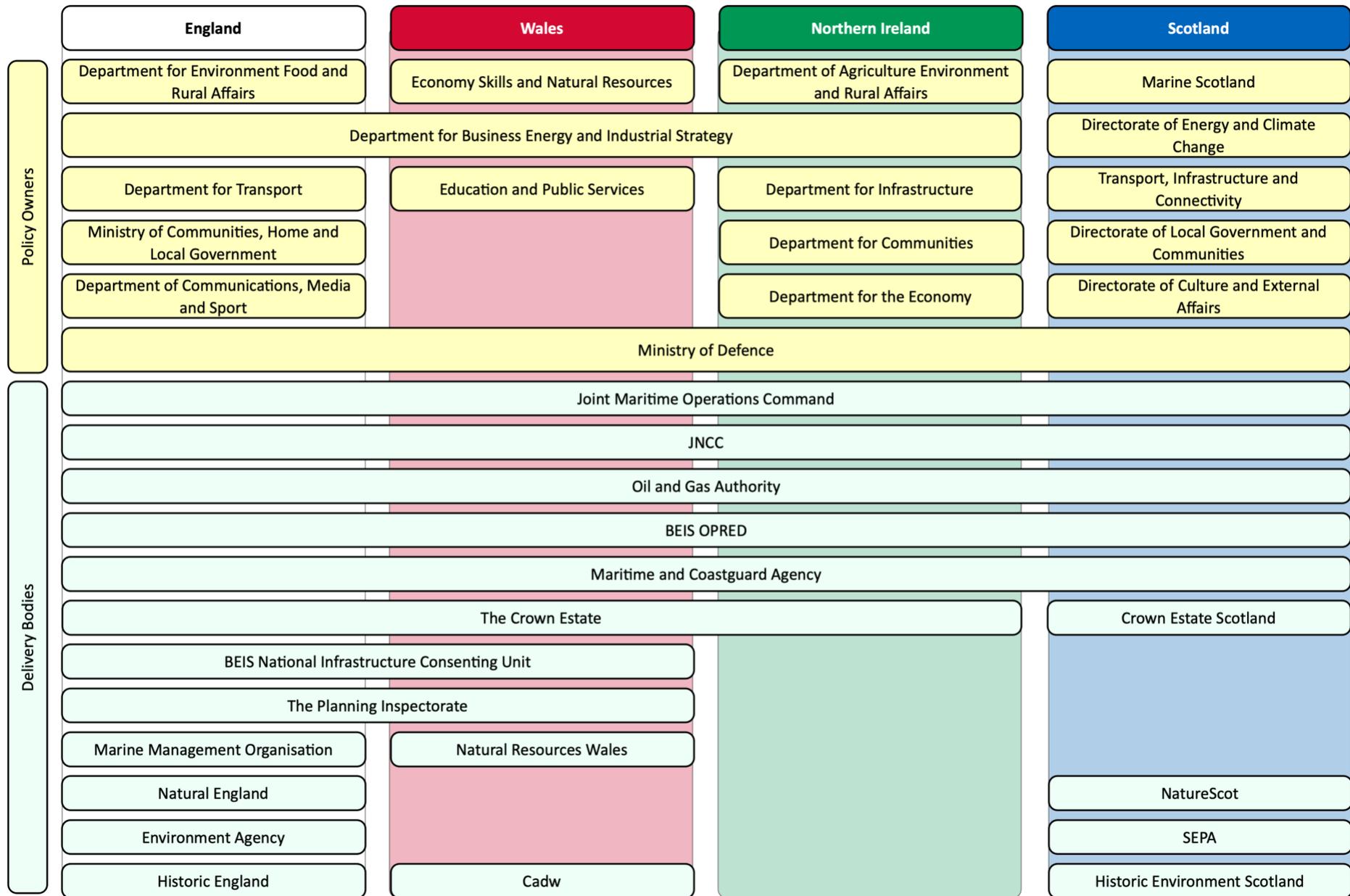


Figure 2 UK Marine Policy Institutional Structure

- The Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) within BEIS is responsible for regulating environmental and decommissioning activity for offshore oil and gas operations in the UK.
- The Maritime and Coastguard Agency, an executive agency of DfT work to prevent the loss of life on the coast and at sea.
- Across England, Wales and North Ireland:
 - The Crown Estate are responsible for sectoral planning for marine minerals and offshore wind as well as seabed leasing.
- Across England and Wales
 - BEIS are responsible for energy policy, oil and gas planning and well as national energy infrastructure consenting.
 - The Planning Inspectorate are responsible for advising the relevant Secretary of State on Nationally Significant Infrastructure Projects (MHCLG/ BEIS).

2.3 Marine Policy Statement

The MPS was prepared in 2010 for the purposes of section 44 of the Marine and Coastal Access Act 2009 to contribute to the achievement of sustainable development in the United Kingdom marine area. It was jointly adopted by the Secretary of State, Scottish Ministers, Welsh Ministers and the Department of the Environment in Northern Ireland and was seen as a key step towards achieving the vision shared by the UK Administrations of having ‘clean, healthy, safe, productive and biologically diverse oceans and seas’.

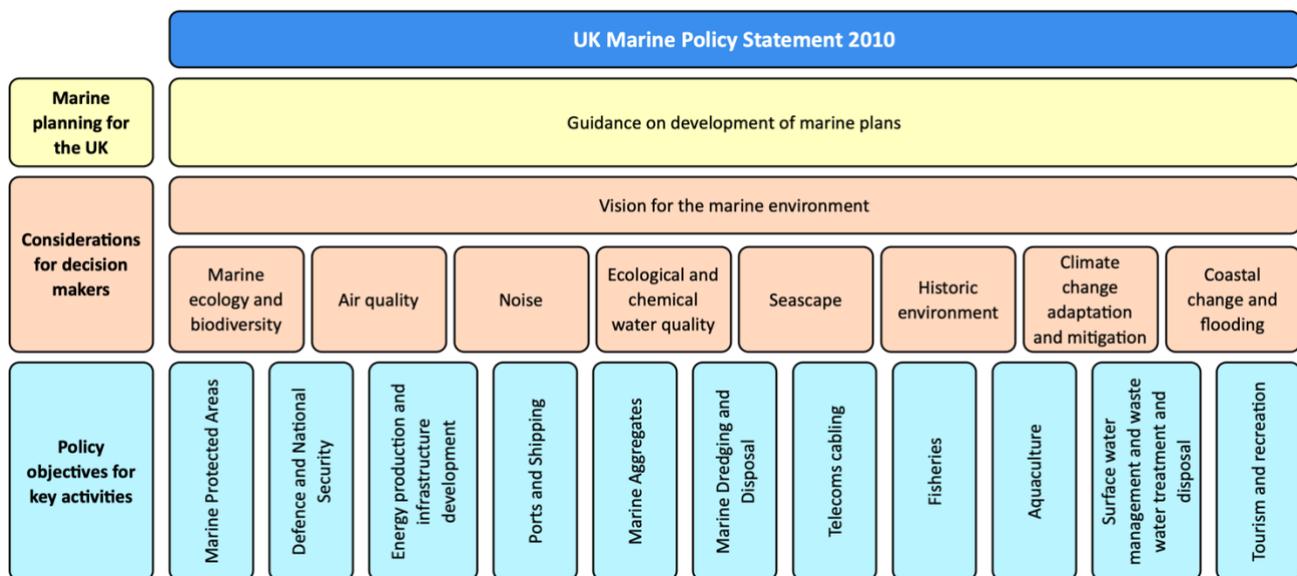


Figure 3 UK Marine Policy Statement

In 2010, the MPS (Figure 3) was a ground-breaking policy document, involving collaboration both across administrations and across departments within those administrations, one of the first in the world to do so. The policy objectives for key activities include key social, economic and environmental considerations that marine plan authorities and decision makers should take into account across 11 key sectors. These considerations distilled policy objectives across multiple, complex areas that themselves often have sector-specific national policy statements or policy strategies for each administration. As such, the text of the MPS was often based on compromise and the identification of common goals across different administrations.

