

# Orkney Islands Regional Marine Plan Business and Regulatory Impact Assessment

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**Title of Proposal:**

Orkney Islands Regional Marine Plan

**Purpose and intended effect****Background**

Marine planning in Scotland's inshore waters is governed by the Marine (Scotland) Act 2010 and in offshore waters by the Marine and Coastal Access Act (2009). Following the creation of the National Marine Plan (NMP) in 2015, 11 Scottish Marine Regions were created in Scotland each extending to 12 nautical miles. Within these regions, regional marine plans may be developed by delegates, often referred to as Marine Planning Partnerships (MPPs). MPPs are made up of marine stakeholders who reflect marine interests in their region and are established to take account of local circumstances.

The Orkney Islands Regional Marine Plan (OIRMP) has been prepared by Orkney Islands Council (OIC), as per the Delegation of Functions (Regional Marine Plan for the Scottish Marine Region for the Orkney Islands) Direction 2020. The preparation of the OIRMP is supported by the Orkney Marine Planning Advisory Group (OMPAG), which comprises stakeholders representing environmental, social, economic and recreational interests. Collectively, OIC and the OMPAG form the Orkney Marine Planning Partnership. For clarity, the delegated regional marine plan making functions remain with OIC as the single delegate identified in the Direction.

The Plan conforms with both the National Marine Plan (NMP), unless relevant considerations indicate otherwise, and the Marine Policy Statement. It adds value to the existing policy frameworks outlined in the NMP by taking into account local circumstance and reflecting local priorities and opportunities. It seeks to achieve a balance between national and local interests, helping to address local challenges. The OIRMP sits alongside and integrates with land use planning policy, in particular the National Planning Framework 4 (NPF4), the indicative Orkney Regional Spatial Strategy and the Orkney Local Development Plan (OLDP).

The National Planning Framework (NPF) is a long-term plan for Scotland that sets out where development and infrastructure is needed. Scotland's fourth National Planning Framework (NPF4) looks forward to 2045 to guide spatial development, sets out national planning policies, designates national developments and highlights regional spatial priorities. NPF4 forms part of the development plan and so influences planning decisions across Scotland.

**OIRMP Objectives**

The OIRMP has been developed to help ensure that development and activities in the Orkney Islands marine region are sustainable. Orkney's vision for the marine and coastal environment is:

Orkney Islands' regional marine waters are clean, healthy, safe and productive; the marine and coastal environment is rich in biodiversity and managed sustainably to support thriving and resilient local communities.

The objectives of the OIRMP are:

- 1 A clear strategic direction is provided for development, activities and use in the Orkney Islands marine region and there is greater certainty for prospective developers, investors and local communities.
- 2 Development, activities and use are managed within an ecosystem approach, to protect and, where appropriate, enhance the biological, chemical and physical functioning of the marine and coastal environment, including the management of cumulative impacts.
- 3 A rapid and just transition to a low-carbon economy is supported to achieve net-zero commitments.
- 4 Mitigation of, and adaptation to, climate change is supported.
- 5 Socio-economic benefits and prosperity are delivered for local communities and the wider economy.
- 6 The well-being of local communities and the amenity of marine and coastal places are protected and enhanced.
- 7 Reliable information is provided on existing and proposed coastal and marine development, activities, use and assets.
- 8 Spatial planning and data are provided, enabling sustainable coexistence and synergies between existing and new marine development, activities and use, and the environment.
- 9 Plan users are assisted in navigating the relevant legislative and policy frameworks more easily and effectively.
- 10 Local communities are effectively engaged in decisions affecting the Orkney Islands marine region.

The Plan objectives align with the shared vision of the UK and Scottish Governments as set out in the UK Marine Policy Statement and National Marine Plan respectively, for the marine environment: clean, healthy, safe, productive and biologically diverse oceans and seas, managed to meet the long-term needs of nature and people.

The main purpose of the OIRMP is to provide policies and supporting guidance to assist current and future planning, regulation and management of marine and coastal development and activities.

### **Rationale for Government intervention**

The marine environment around Scotland contains a wide variety of important and rare natural features and species, which support a range of valuable goods and services. The National Marine Plan provides a high-level strategic direction to decision-makers in Scottish Waters. Regional marine plans aim to provide a similar strategic direction to decisions within their regions. The OIRMP aims to provide a strategic framework for the management of development and activities in the Orkney Islands marine region, as defined in the Scottish Marine Regions Order 2015, and

associated decision-making. By providing this framework, a high level of detail will be available to decisions makers and developers to assist in the planning process, thus improving clarity, improving efficiency and providing more certainty to the consent application processes. It will ensure that decisions within the Orkney Islands marine region will not be made in isolation and will consider both the complex nature and the different uses and users of the marine environment.

The OIRMP vision is that the marine and coastal environment is one that is clean, healthy, safe and productive; the marine and coastal environment is rich in biodiversity and managed sustainably to support thriving and resilient local communities. The Plan will therefore contribute to National Outcomes in the National Performance Framework including for the environment, economy and communities.

## **Stakeholder Engagement and Consultation**

### **Advisory Group**

Regular meetings with the OMPAG have been held to guide the development of the Plan. In addition, general and sectoral specific policy sub-group meetings have been held with environmental, community and industry interests to inform the preparation of all the OIRMP policies, the results of which were reported back to the main advisory group and subject to further discussion and refinement.

The Orkney Marine Planning Advisory Group comprises:

<b>Organisation</b>	<b>Category</b>
NatureScot	Environment
Scottish Environment Protection Agency	Environment
International Centre for Island Technology	Academic
Orkney Regional Inshore Fisheries Group	Commercial
Historic Environment Scotland	Environment
Orkney Harbour Authority	Commercial
Visit Scotland	Commercial
Crown Estate Scotland	Commercial
Salmon Scotland	Commercial
Repsol Sinopec	Commercial
Royal Society for the Protection of Birds Scotland	Environment
Orkney Renewable Energy Forum	Commercial
Orkney Marinas	Recreational

Scottish and Southern Electricity Networks	Commercial
Orkney Marine Services Association	Commercial
Orkney Sub-aqua Club	Recreational

## **Within Government**

Consultation with officials within the Marine Directorate and the wider Scottish Government has been conducted from the outset of the plan-making process. In addition, the following statutory bodies have been consulted throughout the plan-making process and have representation on the OMPAG:

- NatureScot
- Scottish Environment Protection Agency (SEPA)
- Historic Environment Scotland (HES)

Six-monthly reports are provided to the Marine Directorate outlining the progress made in the plan-making process. Orkney Islands Council meet regularly with the Marine Directorate to discuss regional marine plan making matters.

## **Stakeholder/Community Engagement**

Early stakeholder engagement has been undertaken in the form of stakeholder workshops to inform the preparation of the Orkney Islands Marine Region: State of the Environment Assessment (SoEA). This included meetings with island development trusts e.g. Westray and public presentations on North Ronaldsay. As part of these engagement events, participants were able to raise issues and were introduced to the principles of marine planning and the proposed outline for the Orkney marine plan-making process.

The Regional Marine Plan for the Orkney Islands: Statement of Public Participation provides information on the plan making timeline and opportunities for stakeholder engagement.

