



Llywodraeth Cymru
Welsh Government



Marine Licensing Fees and Charges Commitment and Approach to Future Reviews

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Cover Image: Visit Wales

Background

The marine licensing process, established by Part 4 of the Marine and Coastal Access Act 2009 (“the Act”), sets out the types of activities which must be subject to a marine licence. The Act also enables the Licensing Authority (Welsh Ministers) to require a fee to be paid.

The main sources of costs associated with marine licensing are:

1. The costs to the licensing authority (Natural Resources Wales (NRW) on behalf of the Welsh Ministers) of processing and determining the application, including any pre-application advice.
2. The provision of scientific advice to help with the determination of an application.
3. The costs to the licensing authority of post licence work such as the discharge of conditions or assessment of monitoring reports.

In 2013, the Welsh Ministers delegated the administration and determination of marine licence applications to NRW. The setting of application fees and other charges remains the responsibility of the Welsh Ministers, as these must be set by regulations.

In 2016, the Welsh Government, in partnership with NRW, undertook a review of marine licence fees and charges. A key policy objective of the review was to amend the 2011 fees to enable NRW to achieve full cost recovery of the licensing process, where possible, and for the fees and charges to be **proportionate, fair and transparent**. Alongside this objective a commitment was made for NRW and the Welsh Government to identify and implement opportunities for efficiencies and streamlining of services for marine licensing and to minimise charging increases wherever possible.

Changes to the fees and charges were agreed by the Welsh Ministers following public consultation and introduced through the Marine Licensing (Fees) (Wales) Regulations 2017. The 2017 application fees are based on a tiered model approach and set either on a fixed fee basis (smaller scale band 1 and 2 activities) or hourly rate basis (typically larger projects (band 3)). The same model is applied to other charges which may apply, for example to the discharge of licence conditions.

Relevant Charging Powers

Marine licensing fees and charges are charged using powers set out under the following legislation:

- Part 4 of the Act (including amendments made by part 6 of the Environment (Wales) Act 2016).
- Marine Works (Environmental Impact Assessment) Regulations 2007 (as amended).
- The Natural Resources Body for Wales (Establishment) Order 2012 (as amended).

Commitment

The Welsh Ministers are committed to a full cost recovery approach for marine licensing, i.e. charges for fees cover the costs of NRW's delivery of the licensing function as far as possible. This commitment is in line with UK treasury guidance and Welsh Government guidelines for [Managing Welsh Public Money](#).

The Welsh Ministers also commit to a marine licensing process that is:

- **Responsive:** by seeking feedback from users on how well the process is operating and where improvements could be made, monitoring performance and reporting on performance and successes.
- **Enabling:** presuming in favour of the sustainable development of the Welsh marine area as set out in the [Welsh National Marine Plan](#), and tailoring approaches to the needs of applicants, recognising that not all projects are the same and not all sectors are well-established, with some needing greater support and a more adaptive approach to licensing.
- **Flexible:** adopting a 'learn by doing' approach, if appropriate evidence is not immediately available, and learning from the experiences of other regulators to develop a learning culture in support of adaptive decision-making.
- **Efficient:** with timely decisions, streamlining with other consenting regimes where possible to maximising the use of existing knowledge and data.
- **Forward looking:** anticipating and responding early to societal, technological and environmental change by systematically exploring future trends and developments, ensuring available resources are aligned.
- **Proportionate:** encouraging a focus on the key significant impacts, by retiring low risk issues from assessments (where appropriate and evidence supports this approach) and using the best available evidence (from Wales and elsewhere) to inform decisions.
- **Transparent:** ensuring the marine licensing process is understood by all using clear and accessible language and by providing clarity on roles, with online capabilities to enable applicants and interested parties the ability to interrogate and follow progress of applications.
- **Collaborative:** solutions focused, creating meaningful interactions that build on mutual understanding, respect and openness and the provision of clear advice and guidance.

Approach to Reviewing and Updating Fees and Charges

There are no provisions in the relevant legislation setting out the model or timescale for reviewing and updating fees and charges. Marine licensing application fees and charges will therefore be updated from time to time by the Welsh Ministers in response to clear evidence from NRW of there being a need to act to ensure full cost recovery is being achieved and maintained.

The Welsh Government will on an annual basis informally ‘sense check’ the level of cost recovery. This will be done in partnership with NRW, using evidence available from its delivery of the marine licensing function, including advice to the Welsh Government on efficiencies made during the year to improve the process.

Where NRW and the Welsh Government agree to undertake a formal review of fees and charges a consultation will be undertaken by the Welsh Government on any proposed changes. The consultation will set out the case for change, including the evidence to support the need to amend the fees and charges and it will be accompanied by a Regulatory Impact Assessment. New regulations will be required to change the level of fees and charges with a Statutory Instrument laid before the Senedd.