As set out in Figure 4, in developing the MPS the UK Government, coordinated by Defra, drew on National Policy Statements, departmental policy across all administrations, statutory responsibilities and stakeholder views. These were integrated to make up a policy document that provides policy guidance on the development of marine plans, considerations for decision makers setting out aspects that they should take into account during their decision making, and policy objectives for 11 key activities.

The MPS has been the foundation for marine planning in the UK and informs other sectoral planning activities, such as those set out in Figure 4, as well as operational decision making across the management of all human activity at sea. It should be noted that the sectoral planning areas set out in Figure 4 are the main areas where government leads. For example, there is no coordinated sectoral planning led by government on ports, dredging, tourism or telecoms cabling.

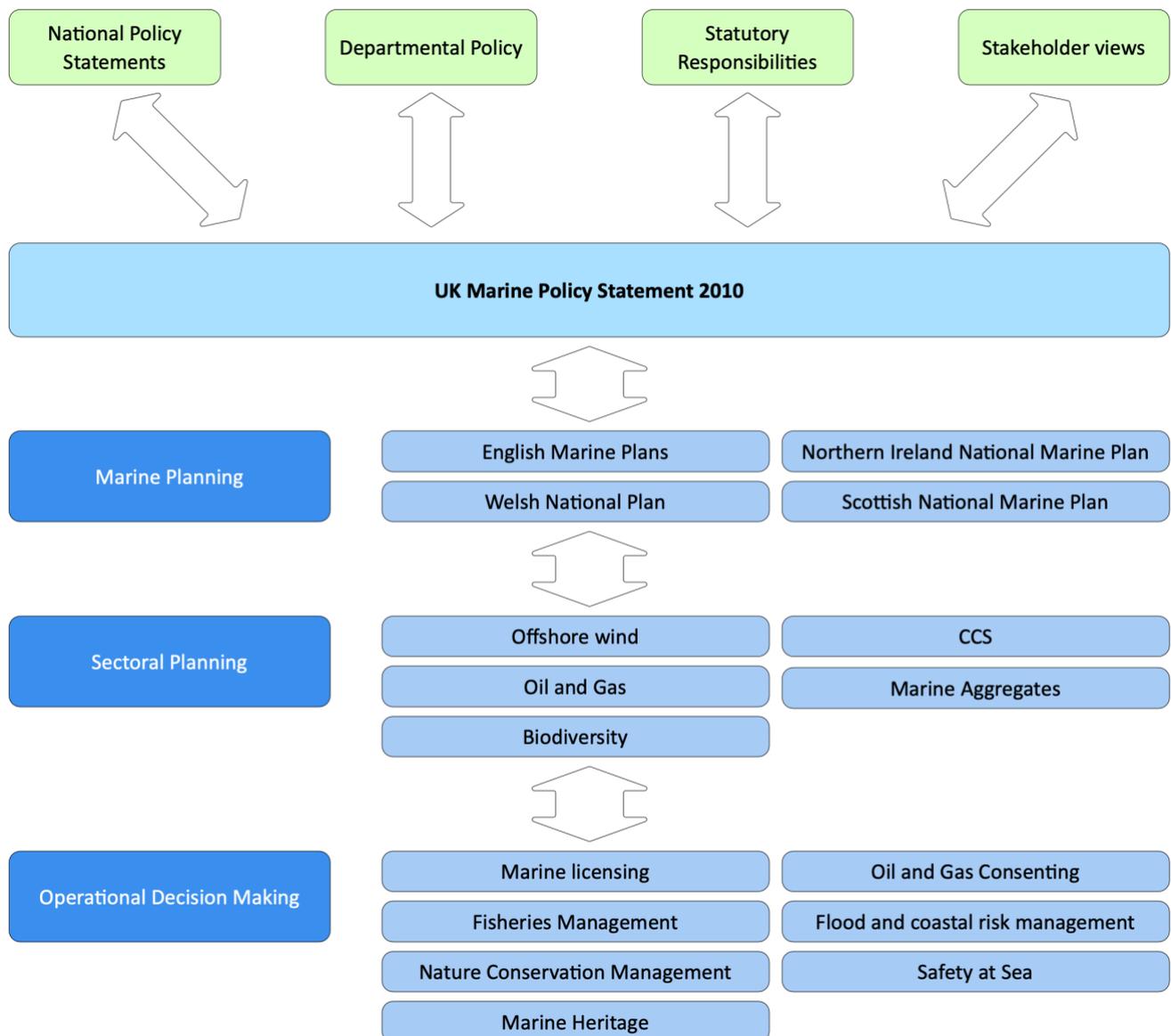


Figure 4 Marine Policy Statement formation and use

As it was creating a new vision for integrated management of the UK marine space, much of how the MPS was constructed, and the elements that make it up, were untested. Many have stood the test of time, others have

not and whilst the MPS states that it “*will remain in place until it is withdrawn, amended or replaced*” and will be “*be reviewed as and when the relevant policy authorities (the Secretary of State in conjunction with Devolved Authorities) consider it appropriate to do so*”, it has not been reviewed or updated as yet. However, UK government is currently considering whether it should be revised and a decade on from its creation, with the UK defining itself post EU Exit, seems an opportune time to do so. There is an opportunity to update and strengthen marine policy for the next decade as the policy objectives of the MPS are based upon policy from 2010, and as such do not reflect the current agenda.

This is particularly true with regard to key commitments such as the implications of government’s Net Zero goals offshore, as set out in the Clean Growth Strategy, and aspirations around net environmental gain and environmental restoration as set out in Defra’s 25 Year Environment Plan. The MPS also does not include many of the current environmental objectives from the devolved administrations, the growing focus on net environmental gain, natural capital approaches, the importance of coastal communities in decision making and the fundamental changes in the machinery of government that must take place when the UK leaves the EU. That being said, the vision for the marine environment as set out in the MPS and articulated in the high-level marine objectives is well integrated into marine environmental policy across all administrations and continues to be the main policy cornerstone for the marine environment in the UK.

The MPS includes guidance on marine planning, which has been taken by each administration and interpreted differently in delivery, as set out in Section 2. Although targets for delivering marine plans are being met, it still provides a very useful, if brief, framework upon which the ongoing implementation and review of marine plans can be measured against, and it provides the fundamental policy mechanism for an overarching review into how marine plans have been delivered across the different administrations.

3 Delivering Net Zero offshore

3.1 Understanding government policy

When looking to understand how government policy is developed and delivered, and which bodies are accountable for each part of the process, it is important to understand how government in the UK is institutionally structured and aligned to policy outcomes. This allows clarity around lines of accountability and potential overlap of interest.

An initial way of looking at government policy and delivery is set out in Figure 5 which shows the delivery of the main policy areas either associated with, or affected by, the delivery of Net Zero Offshore infrastructure. These show relevant government departments, policy areas, strategic policy framework and delivery areas. This is useful as an overview of how delivery lines up with policy areas and relevant departments but does not show the detail associated with different delivery bodies, enabling legislation and the interactions between them.