During April to June 2022, further public engagement events were held in Stronsay, Hoy, Sanday and Westray to engage with island communities on the development of the marine plan. OIC Development and Marine Planning delivered a range of activities in the Stronsay, Sanday and Westray schools to support learning on marine planning, the environment and the purpose of OIRMP. Community engagement workshops were held for mainland communities in Kirkwall, Stromness and St Margaret's Hope.

Through these early engagement methods, opinions and comments were sought on a variety of issues including opportunities and challenges for business growth and locations where economic growth is considered less suitable.

## **Formal public consultation**

A public consultation on the Orkney Islands Regional Marine Plan: Consultation Draft was held from 1 August to 25 October 2024. This consultation included a Strategic

Environmental Assessment (SEA), Habitats Regulations Appraisal (HRA), partial Business and Regulatory Impact Assessment (pBRIA), Equalities Impact Assessment (EqIA), Child Rights and Wellbeing Impact Assessment (CRWIA) and Island Communities Impact Assessment (ICIA). Stakeholder workshops, public drop-in sessions and individual meetings with stakeholders have and will continue take place to discuss the Plan and supporting assessments.

### **Engagement with businesses**

Representatives from relevant sectors have frequently been involved in the development of the Plan's aims, objectives and policies throughout the development of the Plan. Representatives from many business sectors are represented on the OMPAG, as outlined above e.g. aquaculture, oil and gas, harbours, commercial fishing, tourism and recreation and the local marine supply chain.

In February 2022, sector policy subgroups were set up to support the preparation of all the Plan's sector policies i.e. for fishing, aquaculture, harbours and shipping, cables, renewable energy, zero carbon fuels/oil and gas and tourism and recreation.

In addition, several informal meetings have been conducted with businesses and industry organisations. These include the Orkney Shellfish Hatchery, European Marine Energy Centre, Scottish and Southern Energy Networks, Orkney Sustainable Fisheries, Orkney Regional Inshore Fisheries Group, Salmon Scotland, Orkney Islands Council Marine Services, Orkney Marinas and Visit Orkney.

Initial discussions with the businesses and industry organisations indicate that the predominant concerns are:

- the need to strike an appropriate balance between sustainable economic growth and the conservation of the natural and historic environment e.g. the impact of European sites, and associated regulation, on their ability to develop business opportunities. European sites (Special Protection Areas and Special Areas of Conservation) are afforded protection by Scottish Law under Conservation (Natural habitats, & c.) Regulations 1994.
- the need for infrastructure to support sustainable economic growth e.g. piers and harbours.
- the ability for businesses to coexist in an increasingly busy marine space.
- the need for greater clarity and certainty when seeking consent for marine development and activities.
- the need to access new markets.

As part of the initial Orkney Islands Marine Region: State of the Environment Assessment, business-specific questionnaires were publicised and circulated to gather baseline information on business and economic activities. The information received informed the data in Section 6: Productive seas and coasts in the assessment.

As part of the formal consultation on the Orkney Islands Regional Marine Plan: Consultation Draft interview meetings have been held with six businesses from across Orkney's marine economy. These meetings were held between November and December 2024. Businesses involved in these discussions included those potentially affected by the OIRMP from a range of sectors:

- Fish Processing
- Aquaculture
- Tourism
- Renewable energy

The meetings focused on drawing out the potential business impacts associated with the implementation of the OIRMP including the identification of potential costs and benefits

Face-to-face discussions were conducted with businesses representing various sizes and sectors. Questions relating to the potential costs and benefits of implementing the OIRMP, and questions relating to competition assessment and business size were covered in the interviews as detailed in the questionnaire (Appendix 2).

Further engagement with fishing, aquaculture, ports and harbours, and recreation businesses has been carried out utilising industry organisation networks via the OMPAG and regular stakeholder updates to c. 360+ stakeholders to disseminate information about the OIRMP and collect and collate any responses. The results of the informal and formal consultation with businesses, including any results obtained during the public consultation, will form the main part of the Scottish Firms Impact Assessment.

## Options

The options to be considered in this BRIA are:

**Option 1. Do nothing:** continue under the current approach to marine planning and management including using the Pentland Firth and Orkney Waters Marine and Spatial Plan (PFOW MSP) that was adopted as non-statutory planning guidance in 2016, the National Marine Plan and National Planning Framework.

**Option 2. Use the policies within the PFOW MSP** to form a regional marine plan without updates or additions.

**Option 3. Adoption of the OIRMP** after stakeholder engagement on the preparation of the policies guided by the public consultation and further engagement with stakeholders.

**Option 1 Do nothing Appraisal:** Continue under the current approach to marine planning and management including using the PFOW MSP as non-statutory planning guidance, National Marine Plan and National Planning Framework.

Under this option a regional marine plan would not be developed/adopted and there would be no change to current arrangements. As the PFOW MSP is non-statutory it does not carry the same weight in decision making as a statutory regional marine plan and would therefore provide less certainty in decision making.

The PFOW MSP has been adopted by the Scottish Government, Highland Council and Orkney Islands Council as non-statutory planning guidance. The Plan has not been adopted by other decision makers. This option therefore potentially creates inconsistency and uncertainty in decision making.

Option 1 does not bring marine planning in Orkney in alignment with:

- the provision for Regional Marine Planning set out in the Marine (Scotland) Act 2010, National Marine Plan or the National Planning Framework.

#### **Option 1 is not perceived as a viable option**

**Option 2: Use the policies within the PFOW MSP** to form a regional marine plan without updates or additions.

Under this option the PFOW MSP would be put forward unamended, to be adopted as a regional marine plan. This option would place the existing local marine planning framework on a statutory footing. However, this would not allow for the review and refinement of the objectives, policies and supporting data in light of changing legislation, priorities, opportunities, challenges and new data. This option would not align with current national policy or deliver local community objectives and priorities.

Option 2 does not bring marine planning in Orkney in alignment with:

- the provision for Regional Marine Planning set out in the Marine (Scotland) Act 2010, National Marine Plan or the National Planning Framework.

#### **Option 2 is not perceived as a viable option**

**Option 3: Adoption of the Orkney Islands Regional Marine Plan (Preferred Option)** after stakeholder engagement on the preparation of the policies guided by the public consultation and further engagement with stakeholders.

Under this option an OIRMP will be prepared giving all stakeholders the opportunity to contribute towards setting objectives and policies to achieve sustainable development in the Orkney Islands marine region. This option will ensure that regional marine planning policy in Orkney contributes towards national priorities and outcomes e.g. climate change mitigation and adaption, reversing biodiversity loss and sustainable economic development. It would also ensure that the impacts of the Plan would be fully assessed via SEA, HRA, ICIA, BRIA, CRWIA and EqIA.

#### **Option 3 is the preferred viable option**

## **Sectors and groups affected**

A range of sectors will be affected by the adoption of the OIRMP:

- Developers including renewable energy, ports and harbours, oil and gas, aquaculture and all other development and activities requiring authorisation from a public authority. These developments and activities could be Scottish-owned, rest of UK-owned or foreign-owned;
- Marine users exercising use under a public right or use that does not require authorisation from a public authority e.g. shipping/navigation or recreational activities;
- Commercial fishing and processing businesses;
- Public bodies and regulators/authorities discharging statutory duties, and;
- Local communities and businesses.

## **Benefits**

**Option 1. Do nothing:** No additional benefits are expected to arise from this option.

The potential benefits to businesses from this option is that they would continue to work to existing arrangements. There would therefore be no direct additional costs. Although national marine planning policies are over 10 years old and may become outdated and not reflect current national or regional priorities on policy matters, for example, climate change and nature. This could lead to possible uncertainty and delays to the preparation of development proposals and decision making on planning or consent applications. Such uncertainties would likely have significant impacts on businesses and could lead to greater costs in bringing forward development proposals. On balance, the potential benefits are anticipated to be outweighed by the potential risks and costs to businesses.

**Option 2: Use the policies within the PFOW MSP** No additional benefits are expected to arise from this option.

The potential benefits to businesses from this option is that they would continue to work broadly to existing arrangements. There would therefore be no direct additional costs. Although, the PFOW MSP is nine years old and may not reflect current national or regional priorities on policy matters, for example, climate change and nature. This could lead to possible uncertainty and delays to the preparation of development proposals and decision making on planning or consent applications. Such uncertainties would likely have significant impacts on businesses and could lead to greater costs in bringing forward development proposals. On balance, the potential benefits are anticipated to be outweighed by the potential risks and costs to businesses.

### **Option 3: Adoption of the Orkney Islands Regional Marine Plan**

Adopting and implementing the OIRMP will provide an up-to-date statutory policy framework for decision making and help to deliver the following benefits:

- A reduction in authorisation uncertainty and the associated risk to investment in development and activities.
- The provision of statutory policies and supporting spatial guidance to inform site selection process for development and activities.
- Efficient use of Orkney's marine space and resources.
- Reduced conflict between existing marine users and future/existing development and activities.
- Increased stakeholder engagement and involvement of local communities in setting objectives and policy.
- Compliance with plan policies can help businesses to demonstrate their social licence to operate by delivering for example socioeconomic benefits, contribution to renewable energy targets and supporting research and development.
- Greater clarity and consistent implementation of protection of internationally, nationally and locally important nature conservation and biodiversity sites and interests.
- Incorporation of environmental, economic and community objectives into the planning process and decision making.
- Improvement in the natural environment and sustainability would result in potential benefits to businesses.

The identification of these benefits has been informed by responses to the public consultation on the OIRMP and the BRIA meetings with businesses.

### **Costs**

#### **Option 1: Do nothing**

This option would not create direct additional costs to the sectors and groups identified in this BRIA as none of the existing policies or associated costs would change.

However, developers could experience a lack of clarity and uncertainty with licence applications/decisions, due to differences in local and national policy, which could result in inefficiencies in project development and assessment, and higher costs.

**Option 2: Use the policies within the PFOW MSP to form a regional marine plan without updates or additions.**

Under this option the PFOW MSP would be put forward unamended, to be adopted as a regional marine plan. This would not allow for the review and refinement of the objectives, policies and supporting data in light of changing legislation, priorities, opportunities, challenges and new data. There is potential for this option to provide outdated information to developers on the legislative requirements and create unforeseen costs and delays in licensing and consenting processes.

**Option 3: Adoption of the OIRMP** after stakeholder engagement on the preparation of the policies guided by the public consultation and further engagement with key stakeholders.

The OIRMP updates many existing policies in the PFOW MSP and creates new policies where appropriate. All policies have been either updated, replaced or amended to meet the OIRMP objectives, align with national/local policy and the current legal framework providing greater clarity and further guidance.

The OIRMP will be a statutory marine plan once adopted by Scottish Ministers after a statutory public consultation. The policies within the Plan may influence:

- The preparation of consent/licence applications by developers.
- The assessment of consent/licence applications by public authorities.
- The choice of location of marine developments and activities.
- Specific requirements for the construction, operation, expansion and decommissioning of marine developments and activities.

The potential impact and costs specifically associated with the implementation of the OIRMP has been assessed and recorded, based on each policy, as shown in Table 1 below.

The OIRMP policies should be applied proportionately by public authority decision makers, as detailed in Section 1 of the Plan. Section 1 of the Plan states that '*decision makers need to consider whether the type, location and/or scale of a development or activity, and its associated impacts or effects, justify the application of a specific policy or a provision within a policy*', and that '*the level of detail required to demonstrate compliance with Plan policies should be proportionate to a proposal's scale and potential impacts, and in accordance with any relevant assessment requirements*'. This approach has been taken so that a reasonable and proportionate approach is taken by decision makers when implementing the Plan policies. This is intended to appropriately manage potential costs for consent applicants (e.g. smaller projects/applications by small businesses) whilst ensuring a robust approach to the assessment of the impacts and benefits associated with development or activities proposals.

OIRMP policies may require additional assessment by developers resulting in additional costs, for example, in the form of employee time or consultancy costs. The

additional nature of any assessment requirements for developers, and associated costs, are considered in Table 1. It should be noted that OIRMP policies may provide further clarity on existing assessment requirements, for example, existing assessments required under the NMP, NPF4, OLDP or PFOW MSP. Where this is the case, the implementation of OIRMP policy may not result in additional costs over and above existing requirements. The OIRMP could result in cost reduction by providing further clarity on existing assessment requirements.

Following the consideration of relevant responses received during the formal consultation process, the OIRMP and its policies have been re-assessed and modified, as appropriate.

During the consultation process and face-to-face meetings with businesses, respondents stated it was hard for them to quantify costs at this time, therefore a qualitative approach has been taken, as appropriate.

**Table 1: Potential impacts, on business, of policies contained within the Orkney Islands Regional Marine Plan**

Policy	Costs
General Policy 1: Sustainable development, activities and use	<p><b>Limited Additional Costs to Business</b></p> <p>The requirement to deliver sustainable development has been embedded within Scottish and UK planning policy since the early 1990s. General Policy 1 provides clarity on how the social, economic and environmental factors of sustainable development will be considered in public authority decision making in the Orkney Islands marine region.</p> <p>General Policy 1a reflects the policy approach in NMP and broadly supports sustainable development and associated business development. No additional costs are anticipated for businesses as a result of implementing General Policy 1a.</p> <p>General Policy 1b reflects the sustainable development principles and wider related policies in NMP, NPF4, OLDP and PFOW MSP. The implementation of this policy could result in costs to developers by implementing requirements for data collection or assessment, for example, to demonstrate benefits from development proposals, and/or remove or minimise uncertainty regarding impacts.</p> <p>There are existing policies in NMP, NPF4, OLDP and PFOW MSP on the assessment of environmental, social and economic benefits; effective community engagement; addressing direct, indirect and cumulative impacts; effective and efficient use of existing infrastructure and services; addressing impacts on existing development and marine users and using sound science responsibly. It is therefore</p>

Policy	Costs
	<p>challenging to determine and quantify the extent to which the implementation of General Policy 1b would result in additional costs. It is concluded that there would be limited additional costs over and above existing statutory and non-statutory policy requirements.</p> <p>General Policy 1c supports the implementation of the precautionary principle which reflects the policy provision in NPF4 (Policy 4e). General Policy 1c states that:</p> <p><i>1c The precautionary principle</i></p> <p><i>The precautionary principle should be applied in decision making in accordance with relevant legislation and Scottish Government guidance.</i></p> <p>As the application of the precautionary principle is embedded within existing national legislation, policy and guidance, no additional costs are anticipated as a result of adopting General Policy 1c in the OIRMP.</p>
General Policy 2: Safety	<p><b>Limited Additional Costs to Business</b></p> <p>The requirement to consider safety in the authorisation of coastal and marine development and activities is established in the existing statutory provisions. General Policy 2 states that the Orkney Harbour Authority should be consulted on proposals for development and/or activities that would have implications for any aspect of safety in harbour areas. This expectation to consult the Orkney Harbour Authority on development in harbour areas is established good practice. Including this policy provision in a statutory plan could result in additional costs for business that do not already consult the Orkney Harbour Authority. Consultation with the Orkney Harbour Authority could result in additional administrative requirement for businesses, and associated costs. Depending on the outcome of this consultation, it could also result in significant cost savings for businesses if this consultation is undertaken at an early stage in the project planning process.</p>
General Policy 3: Climate Change	<p><b>Limited Additional Costs to Business</b></p> <p>General Policy 3a includes provisions for significant weight in decision making to be given to the global climate crisis. Relevant proposals for development and/or activities should also demonstrate that measures have been taken to mitigate climate change including, where appropriate, measures to</p>