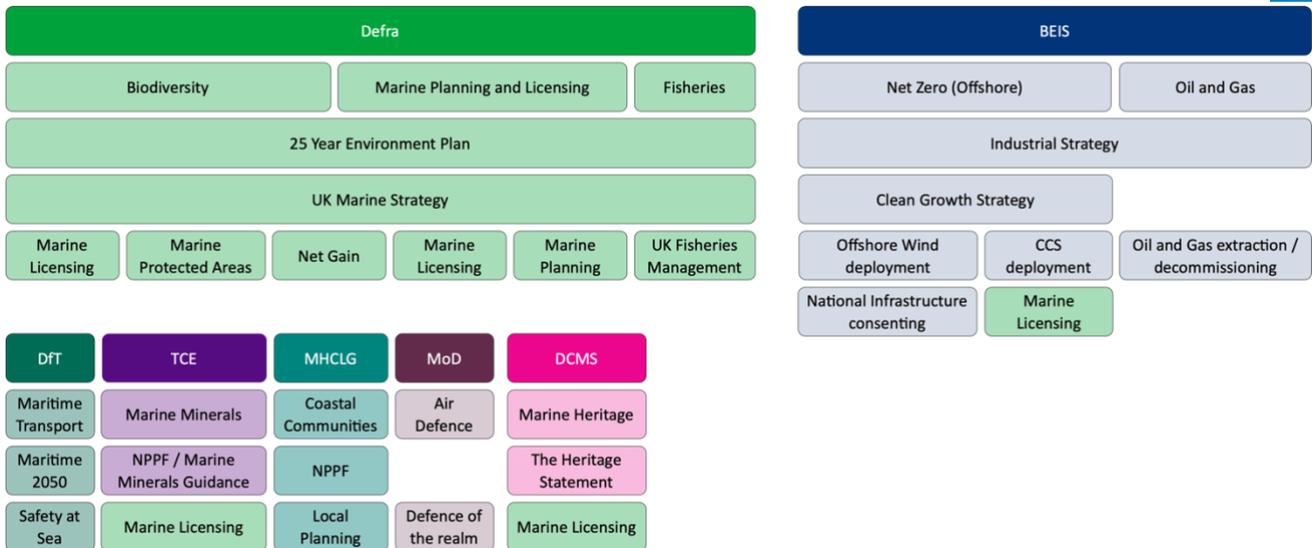


Figure 5 England Marine Policy Delivery

Broadly, there are three parts to the government system that allow for the successful achievement of policy outcomes in any given policy area:

1. **Policy development** – this consists of those bodies responsible for formulating government policy outcomes and who are ultimately accountable for their success. This are most often central government departments who are held to account by Parliament, most often through government select committees. Policy is always the responsibility and accountability of the executive branch of government (i.e. the current administration) who have a democratic mandate to provide the direction for the UK (or Wales, Northern Ireland and Scotland on devolved matters). This responsibility is most often delegated to Cabinet Ministers to develop policy through their respective departments, but can come directly from the Prime Minister, generally through Cabinet Office.
2. **Policy delivery** – this consists of those bodies who are responsible for managing human activity to meet government policy outcomes. This is normally through management or regulation of activities or the development of regulatory frameworks within which other bodies must operate. Such bodies can either be regulators or statutory advisors and can sit within government departments as divisions or executive agencies, or can act independently as non-departmental public bodies (NDPB). If they are NDPBs then they will have been delegated functions to deliver on behalf of government departments in line with relevant policy outcomes, but they act independently and are accountable to their board and then directly to Parliament, although they receive their funding settlement from their sponsor department.
3. **Evidence provision** – It is essential that those bodies who are both developing and deliver policy across government are able to draw on high quality, wide-ranging and robust evidence to enable informed decision making. Together with an effective advisory process, this allows government to ensure that all opportunities are explored to their full potential and they can deal capably with emergencies. Evidence provision is delivered either through executive agencies (such as Cefas), by NDPBs, or by government commissioning work directly. UKRI also has an objective to ensure that the delivery of UK science through the Research Councils can contribute to government decision making.

When looking to understand how a particular aspect of government policy is formulated, how it is delivered, and which bodies are accountable for different parts of the process it is useful to think of policy areas using

the simplified approach set out above, before drilling down into the detail behind each policy area. This allows for a systems approach to be taken that can be used to analyse how policy areas interact at a strategic level.

Policies across all areas of government interact to influence the transition of the whole economy towards net zero. Offshore this is mostly about the deployment of infrastructure for offshore wind and carbon capture and storage, but in the future could include associated activities such as integrated grid development or the likely emergence of other industries such as hydrogen production. In this report all these are referred to as Net Zero Offshore and operate within the same policy framework, even if some of the operational considerations may be specific to individual areas. The policy framework surrounding the delivery of Net Zero Offshore in England, Wales and Northern Ireland (NI), previously analysed for the Crown Estate by HMC (2019), has been updated. Policy areas and those responsible for policy development, delivery and evidence provision were identified. Policy areas have been further divided into:

1. **Principle policy areas** – those areas of government policy that have specific outcomes associated with Net Zero Offshore.
2. **Decision making policy areas** – those areas of government policy that have responsibility for outcomes associated with the regulation or management of offshore wind and CCS.
3. **Interested policy areas** – those areas of government policy that do not have specific outcomes associated with offshore wind and CCS, nor do they have responsibility for its regulation, but whose policy outcomes may be affected by it. As such, they have an interest in decision making, particularly in ensuring that their policy outcomes are not adversely affected, but also in looking for opportunities to co-deliver.

An interactive pdf is supplied alongside this report which contains the detailed analysis of policy outcomes, roles and legislative frameworks across all marine and maritime policy areas that this analysis was based on. This is a product of work undertaken for the MMO in 2019 looking at how and where marine plans are being used in decision-making by public bodies⁴ that has been updated to reflect the current situation.

3.2 England

3.2.1 Principal policy areas

Figure 6 shows the policy map for the delivery of Net Zero Offshore in England. The principal policy areas are Clean Growth, Industrial Strategy and Decentralisation and Growth.

3.2.1.1 Clean Growth

This policy area is the responsibility of BEIS. The Clean Growth Strategy sets out that in the context of the UK's legal requirements under the Climate Change Act, the UK's approach to reducing emissions has two guiding objectives:

- To meet our domestic commitments at the lowest possible net cost to UK taxpayers, consumers and businesses; and,
- To maximise the social and economic benefits for the UK from this transition.

⁴ <https://www.gov.uk/government/publications/implementation-mapping-mmo1155>

In order to meet these objectives, the UK will need to nurture low carbon technologies, processes and systems that are as cheap as possible. This policy has direct links with the UK Industrial Strategy as one of the key components of delivering an energy system that can meet the UK's legal and policy commitments.

3.2.1.2 Industrial Strategy

This policy area is cross governmental but is led by BEIS. The aim of the Industrial Strategy is to boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure.

The Offshore Wind Sector Deal is a key part of the UK Industrial Strategy and commits the government to support the sector in innovation, skills, infrastructure deployment and the business environment in order to meet an aspiration of 30 GW of offshore wind by 2030.

The Crown Estate have committed to support BEIS in delivering the Offshore Wind Sector Deal by establishing a strategic enabling actions programme with the aim of increasing the available knowledge and evidence to support sustainable and coordinated expansion of offshore wind. This has now been operationalised with the launch of the Offshore Wind Evidence and Change (OWEC) Programme. The OWEC Programme has both BEIS and Defra as strategic partners and is worth £25 million over 5 years. Together with the devolved Governments, it brings together more than 20 stakeholder organisations, mainly from government bodies, as a Programme Steering Group to support Government's wider efforts to develop a vision for the future of the offshore wind sector.

This area is supported by Treasury with the National Infrastructure Strategy⁵, which supports the Prime Minister's Ten Point Plan for a Green Industrial Revolution, setting out that infrastructure investment is fundamental to delivering net zero emissions by 2050.

3.2.1.3 Decentralisation and Growth

This policy area sits with MHCLG but also with Local Authorities through City Deals and Growth Deals or with Local Economic Partnerships (LEP) through their Strategic Economic Plans. LEPs are locally-owned partnerships between local authorities and businesses. They play a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs. Many coastal LEPs have specific outcomes relating to supporting the establishment of the offshore wind sector in their regions as a driver for local economic growth.

3.2.2 Decision making policy areas

There are three key policy areas that have responsibility for decision making on regulation and management as set out below.

3.2.2.1 The Planning System

This policy area is owned by MHCLG and is responsible for delivering on the outcomes within the National Planning Policy Framework, the Marine Policy Statement and the Planning Act 2008 for the consenting of nationally significant infrastructure projects (NSIP). The Planning Inspectorate are the main delivery body for

⁵ <https://www.gov.uk/government/publications/national-infrastructure-strategy>

MHCLG and within the Planning Act process they are responsible for advising relevant Secretaries of State on whether they should be minded to approve a decision on an NSIP within their policy remit.

It should be noted that whilst MHCLG own the planning system in England, individual Secretaries of State are responsible for National Policy Statements (NPS) within their policy remit. Any decisions taken under the NSIP regime have to have regard to any marine plan or the Marine Policy Statement. Of equal importance to the deployment of offshore wind are the Overarching National Policy Statement for Energy (EN-1)⁶, and the National Policy Statement for Renewable Energy Infrastructure (EN-3)⁷. Both EN-1 and EN-3 are fundamental to the decision making of both PINS and BEIS when making planning decisions on offshore wind deployment.

⁶ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/47854/1938-overarching-nps-for-energy-en1.pdf

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/47856/1940-nps-renewable-energy-en3.pdf

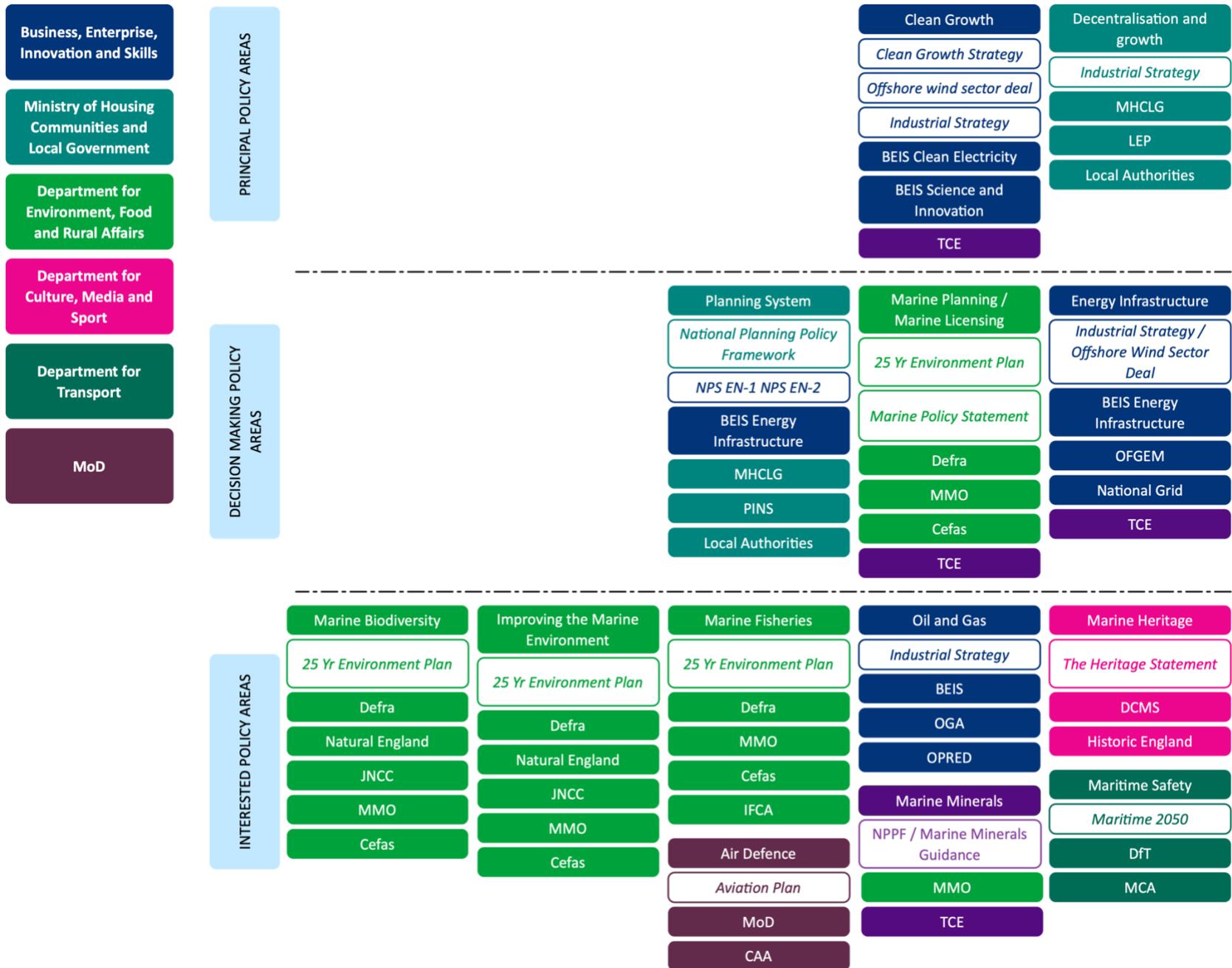


Figure 6 Policy map for Net Zero Offshore in England

3.2.2.2 Marine Planning / Licensing (The Sustainable Use of Marine Resources)

This policy area sits within Defra and is responsible for ensuring that human activities that go on in the marine environment (apart from fisheries) are managed effectively and in way that contributes to the achievement of sustainable development. This policy area is largely delivered independently by the Marine Management Organisation (MMO) through the marine licensing and marine planning systems, although in the last 12 months, Defra have become increasingly involved in providing policy support through the Offshore Wind Enabling Actions Programme. Although these functions have been delegated to the MMO, they are delivered in line with policy outcomes set within Defra's 25 Year Environment Plan, the Marine Policy Statement and other relevant NPSs or policy documents from other departments, most notably BEIS.

Whilst the responsibility for delivering marine planning in England sits with the Defra Secretary of State, the sign off for any marine plan is subject to full government write round to ensure the approval of any other relevant Secretary of State, most notably those from BEIS, DfT, MHCLG, MoD and DCMS. In order to facilitate this process, the MMO has established a marine planning programme board which consists of senior officials from these departments as well as key delivery partners such as the Crown Estate.

The MMO are integral to the consenting of marine renewable energy NSIPs through the planning system. When an NSIP is consented under the Planning Act through a Development Consent Order, the actual development and operational activity is controlled through a deemed marine licence, for which the MMO is the responsible authority. As such, the MMO is key to the Planning Act process as it advises PINS on the suitability of any conditions that may be applied to mitigate impacts that have been identified or representations that have been made by other statutory advisors. It also advises PINS on any aspects of the environmental impact assessment process that are not covered by the statutory functions of other public bodies.

This policy area is a slight anomaly within the Defra portfolio and has arisen from the passing of the Marine and Coastal Access Act 2009 and the establishment of the MMO. During this time, duties from DECC and DfT were merged with existing duties that sat within Defra and then delegated to a cross departmental body, the MMO. Over time the policy outcomes associated with these duties have come to sit within Defra as the lead sponsor of the MMO.