Policy	Costs
	<p>minimise greenhouse gas emissions over the proposal's life cycle as far as possible.</p> <p>Design changes may be required to comply with this policy that incur additional development costs. Demonstrating that measures have been taken to minimise greenhouse gas emissions over the proposal's life cycle may also incur additional costs for developers. These requirements are set out in NPF4, so no significant additional costs are anticipated as a result of adopting General Policy 3 for aquaculture, harbour, cables/pipelines (that make landfall) and other coastal development types.</p> <p>Consultation with renewable energy businesses has identified that they do not foresee having to incur additional development costs or adaptation requirements as the climate crises and minimising greenhouse gas emissions are already embedded within their current vision and business practice. Therefore, no significant additional costs to the renewable energy sector are anticipated.</p> <p>Consultation with aquaculture companies has identified that their business aligns with the purpose and aims of this policy by delivering carbon reduction measures, building capacity for adaptation and climate resilience, and delivering local community resilience.</p> <p>The climate change adaption requirements are likely to incur costs for developers though these are existing policy requirements in NMP, NPF4 and the non-statutory PFOW MSP, so limited additional costs are anticipated as a result of adopting this policy.</p> <p>The risk of incurring significant additional costs would be high, if adequate climate change adaption measures were not adopted in the design of development and activities, and further adoptions were required as a result over the projects lifetime. Therefore, costs saving for businesses may be secured through policy implementation.</p>
General Policy 4: Supporting Sustainable Social and Economic Benefits	<p><b>Limited Additional Costs to Business</b></p> <p>General Policy 4a seeks to secure/support local economic benefits. It is anticipated that this policy will result in limited costs to businesses in addition to those associated with existing policy on social and economic impact/assessment set out in NMP, NPF4, OLDP, PFOW MSP and the OIC Aquaculture Supplementary Guidance.</p>

Policy	Costs
	<p>The policy will require developers to demonstrate that their proposals social and/or economic benefits outweigh any significant adverse impacts on existing social and/or economic activities. Environmental Impact Assessment (EIA) developments, and where appropriate other types of development, are already required to carry out socio-economic assessment of this kind. Therefore, limited additional costs to business are anticipated.</p> <p>The policy provides greater clarity on the scope of socio-economic impact assessments which should assist businesses when carrying out these assessments and enable businesses to clearly demonstrate the social and economic benefits associated with their developments and activities. These benefits play an important part in making the case for a development proposal,</p> <p>It has been identified through the consultation analysis that guidance to support the implementation of this policy would be helpful for developers and decision makers. The policy has been modified to make provision for this guidance.</p> <p>Consultation with aquaculture and renewable energy companies has identified that their businesses align with the purpose and aims of this policy within their current business practice.</p> <p>Consultation with renewable energy and aquaculture companies has identified that they are actively involved in numerous research and development projects, that they support local communities through many aspects of their supply chain and create local employment. It was identified that this policy's establishment of these socio-economic aspects' importance in decision making will highlight their businesses valuable contribution to delivering social and economic benefits.</p> <p>Businesses considered that demonstrating compliance with this policy was straight forward and should not incur significant additional costs. It was further highlighted that requirements already exist in NMP, OLDP and the PFOW MSP to mitigate adverse impacts on existing marine users, where necessary, and demonstrate social and economic benefits within the area where proposed developments reside.</p> <p>The implementation of the policy could result in cost savings for businesses by supporting opportunities for synergistic benefits between new development and existing activities e.g. sharing infrastructure.</p>

Policy	Costs
General Policy 5: Safeguarding the Marine Ecosystem	<p><b>Moderate Additional Costs to Business</b></p> <p>General Policy 5 aims to safeguard the marine ecosystem and maintain, and where appropriate, enhance ecosystem services. NMP requires that reducing human pressure and safeguarding ecosystem services such as natural coastal protection and natural carbon sinks (e.g. seagrass beds, kelp and saltmarsh) should be considered. NPF4 also includes policies to safeguard and enhance biodiversity and ecosystems.</p> <p>General Policy 5 does not introduce a wholly new policy requirement. The policy adds clarity to how national policies should be implemented at the local level. General Policy 5 iii. makes provision for the preparation of Natural Capital and Ecosystem Services Guidance which will support the implementation of this policy and provide greater clarity for businesses. When drafting this guidance, due consideration will be given to ensuring that assessment provisions are both reasonable and proportionate with regard to costs for businesses.</p> <p>Consultation with aquaculture companies has identified that their business aligns with the purpose and aims of this policy within their current vision and business practice.</p> <p>Safeguarding ecosystem services will have significant social and economic benefits for businesses and local communities e.g. by supporting healthy fisheries and protecting coastal infrastructure assets.</p> <p>It is acknowledged that the assessment of development and/or activities under General Policy 5 could result in additional costs to businesses. Though it is challenging to determine and quantify the extent to which the implementation of General Policy 5 would result in additional costs over and above existing policy requirements. It is concluded that there could be moderate additional costs over and above existing statutory and non-statutory policy requirements.</p>
General Policy 6: Water Environment	<p><b>Limited Additional Costs to Business</b></p> <p>The requirements in General Policy 6 are already contained within the non-statutory PFOW MSP and in the requirements of the Water Environment and Water Services (Scotland) Act 2003. The policy provides clarity on these matters for decision makers and businesses to support efficient and effective implementation.</p>

Policy	Costs
	<p>Consultation with aquaculture companies has identified that their business aligns with the purpose and aims of this policy within their current vision and business practice.</p> <p>It is acknowledged that the assessment of development and/or activities under General Policy 6 could result in additional costs to businesses. Though it is challenging to determine and quantify the extent to which the implementation of General Policy 6 would result in additional costs over and above existing policy requirements. It is concluded that there could be limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
General Policy 7: Coastal Development and Coastal Change	<p><b>Limited Additional Costs to Business</b></p> <p>General Policy 7b reflects and supports the implementation of existing policy provisions in NMP, OLDP and PFOW MSP.</p> <p>General Policy 7c reflects and supports the implementation of existing policy provisions in NPF4 and the OLDP.</p> <p>The implementation of General Policy 7 would result in limited costs in addition to costs associated with existing policy set out in NPF4, NMP, OLDP and PFOW MSP.</p> <p>The risk of incurring significant additional costs for businesses would be high, if inappropriate coastal development or coastal protection measures were permitted e.g. in places that are vulnerable to coastal change in the face of rising sea levels. Therefore, costs saving may be secured through policy implementation by avoiding development in locations that are not viable in the long-term and by implementing cost effective nature-based solutions.</p>
General Policy 8: Historic Environment	<p><b>Limited Additional Costs to Business</b></p> <p>General Policy 8 reflects and supports the implementation of existing policy provisions in NPF4, NMP and the OLDP.</p> <p>The implementation of General Policy 8 would result in limited costs in addition to costs associated with existing policy set out in NPF4, NMP and the OLDP.</p> <p>The policy provides clarity on historic environment matters for decision makers and businesses to support more efficient and effective implementation.</p>