3.2.2.3 Energy Infrastructure

This policy area sits within BEIS and is responsible for managing and regulating the delivery of Energy Infrastructure within England and within Wales for installations >350 MW and CCS installations. Within BEIS, there is an Energy Infrastructure team who are responsible for supporting the Secretary of State in making their decision on NSIPs following advice from PINS. Ofgem and National Grid are also key decision makers with regards to the management of grid connection and market regulation for any new energy NSIP. Ofgem are an NDPB and National Grid are a regulated public limited company.

TCE take the lead for the sectoral planning of offshore wind that provides the strategic framework for operational decision making, and informs marine planning, but the responsibility remains with BEIS.

3.2.3 Other relevant policy areas

These policy areas are those which have critical influence on decision making and whose policy outcomes may be affected by the deployment of offshore wind, but are not the driving policy framework.

3.2.3.1 Marine Biodiversity

This policy area sits within Defra and is responsible for the designation and management of important habitats and species through an ecologically coherent network of marine protected areas (MPAs). In this area, Defra is responsible for the designation of MPAs and the MMO is responsible for managing them. Natural England (<12 nm) and JNCC (>12 nm) are the statutory nature conservation bodies (SNCB) responsible for advising decision makers on the potential effects of proposed activities on the conservation objectives associated with designated habitats and species. Decision makers such as, TCE, MMO or the Secretary of State must consider this advice in their decision making on plans or projects. It is through the provision of this advice, and the response of decision makers to it, that most of the current tensions between offshore wind and marine biodiversity are currently being played out.

3.2.3.2 Improving the Marine Environment

This policy area sits within Defra and is responsible for delivering the UK Marine Strategy. The UK Marine Strategy sets out high level objectives, targets, indicators and a programme of measures for achieving Good Environmental Status in UK seas. Decision makers must consider any activity that may impact the delivery of these targets when assessing any new proposal that comes forward.

3.2.3.3 Marine Fisheries

This policy area sits within Defra. Fisheries in the UK are undergoing change due to EU Exit. The key strategic document setting out how fisheries will be managed is the Joint Fisheries Statement which is in the process of being developed. Under the Fisheries Concordat, Defra, the Northern Ireland Executive, the Scottish Government and the Welsh Assembly Government are each allocated annually agreed shares of UK quotas for distribution to their fleets.

Fisheries monitoring and control is a devolved responsibility whereby England, Wales, Northern Ireland and Scotland each regulate fleets under their respective administrations and within their areas of jurisdiction. In England the MMO is responsible for licensing fishing vessels, according to EU regulations. Vessels fishing within the English 6 nm limit are jointly regulated by the MMO and the Inshore Fisheries Conservation Authorities (IFCAs), of which there are ten.

In England, the MMO and IFCAs have a responsibility to advise decision makers on the potential impacts on the achievement of their duties with regards to achieving sustainable fisheries.

3.2.3.4 Oil and Gas

This policy area is a reserved function and sits within BEIS. Policy outcomes include ensuring all environmental impacts are assessed and managed; making work sites and working conditions as safe as possible; keeping the industries competitive to promote further development; and making sure the supply chain is contributing to the economy by paying licence fees and taxes.

BEIS are supported in these functions by the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) which is a division of BEIS that makes decisions on the environmental regulation of oil and gas exploration, production and decommissioning. They are also supported by the Oil and Gas Authority (OGA) whose role is to regulate, influence and promote the UK oil and gas industry in order to maximise the economic recovery of the UK's oil and gas resources. The OGA is an executive agency of BEIS.

Representations into the decision making on offshore wind regarding oil and gas are often made by the industry rather than either OPRED or OGA, but this is increasing with potential changes in the interactions between the oil and gas sector and offshore wind.

3.2.3.5 Marine Heritage

This policy area sits within DCMS. Policy outcomes include the protection and conservation of England's historic environment for the benefit of present and future generations, and for helping people access and enjoy these heritage assets, and the protection of shipwreck sites of archaeological, historical or artistic importance by giving them protected wreck site status. DCMS have delegated advisory functions on matters concerning the historic environment to Historic England who advise relevant decision makers.

3.2.3.6 Marine Minerals

Policy for terrestrial mineral extraction is the responsibility of MHCLG. However, the responsibility for strategic planning of marine mineral extraction is largely left to TCE, whilst the MMO are the main licensing authority.

3.2.3.7 Maritime Safety

This policy area sits within DfT. The main policy outcome is to improve maritime security and safety, including search and rescue capabilities. This function is delivered by the Maritime and Coastguard Agency who are an executive agency of DfT. They are also a statutory advisory on maritime safety matters to any relevant decision maker.

3.3 Wales

Figure 7 shows the policy map for the deployment of offshore wind in Wales. In Wales, all decision making on nationally significant energy installations under 350 MW is a devolved function to Welsh Government, anything over this has been reserved by UK Government. All decision making on environment policy is devolved to Welsh Government.

3.3.1 Principal policy areas

The principal policy areas that have outcomes focused on delivery of offshore wind in Wales are Infrastructure Planning, Energy Planning, Clean Growth, and Industrial Strategy. Clean Growth and Industrial Strategy are the same as discussed previously and apply for energy installations over 350 MW.

3.3.1.1 Infrastructure Planning

This policy area sits with Welsh Government and is cross-governmental. The Wales Infrastructure Investment Plan 2012 (revised 2018) sets out regular reporting on the pipeline of infrastructure projects in Wales. This detailed pipeline of capital investment projects enables funding and delivery partners to ensure they are best placed to support ongoing and upcoming infrastructure projects including identifying opportunities for collaboration and attracting and developing the necessary skills and expertise. Welsh Government have identified an investment target of £100m - £200m worth of offshore wind between 2018 and 2025.

3.3.1.2 Energy Planning

This policy area sits with Welsh Government for energy installations under 350 MW and sits with the Minister for Environment Energy and Rural Affairs. The aim of this plan is to enhance the economic, social and environmental wellbeing of the people and communities of Wales and to achieve a better quality of life for

our own and future generations. Whilst there are no specific targets for offshore wind deployment there is an aspiration to make the best use of commercially proven renewable energy sources and to facilitate appropriate deployment to deliver against low carbon objectives, contribute to wider UK and EU aims and realise the significant wealth-generating opportunities Wales has.

TCE are responsible for the sectoral planning of offshore wind that provides the strategic framework for operational decision making and informs marine planning.

3.3.2 Decision making policy areas

As well as the NSIP system for energy installations over 350 MW, there are two key policy areas that have responsibility for decision making on the regulation and management of offshore wind below 350 MW as set out below.

3.3.2.1 Marine Planning and Licensing

This policy area is owned by Welsh Government and sits with the Minister for Environment Energy and Rural Affairs. The delivery of marine licensing has been delegated to Natural Resources Wales (NRW) who are an NDPB and are responsible for the licensing of all energy infrastructure in Welsh waters under 350 MW. Marine Planning has been retained by Welsh Government.

3.3.2.2 Planning System

This policy area is owned by Welsh Government and sits with the Minister for Environment Energy and Rural Affairs. The key strategy document is Planning Policy Wales alongside the Marine Policy Statement. Planning Policy Wales does not include any specific policies on offshore wind. Welsh Government have a commitment to establish a separate Planning Inspectorate for Wales by May 2021⁸.

3.3.3 Interested policy areas

These policy areas are those which do not have specific decision making responsibilities but whose policy outcomes may be affected by the deployment of offshore wind. Oil and gas and maritime safety are reserved functions and are as set out in the section on England.

3.3.3.1 Marine Biodiversity

This policy area sits within Welsh Government under the Minister for Environment Energy and Rural Affairs and is responsible for the designation and management of important habitats and species through an ecologically coherent network of marine protected areas (MPAs) as set out in NRW's Marine and Fisheries Strategic Action Plan. In this area, Welsh Government is responsible for making orders to designate MPAs and NRW is responsible for managing them. NRW (<12 nm) and JNCC (>12 nm) are the statutory nature conservation bodies (SNCB) responsible for advising decision makers on the potential effects of proposed activities on the conservation objectives associated with designated habitats and species.

⁸ <https://gov.wales/written-statement-planning-inspectorate-wales>

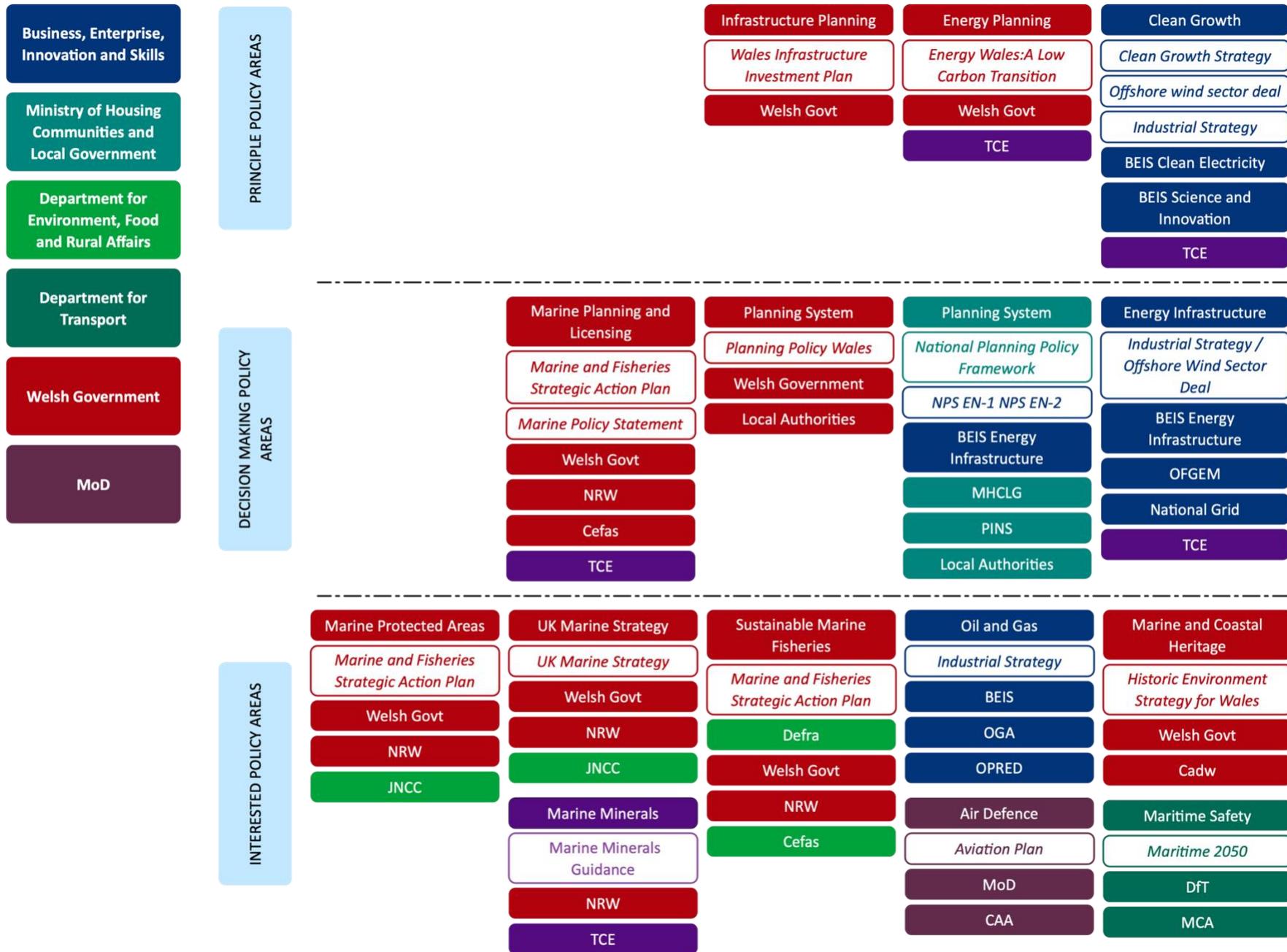


Figure 7 Policy map for Net Zero Offshore in Wales

3.3.3.2 UK Marine Strategy

This policy area sits within Welsh Government under the Minister for Environment Energy and Rural Affairs and is responsible for delivering the UK Marine Strategy in Wales. The UK Marine Strategy sets out high level objectives, targets, indicators and a programme of measures for achieving Good Environmental Status in UK seas. Much of the delivery of this work has been delegated to NRW. Decision makers must consider any activity that may impact the delivery of these targets when assessing any new proposal that comes forward.

3.3.3.3 Marine Fisheries

This policy area sits within Welsh Government under the Minister for Environment Energy and Rural Affairs. Fisheries in the UK are undergoing change due to EU Exit. The key strategic document setting out how fisheries will be managed is the Joint Fisheries Statement which is in the process of being developed. Under the Fisheries Concordat, Defra, the Northern Ireland Executive, the Scottish Government and the Welsh Assembly Government are each allocated annually agreed shares of UK quotas for distribution to their fleets.

Fisheries monitoring and control is a devolved responsibility whereby England, Wales, Northern Ireland and Scotland each regulate fleets under their respective administrations and within their areas of jurisdiction. In Wales Welsh Government is responsible for licensing fishing vessels, according to EU regulations. NRW advise Welsh Government on nature conservation matters within 12 nm

3.3.3.4 Marine Minerals

Policy for terrestrial mineral extraction is the responsibility of Welsh Government. However, the responsibility for strategic planning of marine mineral extraction is largely left to TCE, whilst NRW are the main licensing authority.

3.3.3.5 Marine Heritage

This policy area sits within Cadw which is the historic environment service of the Welsh Government and part of the Tourism and Culture group.

3.4 Northern Ireland

Figure 8 shows the policy map for the deployment of offshore wind in Northern Ireland. All decision making on energy and environment is a devolved function to the Northern Ireland Executive. The devolved executive and assembly which have powers over the region collapsed in January 2017 and was only restored in January 2020. During this time the executive arm of the Northern Ireland Government (i.e. the civil service) continued to deliver their statutory functions but were no formal current government strategy documents or policy outcomes post 2017.

3.4.1 Principal policy areas

The principal policy areas that have outcomes directly related to the delivery of offshore wind in Northern Ireland are Energy Planning, Clean Growth, and Industrial Strategy.

3.4.1.1 Energy Planning

This policy area sits within the Department for the Economy. The Offshore Renewable Energy Strategic Action Plan 2012 – 2020 sets out the contribution offshore wind will make to NI's target of 40% of energy from renewable sources by 2020. This contribution is identified as a development opportunity for up to 900 MW of offshore wind and 300 MW from tidal resources in Northern Ireland waters by 2020.

TCE are responsible for the sectoral planning of offshore wind that provides the strategic framework for operational decision making and informs marine planning.

3.4.2 Decision making policy areas

There are two key policy areas that have responsibility for decision making on the regulation and management of offshore wind as set out below.