Policy	Costs
General Policy 9: Nature	<p><b>Moderate Additional Costs to Business</b></p> <p>General Policy 9a will result in no significant costs for businesses as it relates to the weight given to the nature crisis by public authority decision makers. It does not direct result in any additional requirements for businesses.</p> <p>General Policy 9b supports the implementation of NMP policy GEN9c which states that 'Development and use of the marine environment must: protect and, where appropriate, enhance the health of the marine area'. OIRMP Policy 9b also supports the implementation of NPF4 Policy 3 for aquaculture, harbour, cables/pipelines (that make landfall) and other coastal development types. As the policy provisions for environmental and biodiversity enhancement already exist in national policy, OIRMP General Policy 9b is expected to introduce limited additional costs for businesses.</p> <p>In response to feedback from business through the consultation on the OIRMP: Consultation Draft additional wording was added to General Policy 9b to state that best practice assessment and implementation methods should be used to better align with NPF4 Policy 3.</p> <p>General Policy 9b iii makes provision for the preparation of Marine Enhancement and Restoration Guidance which will support the implementation of this policy and provide greater clarity for businesses. When drafting this guidance, due consideration will be given to ensuring that enhancement provisions are both reasonable and proportionate with regard to costs for businesses.</p> <p>The requirements in General Policy 9c are required under existing statutory provisions for European and nationally designated sites, the Marine (Scotland) Act 2010 in relation to Marine Protected Areas and seal haul-out sites and the OLDP for Local Nature Conservation Sites. The implementation of this policy provision will therefore not result in additional costs for businesses.</p> <p>The implementation of General Policy 9d will result in moderate costs in addition to costs associated with existing policy set out in the OLDP, and the NMP in relation to Priority Marine Features. These policy provisions provide greater clarity on assessment requirements and the implementation of the mitigation hierarchy.</p> <p>Consultation with the aquaculture and renewable energy companies has identified that their businesses align with the</p>

Policy	Costs
	<p>purpose and aims of this policy within their current vision and business practice.</p> <p>A specific question (Q13a) in the Orkney Islands Regional Marine Plan consultation was included on a potential regional approach to Priority Marine Feature policy.</p> <p>It was highlighted by businesses in response to the consultation that an Orkney specific Priority Marine Feature policy could create regional disparities in environmental protection, which could be a deterrent for investment and development in Orkney and incur significant associated costs for innovation projects and wider development. Therefore, as there are identified potentially significant adverse economic and development related cost implications, it was not considered appropriate to take forward a regional Priority Marine Feature policy at this stage on lower magnitude impacts. OIC Marine Planning will continue to engage with the preparation of National Marine Plan 2 (NMP2) and will consider the implications for future regional marine planning policy for Priority Marine Features following the adoption of NMP2.</p>
General Policy 10: Seascapes and Landscape	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of General Policy 10 will result in limited costs in addition to costs associated with existing landscape/seascape policy set out in NPF4, NMP, OLDP and the non-statutory PFOW MSP. It is challenging to determine and quantify the extent to which the implementation of General Policy 10 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
General Policy 11: Surface and Underwater Noise, and Vibration	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of General Policy 11 will result in limited costs in addition to costs associated with existing noise and amenity policy set out in NPF4, NMP, OLDP and the non-statutory PFOW MSP. It is challenging to determine and quantify the extent to which the implementation of General Policy 11 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>

Policy	Costs
General Policy 12: Marine Litter and Waste	<p><b>Limited/No Additional Costs to Business</b></p> <p>The implementation of General Policy 12 will result in limited costs in addition to costs associated with existing marine litter policy set out in NMP and the PFOW MSP. It is challenging to determine and quantify the extent to which the implementation of General Policy 12 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
General Policy 13: Invasive Non-Native Species and Non-Native Species	<p><b>Limited/No Additional Costs to Business</b></p> <p>The implementation of General Policy 13 will result in limited costs in addition to costs associated with existing invasive non-native species and non-native species policy set out in NMP and the PFOW MSP. It is challenging to determine and quantify the extent to which the implementation of General Policy 13 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
General Policy 14: Amenity, Well-being and Quality of Life of Local Communities	<p><b>Moderate Additional Costs to Business</b></p> <p>Businesses have identified potential costs associated with the implementation of this policy and the resulting additional assessment requirements. In response to these concerns, General Policy 14 has been modified to include provision for amenity, wellbeing and quality of life guidance to provide clarity on the implementation of this policy and any resulting assessment requirements. When drafting this guidance, due consideration will be given to ensuring that policy provisions are both reasonable and proportionate with regard to costs for businesses.</p> <p>The requirement to assess, and potentially avoid, minimise and/or appropriately mitigate significant adverse impacts on amenity due to factors including, but not limited to, waste, noise, air quality, light and odour are existing requirements under NPF4, NMP, OLDP and the PFOW MSP. The requirement for development to be designed to a high standard and quality, so that the nature and scale of the development and/or activities contribute positively to the character and sense of place of the area in which they are proposed to be located is required for relevant development under NPF4 (Policy 14). Early and effective public and stakeholder engagement to facilitate the planning and consenting process is required under NMP (GEN 18).</p>

Policy	Costs
	<p>It is challenging to determine and quantify the extent to which the implementation of General Policy 14 would result in additional costs over and above existing policy requirements. It is concluded that there could be moderate additional costs over and above existing statutory and non-statutory policy requirements.</p>
Sector Policy 1: Commercial Fishing	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 1 will result in limited costs in addition to costs associated with existing Commercial Fisheries Policy set out in the NMP, OIC Aquaculture Supplementary Guidance and the non-statutory PFOW MSP.</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 1 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
Sector Policy 2: Aquaculture	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 2 will result in limited costs in addition to costs associated with existing aquaculture policy set out in NPF4, NMP, OLDP, OIC Aquaculture Supplementary Guidance, Marine Scotland Seaweed Policy Statement, the non-statutory PFOW MSP and licensing requirements (Marine Directorate and SEPA).</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 2 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p> <p>The suite of spatial guidance identified in Sector Policy 2 will help developers to undertake site selection and assessment of development proposals. This could result in cost savings for developers.</p>
Sector Policy 3: Shipping, Ports, Harbours and Ferries	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 3 will result in limited costs in addition to costs associated with existing shipping, ports, harbours, ferries, dredging and climate change policy set out in NPF4, NMP, Orkney Harbours Masterplan (Phase 1) – Planning Policy Advice, OIC Aquaculture Supplementary Guidance and the non-statutory PFOW MSP.</p>