3.4.2.1 Marine Planning and Licensing

This policy area sits within the Department for Agriculture, Environment and Rural Affairs (DAERA) who are responsible for both delivering marine plans, and licensing infrastructure in territorial waters (<12 nm).

3.4.2.2 Planning System

This policy area sits within the Department for Infrastructure. The Strategic Planning Policy Statement for NI provides the key planning policy framework alongside the Marine Policy Statement.

3.4.3 Interested policy areas

These policy areas are those which do not have specific decision making responsibilities but whose policy outcomes may be affected by the deployment of offshore wind. Oil and gas and maritime safety are reserved functions and are as set out in the section on England.

3.4.3.1 Marine Protected Areas

This policy area sits within DAERA is responsible for the designation and management of important habitats and species through an ecologically coherent network of MPAs. DAERA (<12 nm) and JNCC (>12 nm) are the SNCBs responsible for advising decision makers on the potential effects of proposed activities on the conservation objectives associated with designated habitats and species. DAERA are in the process of developing an Environment Strategy for Northern Ireland which has marine components to it and will be relevant across many DAERA policy areas.

3.4.3.2 UK Marine Strategy

This policy area sits within DAERA is responsible for delivering the UK Marine Strategy in. The UK Marine Strategy sets out high level objectives, targets, indicators and a programme of measures for achieving Good Environmental Status in UK seas. Decision makers must consider any activity that may impact the delivery of these targets when assessing any new proposal that comes forward.

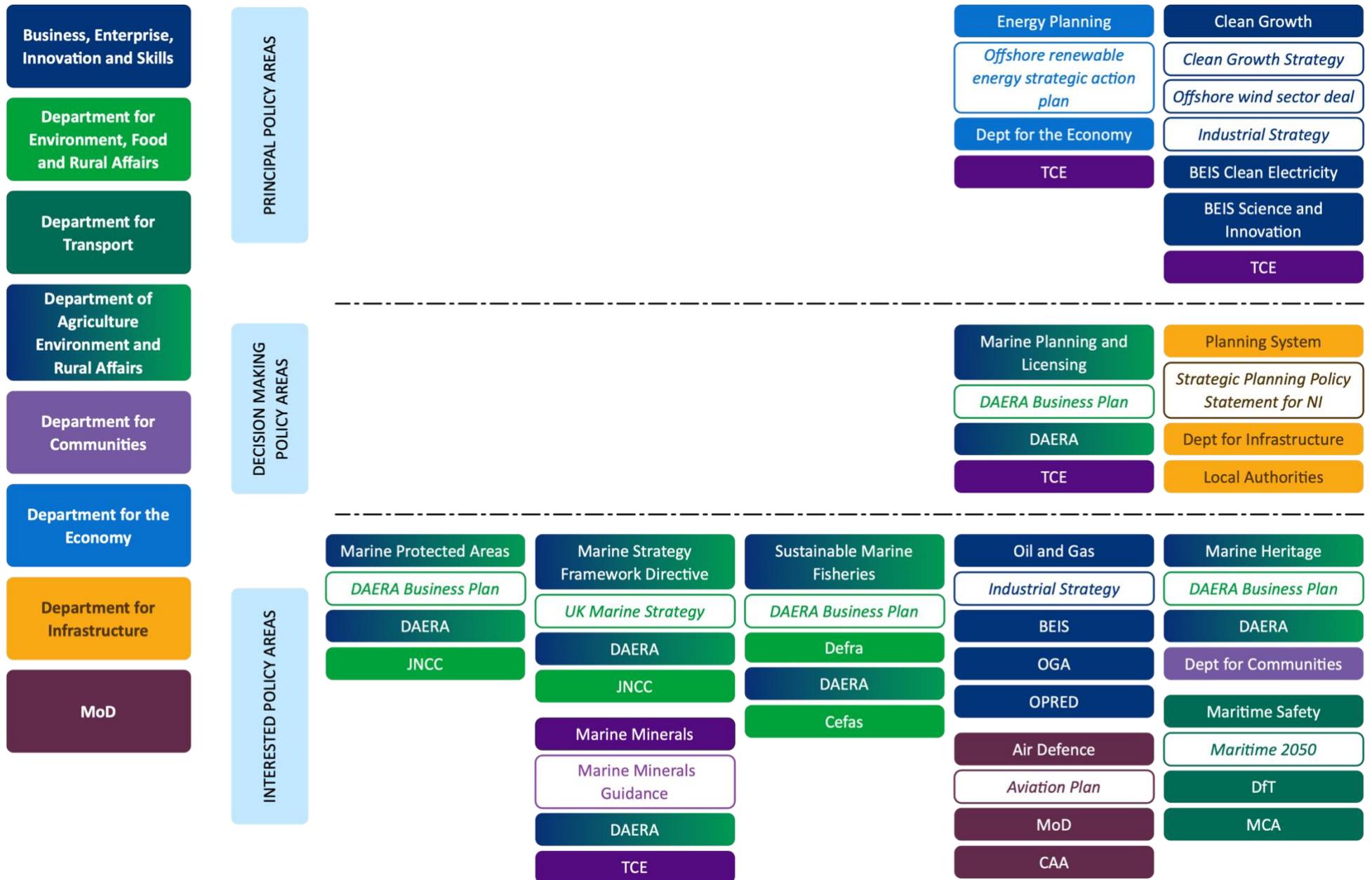


Figure 8 Policy map for offshore wind deployment in Northern Ireland

3.4.3.3 Marine Fisheries

This policy area sits within DAERA. Fisheries in the UK are undergoing change due to EU Exit. The key strategic document setting out how fisheries will be managed is the Joint Fisheries Statement which is in the process of being developed. Under the Fisheries Concordat, Defra, the Northern Ireland Executive, the Scottish Government and the Welsh Assembly Government are each allocated annually agreed shares of UK quotas for distribution to their fleets.

Fisheries monitoring and control is a devolved responsibility whereby England, Wales, Northern Ireland and Scotland each regulate fleets under their respective administrations and within their areas of jurisdiction. In NI, DAERA is responsible for licensing fishing vessels, according to EU regulations.

3.4.3.4 Marine Minerals

Policy for terrestrial mineral extraction is the responsibility of the Department for the Economy. However, the responsibility for strategic planning of marine mineral extraction is largely left to TCE, whilst DAERA are the main licensing authority.

3.4.3.5 Marine Heritage

This policy area sits within DAERA who manage the marine historic environment jointly with the Department for Communities.

4 Policy Interactions

The previous sections set out the policy and delivery landscape within which Net Zero Offshore is situated. In this section, we examine the interactions between policy areas to understand where there are synergies and potential trade-offs, as these will influence delivery. It should be noted that the commentary within this report is based upon the experience and opinion of the authors and would benefit from wider discussion and consultation with key actors.

Figure 10 provides an overview of the interactions between the policy areas shown in Figure 5 for delivering Net Zero in England. This indicates the magnitude of environmental pressure (red arrows) which is being put on UK seas and which much be managed through interaction with Biodiversity policy areas (MPAs, Net Gain, UK Marine Strategy). It also shows the magnitude of spatial pressure put on different sectors, mainly as a result of competition for the same space, and socio-economic benefit which is derived from Net Zero Offshore. It should be noted that socio-economic benefit to coastal communities is shown here coming from Net Zero but is also derived from many of the other policy areas (such as fisheries).