Policy	Costs
	<p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 3 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
Sector Policy 4: Pipelines, electricity and telecommunications infrastructure	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 4 will result in limited costs in addition to costs associated with existing pipelines, electricity and telecommunications infrastructure policy set out in NPF4, NMP, OIC Aquaculture Supplementary Guidance and the non-statutory PFOW MSP.</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 4 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
Sectoral Policy 5: Offshore wind and marine renewable energy	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 5 will result in limited costs in addition to costs associated with existing renewable energy policy set out in NPF4, NMP and the non-statutory PFOW MSP.</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 5 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>
Sectoral Policy 6: Zero Carbon Fuels, Oil and Gas Transition	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 6 will result in limited costs in addition to costs associated with existing renewable energy, oil and gas and zero carbon fuels policy set out in NPF4, NMP and the non-statutory PFOW MSP.</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 6 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>

Policy	Costs
Sectoral Policy 7: Tourism, recreation, sport and leisure	<p><b>Limited Additional Costs to Business</b></p> <p>The implementation of Sector Policy 7 will result in limited costs in addition to costs associated with existing tourism, recreation, sport and leisure policy set out in NPF4, NMP, OLDP, OIC Aquaculture Supplementary Guidance and the non-statutory PFOW MSP.</p> <p>It is challenging to determine and quantify the extent to which the implementation of Sector Policy 7 would result in additional costs over and above existing policy requirements. It is concluded that there could be minor limited additional costs over and above existing statutory and non-statutory policy requirements.</p>

### Other Costs

The structured BRIA interviews with businesses investigated the potential for other costs not directly associated with a specific policy or policies. Businesses interviewed raised concern about potential additional administrative process and costs rather than direct impacts on their day-to-day operational costs. They were concerned about the possibility of overlapping policy requirements from different regulating authorities. Businesses were concerned that this could cause delays and additional costs when navigating multiple regulatory frameworks.

These views from businesses regarding overlapping policy requirements from different regulating authorities have been carefully considered. In accordance with OIRMP objective 9, the plan policies have been prepared to assist plan users to navigate the relevant legislative and policy frameworks more easily and effectively.

Another concern raised was the amount of evidence needed to support applications, particularly when it came to potential additional survey requirements resulting from the OIRMP policies. Businesses identified that additional requirements could potentially lead to higher costs and time delays. This was attributed to the OIRMP policy emphasis on environmental protection and climate change, which could create further requirements for evidence in applications to ensure compliance.

These views from businesses regarding additional survey costs have been assessed under the relevant policies in Table 1.

### Scottish Firms Impact Test

This section has been informed by the evidence gathered during the formal consultation held from 1 August to 25 October 2024. The consultation process involved consultation and meetings with six businesses of different sizes and sectors

that are likely to be affected by the Plan's policies. This engagement with business was undertaken to quality assure the assessment of cost or benefit to businesses and to build on consultation feedback from business in response to the formal consultation.

Face-to-face discussions were conducted with businesses representing various sizes and sectors. Questions relating to the potential costs and benefits of implementing the OIRMP, and questions relating to competition assessment and business size were covered in the interviews as detailed in the questionnaire (Appendix 2).

Policies within the OIRMP may affect a variety of marine developments and activities, specifically those which already require a licence to carry out new activities or for amended operations such as renewable energy developments, aquaculture sites, ports and harbours.

Sectors affected by the Plan include small/micro businesses. The consultation has further informed the final BRIA and the impact of Plan policies on small/micro businesses and self-employed.

### **Small Business Impact Assessment**

The BRIA process has included an assessment of impacts on small businesses.

Feedback received from small businesses interviewed and via the formal consultation includes:

- *Concerns were raised that larger businesses are increasingly being used by developers in Orkney rather than smaller local supply chain businesses. The approach taken in General Policy 4 was broadly supported by small businesses interviewed as part of the BRIA process.*
- *Orkney lacks the infrastructure to support small scale businesses that operate in the marine environment. For example, there are limited suitable cranes or boat lifts, making it extremely expensive and difficult to service vessels. Views were expressed that available infrastructure is mostly utilised by larger businesses such as aquaculture and renewables. It was suggested that the OIRMP should encourage better local infrastructure, if possible.*
- *Concerns were raised that development investment is being secured by companies outwith Orkney. It was suggested that procurement policies need to prioritise the use of local companies and that OIRMP policy requiring the use of local supply chains needs to be stronger.*
- *Marine decision-making in general does not have the same protections for local companies as land-based decision-making, which was a concern for businesses interviewed.*
- *Concern that 'newer' developments and larger businesses, particularly fish farming and offshore wind farms, are taking workers away from some of the more*

*traditional industries e.g. fishing and farming, and this is decimating local workforces for these traditional sectors.*

Careful consideration has been given to the issues raised by small businesses as part of the Small Business Impact Assessment. The key policy provisions that addressed the issues raised are:

- General Policy 4 makes provision for developers to demonstrate that opportunities have been considered to maximise sustainable employment benefits and create skilled employment in local communities, support local businesses, skills development, supply chains and research and development.
- General Policy 4 includes provisions for the consideration of impacts on local infrastructure, services and other marine and coastal users.
- General Policy 1 makes provision to ensure the effective and efficient use of existing infrastructure and/or services, and that new development and activities will not create an unacceptable burden on existing infrastructure and/or services that cannot be addressed as part of the consenting process.

It has been identified through the consultation analysis that guidance to support the implementation of General Policy 4 would be helpful for developers and decision makers. This policy has been modified to make provide for this guidance. This guidance will aim to address how displacement effects on the local workforce in Orkney should be assessed and potentially mitigated.

*Will the measure directly or indirectly impact small businesses in a greater capacity than businesses of greater size?*

**Limited impact.** In light of the OIRMP policy and guidance provisions outlined in this Small Business Impact Assessment, it is not anticipated that the OIRMP will disproportionately impact small businesses to a significant degree compared to businesses of greater size.

## Competition Assessment

Policies within the OIRMP may affect a variety of marine developments and activities, specifically those which require consent and/or a licence to carry out new development, activities or for amended operations, such as renewable energy developments, aquaculture, ports and harbours.

*Will the measure directly or indirectly limit the number or range of suppliers?*

**No/Limited impact.** It is not likely that the number or range of suppliers will be directly limited by the adoption of the OIRMP. All policies will apply to new and existing developers in equal measure. The policies will not be applied retrospectively to existing consented development or activities.

*Will the measure limit the ability of suppliers to compete?*

**No/Limited impact.** The policies within the OIRMP will not directly limit suppliers' ability to compete. The policies will not affect businesses' route to market or the geographical markets they can sell to.

*Will the measure limit suppliers' incentives to compete vigorously?*

**No/Limited impact.** The policies within the OIRMP will not directly limit the suppliers' incentives to compete.

*Will the measure limit the choices and information available to consumers?*

**No/Limited impact.** The policies within the OIRMP will not directly limit the choices and information available to consumers.

*Will the measure affect suppliers' ability and/or incentive to introduce new technologies, products or business models?*

**No/Limited impact.** The policies within the OIRMP will not directly limit suppliers' ability and/or incentive to introduce technologies, products or business models.

### **Competition Assessment Conclusion**

It is concluded that OIRMP will not distort or restrict competition between firms or suppliers selling the same or similar products or services as it does not:

- directly limit the number or range of suppliers;
- indirectly limit the number or range of suppliers;
- limit the ability of suppliers to compete;
- reduce suppliers' incentives to compete vigorously; or
- limit the ability of suppliers to introduce new technologies, products or business models.

The OIRMP General Policy 4 aims to enable incentives to introduce new technologies, products or business models by supporting research and development, and skills development.

### **Consumer assessment**

The OIRMP will not affect the consumer as the quality, availability or price of goods or services in a market are not likely to be affected.

### **Upstream and downstream assessment**

The OIRMP will not negatively impact the businesses upstream and downstream within the local marine supply chain.

### **Digital impact assessment**

The OIRMP has been designed for use in both a digital and non-digital format and can be applied effectively in both a digital and non-digital format. Therefore, no effects are anticipated.

### **Test run of business forms**

No new forms will be introduced.

### **Legal Aid Impact Test**

It is not envisaged that the OIRMP will have any impact on the current levels of justice through availability of legal aid or on the possible expenditure from the legal aid fund.

### **Enforcement, sanctions and monitoring**

Monitoring the effectiveness of the OIRMP will be undertaken as part of the 5-year review process.

Enforcement advice from the Delegate will be provided through responses to marine licence and planning consultations from the relevant regulatory authorities.

### **Implementation and delivery plan**

The Plan will be kept under review to consider the effectiveness of the policies in securing that the Plan objectives, and other relevant matters, in accordance with the Marine (Scotland) Act 2010.

### **Summary and recommendation**

**Option 3: Adoption of the OIRMP** following public consultation and in accordance with statutory requirements. The final OIRMP has been informed by the public consultation and further engagement with key stakeholders. During the consultation process and face-to-face interviews, businesses stated that the implementation of the plan would have limited additional cost impacts on their sectors. Where potential additional costs were identified by businesses, this BRIA has identified appropriate mitigation to address these matters.

Adopting and implementing the OIRMP will build on the work of the PFOW MSP and help deliver the benefits of a marine planning system as set out in the Final Regulatory Impact Assessment for the Marine (Scotland) Act 2010.

Under Option 3, the OIRMP would be reviewed in accordance with the Marine (Scotland) Act 2010 requirements, providing the opportunity to consider whether the Plan is still fit for purpose.

This option will create consistency between national and local policy and decision making, and the impacts of the OIRMP have been fully assessed via SEA, HRA, ICIA, BRIA, CRWIA and EqIA.

### Appendix 1: Acronyms

BRIA	Business and Regulatory Impact Assessment	OIRMP	Orkney Islands Regional Marine Plan
CRWIA	Child Rights and Wellbeing Impact Assessment	OLDP	Orkney Local Development Plan
EIA	Environmental Impact Assessment	OMPAG	Orkney Marine Planning Advisory Group
EqIA	Equalities Impact Assessment	pBRIA	Partial Business and Regulatory Impact Assessment
HES	Historic Environment Scotland	PFOW MSP	Pentland Firth and Orkney Waters Marine Spatial Plan
HRA	Habitat Regulations Appraisal	SEA	Strategic Environmental Assessment
ICIA	Island Communities Impact Assessment	SEPA	Scottish Environment Protection Agency
NMP	National Marine Plan	SoEA	State of the Environment Assessment
NPF4	National Planning Framework 4	SPP	Statement of Public Participation
OIC	Orkney Islands Council		

## **Appendix 2**

### **Assessing the potential impacts of implementing the Orkney Islands Regional Marine Plan on businesses – A survey to inform the Business Regulatory Impact Assessment**

#### **What is the Orkney Islands Regional Marine Plan?**

The Orkney Islands Regional Marine Plan will provide a framework for decision making to help deliver the Plan's environmental, social, economic, marine ecosystem and community well-being objectives, including the provision of social and economic benefits for local communities and businesses.

The Plan will provide a policy framework for public authorities to make decisions on proposed developments and activities and will be used by public authorities in the determination of relevant licences and consents within the Orkney Islands Marine Region.

Orkney Islands Council on behalf of the Scottish Ministers, has developed the Orkney Islands Regional Marine Plan through an inclusive process of partnership working and stakeholder participation. The vision of the Orkney Islands Regional Marine Plan is 'The Orkney Islands marine region is clean, healthy, safe and productive; Orkney's marine and coastal environment is rich in biodiversity and managed sustainably to support thriving and resilient local communities'.

#### **What is the relationship between the Orkney Islands Regional Marine Plan and other existing legislation?**

The Orkney Islands Regional Marine Plan must be in accordance with Scotland's National Marine Plan, the UK Marine Policy Statement and will be adopted in accordance with the Marine (Scotland) Act 2010. The Plan does not replace or remove existing regulatory regimes or legislative requirements. It provides a localised overarching framework to be used when reaching decisions about development and activities in the Orkney Islands marine region.

The policies in the Orkney Islands Regional Marine Plan: Consultation Draft aim to add value to the National Marine Plan and other legislation and regulations; based on local priorities and relevant matters identified in the Orkney Islands State of the Environment Assessment (2020). The policies express intent and guide decisions in order to deliver the vision, aims and objectives of the Plan and the delivery of sustainable development in Orkney. Some policies integrate existing regulations to provide clarity to marine users. Other policies provide additional detail to help deliver existing national policies at a regional level.

#### **What is the purpose of this survey?**

This survey aims to gather evidence about any potential positive and negative impacts on businesses as a result of implementing the Orkney Islands Regional Marine Plan. Data collected will contribute towards informing the final Business Regulatory Impact Assessment. This data will support an assessment of the potential impacts the Plan may have on businesses. Findings from this survey may lead to further policy updates if appropriate. Initial

policy impacts have been assessed in the partial Business Regulatory Impact Assessment which accompanies the consultation draft of the Plan and which can be read [here](#).

## **START SURVEY**

Name of business:

.....  
.....

Type of business / sector:

.....  
....

Location of your business and/or area in which your business operates:

.....

Estimated annual turnover (*optional*) (£):

.....

How many people do you employ in total:

.....

How many people do you employ locally in Orkney:

.....

## 1. POLICY IMPACTS ON BUSINESSES

### 1.1. OPPORTUNITIES FOR BUSINESSES

1. When thinking about the future of your business, including any intentions you may have to expand/grow, which of the policies in the Plan do you feel might provide benefits or opportunities? Please select a **maximum of five** policies and for each one, explain briefly why you think it represents an opportunity and/or a benefit. Give examples if possible.

Policy number	Explain opportunity/benefit, with examples if possible

- No opportunity/benefit identified [GO TO 4.]
- 2. Considering all the potential opportunities and/or benefits listed above, approximately how much benefit do you think your business might gain as a result of the implementation of the Orkney Islands Regional Marine Plan? It is OK to tick an answer in each column if relevant.
- If the benefit of the Plan is unknown or non-economic [GO TO 3]

Amount	One-off benefit	Annual benefit	Explain what is included in the benefit(s), if possible
Less than £,5000			
£5,000 to £10,000			
£10,000 to £50,000			
£50,000 to £100,000			
£100,000 to £500,000			
£500,000 to £1 million			
More than £1 million			

3. In addition to the opportunities/benefits noted above, do you think the implementation of the Orkney Islands Regional Marine Plan will provide any other opportunities/benefits to your business? Please include any benefits that are harder to value/monetise, such as providing greater clarity/certainty in consenting processes, supporting ecosystem services<sup>1</sup> or improved social licence to operate<sup>2</sup>, in your answer. Please quantify the value of the benefit and give examples where possible.