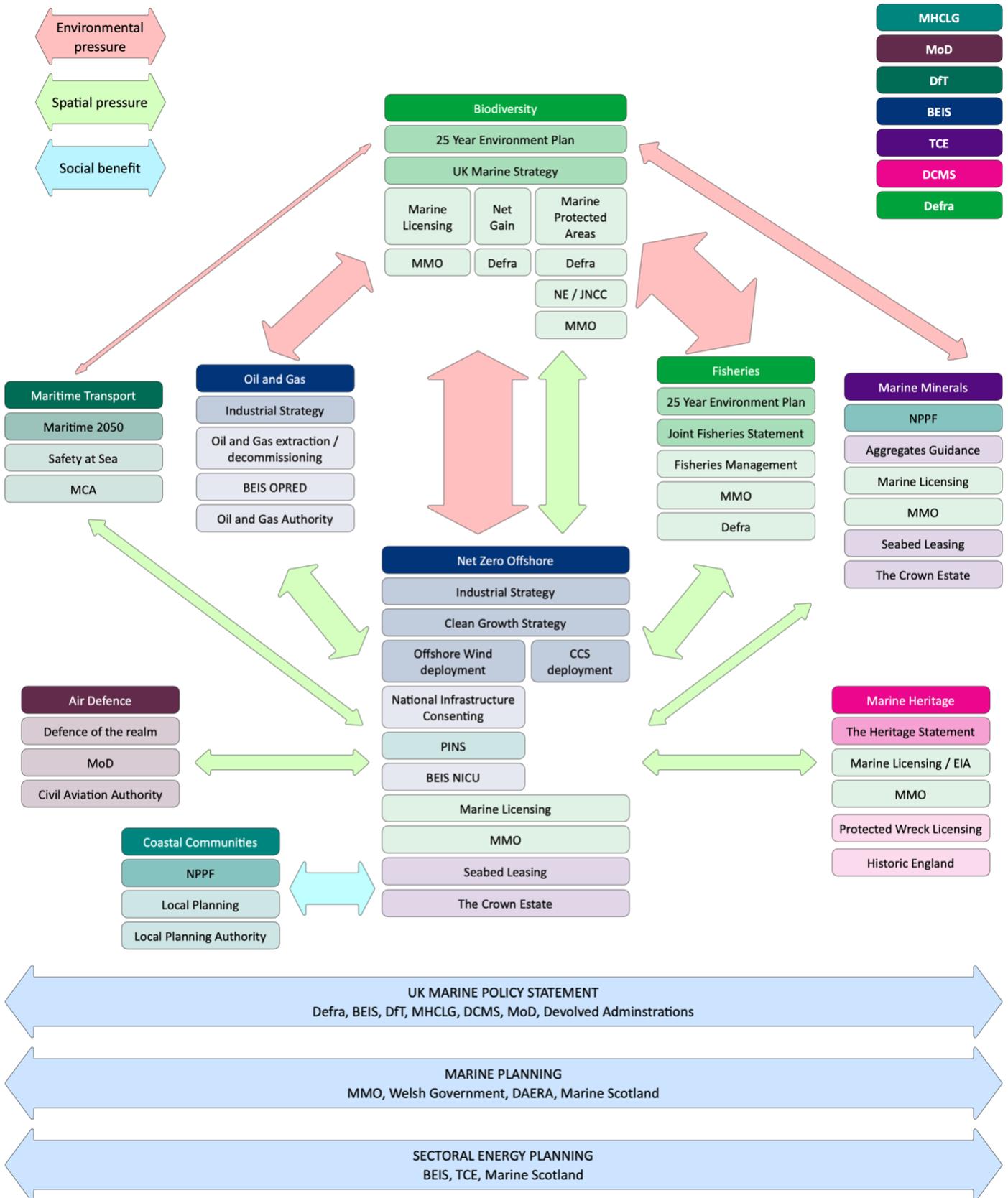


Figure 9 Net Zero Offshore interactions detail

There are synergies to be explored, between:

- Net zero and the mitigation of the effects of climate change
- Net zero ambitions and economic growth to support an expanding offshore wind industry
- Net zero and environmental restoration

There are potential trade-offs to be managed, including:

- There are **significant pressures on biodiversity** arising from offshore wind alongside other activities. These are currently dealt with in two main ways, either through the main decision-making regime for the activity causing the pressure (e.g. marine licensing, oil and gas consenting, national infrastructure consenting, fisheries management), or through active management measures put in place via the Marine Protected Area management regime.
- The **cumulative effect of the pressures on UK seas**, in addition to a backdrop of climate change, are such that key populations are declining, and status indicators are not being met. Managing this cumulative pressure requires consideration and understanding of multiple policy areas and decision making regimes so that both proactive management measures, and reactive consenting or licensing requirements, can be put in place. This balancing of pressures cannot be done without an effective overarching, integrated policy and planning framework, which should be delivered in the UK by the UK MPS, marine planning and individual sectoral planning regimes.
- There is considerable **spatial interaction between different sectors**. Whilst this is considered strategically through marine planning and sectoral planning, there is little scope for this to be considered within any of the decision making regimes that manage different sectors. These are mainly focused on mitigating environmental pressure or sector specific considerations on operational activity. There is a general duty within the marine licensing process to consider impacts on other users of the sea, but this is not a duty that is often actively mediated by the MMO (or NRW / DAERA), instead there is normally a requirement for individual sectors to come to bilateral arrangements with each other, and if this is not possible, to reach agreement through the courts.

Managing these interactions requires an understanding of the synergies and trade-offs at a policy level and developing policy in an integrated way so that conflicts can be better managed through the regulatory processes. Policy coherence is required to ensure different parts of government, and society more broadly, work together to make progress towards shared outcomes and ensure the work of one part does not undermine the work of another.

Addressing interactions at a policy level is crucial, particularly since the different decision-making regimes that are used to regulate, control and manage human activity within these policy areas, such as marine licensing and fisheries management, often have no formal means of interacting with each other at an operational level. This makes managing the potential interactions between them particularly challenging.

There are very few integrated decision-making mechanisms for dealing with this cumulative, cross sectoral pressure operationally. However, strategic mechanisms including the UK MPS, marine planning and sectoral planning, provide a key step where policy interactions, including synergies and trade-offs, can be considered to increase the likelihood of delivering on policy goals at the operational level.

Marine planning was intended to provide direction on the interactions between human activities and support the management of trade-offs, that in turn could address the aims of net zero, alongside net gain and wider socio-economic policy commitments. Marine planning in particular is intended to outline priorities and guide development to particular areas, alongside other sectors and social and ecological goals. However, while the

current approach to marine planning across the UK focusses on outlining the multiple policies across sectors and interests, it does little to steer decision making, both at the sectoral planning level (led by TCE for offshore wind) or for operational decisions. There is therefore a gap between the policy level, and the management of human activity in different sectors, and there are few mechanisms for individual decision-making regimes, managing different sectors under different legislation, to interact with each other to manage trade-offs.

5 Future considerations

Any future consideration of the challenges and opportunities for delivering Net Zero Offshore, or the roles of different actors within this, should be done through consideration of how these areas interact with each other. This interaction is not just at a policy and delivery level, but also in terms of strategic planning and operational decision making.

Looking ahead, the development of strategic mechanisms, including the UK MPS, marine planning and sectoral planning, provide the focal opportunities for the integration required to successfully deliver Net Zero Offshore. Sectoral planning in England is only done for biodiversity (MPA network), oil and gas, offshore wind, marine minerals and CCS. This sectoral planning, interfacing effectively with marine planning, has the opportunity to provide the framework within which operational decision making should take place, not just for infrastructure licensing, but also to provide considerations for other sectors.

Those responsible for this strategic planning have a key leadership role within the deployment of Net Zero Offshore and further consideration should be given to how this strategic planning role sits alongside marine planning and operational decision making, both within for the deployment of Net Zero Offshore, and other key decision making regimes that interact with this.