- *For example, reflect on some of the marine and coastal ecosystem services your business relies on and think about whether the Plan will enhance some of the benefits you receive from these ecosystem services. Thinking about the community in which your business operates, could the Plan help improve your business' social licence to operate and how could this benefit your business?*

Explain benefits/opportunities, with examples if possible

4. Thinking about how your business accesses investment, do you think the implementation of the Plan would positively impact your business' ability to access investments? i.e. *In the absence of the plan would this be more or less straightforward? Does the Plan clarify the probability of success of an investment or not? Does the plan help to de-risk consenting and therefore help to unlock investment?*

- Yes [ ]
- No [ ]

Explain why, with examples if possible

5. Overall, do you consider the benefits associated with implementing the Orkney Islands Regional Marine Plan to be:

- Very significant? [ ]
- Significant? [ ]
- Moderate? [ ]
- Insignificant? [ ]

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<sup>1</sup> Marine habitats and species provide society with a range of ecosystem services. These include: the provision of food (e.g. fish, shellfish and seaweed); coastal protection; waste breakdown; carbon storage; climate regulation; access to recreation, tourism, education and research opportunities; and improved water quality.

<sup>2</sup> A social license to operate refers to the perceptions of local stakeholders that a project, a company, or an industry that operates in a given area or region is socially acceptable or legitimate.

## 1.2. COSTS TO BUSINESSES

6. When thinking about the future of your business, including any intentions you may have to expand/grow, which of the policies in the Plan do you feel might provide additional costs and/or risks and why? Please select a **maximum of five** policies and for each one, explain briefly why you think it represents a cost and/or risk. Give examples if possible. Many of the plan policy aim to clarify existing requirements. Consideration should be given to the extent to which the plan policies do or not introduces new requirements.

Policy number	Explain cost/risk, with examples if possible

- No cost/risk identified [GO TO 8.]

7. Considering all these potential costs and/or risks together, please indicate the approximate extra cost to your business associated with the implementation of the Orkney Islands Regional Marine Plan. Treat a loss of income as an extra cost. It is OK to tick an answer in each column if this is relevant.

Amount	One-off cost (or loss)	Annual cost (or loss)	Explain what is included in the cost or loss, if possible
Less than £,5000			
£5,000 to £10,000			
£10,000 to £50,000			
£50,000 to £100,000			
£100,000 to £500,000			
£500,000 to £1 million			
More than £1 million			

8. In addition to the costs/risks noted above, do you think the implementation of the Orkney Islands Regional Marine Plan will provide any other costs/risk to your business? You may want to include costs/risks that are harder to valuate/monetise, such as reputational damage if policies are not adequately adhered to or unknown additional costs associated with changes in technological requirements/staff capacity/additional research, in your answer. Give examples where possible.

Explain costs/risks, with examples if possible
--

9. Thinking about how your business accesses finance/investment, do you think the implementation of the Plan would negatively impact your business' ability to access finance and/or investments?

- Yes [ ]
- No [ ]

Explain why, with examples if possible

10. Overall, do you consider the costs (or losses) associated with implementing the Orkney Islands Regional Marine Plan to be:

- Very significant? [ ]
- Significant? [ ]
- Moderate? [ ]
- Insignificant? [ ]

## 2. COMPETITION ASSESSMENT

*Competition is a process of rivalry between businesses within industries and, where it is effective, encourages businesses to deliver benefits to consumers in terms of lower prices, higher quality and more choice. The impact on consumers should be noted, for example when their access to goods or services is restricted or is likely to become more expensive. When considering the impact of policies, the effect on the ability of businesses to compete in the market and what effect this might have on consumers should be considered.*

11. Within your industry, do you think there are any competition related impacts within the Plan?

- Yes [GO TO 12]
- No [GO TO 3]

12. Within your industry, do you think the Plan will directly or indirectly limit the number or range of suppliers within your sector/industry? e.g. will the Plan result in exclusive rights to a supplier or significantly raise the cost of existing suppliers relative to new suppliers and cause them to exit the market?

- Yes [ ]
- No [ ]

Explain why, with examples if possible

13. Within your industry, do you think the Plan will limit the ability of suppliers to compete? e.g. will the Plan reduce the geographic area a supplier can operate in compared to other suppliers, or substantially influence the price a supplier may charge?

- Yes [ ]
- No [ ]

Explain why, with examples if possible

14. Within your industry, do you think the Plan will reduce suppliers' incentives to compete vigorously? Will it encourage or enable the exchange of information on prices, costs, sales or outputs between suppliers?

- Yes [ ]
- No [ ]

Explain why, with examples if possible

15. Within your industry, do you think the Plan will limit the choices and information available to consumers? Will it limit the ability of consumers to decide from whom they purchase?

- Yes [ ]
- No [ ]

Explain why, with examples if possible

16. Within your industry, will the Plan affect suppliers' ability and/or incentive to introduce new technologies, products or business models? e.g. will the Plan limit the prospect of future innovation?

Explain why, with examples if possible

### 3. IMPACTS ON BUSINESSES BY SIZE

#### 3.1. INTRODUCTORY QUESTION

17. How many employees does your business have?

- Self-employed [GO TO 3.2]
- <10 employees (micro business) [GO TO 3.2]
- 10 – 49 employees (small business) [GO TO 3.2]
- 50 – 249 employees (medium-sized business) [GO TO 3.3]
- 250+ employees (large business) [GO TO 3.3]

#### 3.2. IMPACT ON SMALL AND MICRO BUSINESSES

18. Thinking about how your small/micro business operates, which of the policies in the Plan would benefit your business more than businesses of greater size and why? Please select a **maximum of five** policies and for each one, explain briefly why you think it will positively impact your small/micro business.

Policy number	Explain positive impact, with examples if possible

- No positive impact identified [GO TO 19.]

19. Thinking about how your small/micro business operates, which of the policies in the Plan would negatively impact your business more than businesses of greater size and why? Please select a **maximum of five** policies and for each one, explain briefly why you think it will negatively impact your small/micro business.

Policy number	Explain negative impact, with examples if possible

- No negative impact identified [GO TO 3.3]

### 3.3. IMPACT ON ALL BUSINESSES

20. Does your business have a good understanding of some of the upstream and downstream businesses within your sector/industry?

*Upstream and downstream businesses refer to different stages in a supply chain or production process:*

- *Upstream activities occur earlier in the process, such as raw material production (e.g. equipment providers).*
- *Downstream activities happen later in the process, such as refining, distribution, and sales (e.g. fish processing plants, supermarkets).*

  

- Yes [GO TO 3.4]
- No [GO TO 3.5]

### 3.4. IMPACT ON DOWNSTREAM AND UPSTREAM BUSINESSES

21. Given your understanding of some of the downstream and upstream businesses within your sector/industry, do you think the implementation of the Orkney Islands Regional Marine Plan will positively and/or negatively impact these businesses? Please explain why you think the Plan would positively and/or negatively impact some businesses and which businesses would be impacted (either specific businesses or types of businesses, e.g. fish processing plants).

- Positive impact(s) [ ]
- Negative impact(s) [ ]
- Both positive and negative impacts [ ]

Explain why, with examples if possible

### 3.5. FURTHER INFORMATION

22. Do you have any further comments, or would you like to provide additional information? For example, complete the box below if you would experience losses or benefits if the Orkney Islands Regional Marine Plan is NOT adopted and implemented. Give examples if possible.

To find out how Orkney Islands Council handles your personal data, please see our [privacy policy](#). By providing your response, you are agreeing to the privacy policy.

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Published by Orkney Islands Council 2026.

