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Marine Recovery Fund Team  
Department for Environment, Food and Rural Affairs  
Seacole Building  
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9 May 2025

**By email only**

Dear Madam/Sir,

### **Consultation for the Establishment of the Marine Recovery Fund**

On behalf of the Office for Environmental Protection, I am pleased to submit our views in response to your consultation on the establishment of the Marine Recovery Fund (MRF).

A clean power system is a prerequisite to achieving net zero greenhouse gas emissions by 2050, with offshore wind providing the backbone of the Government's Clean Power Action Plan.<sup>1</sup> Delivery will need to speed up rapidly to meet the ambition for 43-50 GW of offshore wind in 2030. The Climate Change Committee assesses that offshore wind capacity needs to triple by 2030 to meet net zero, and current lead times for projects can exceed a decade.<sup>2</sup>

As we highlight in our latest progress report on the Environmental Improvement Plan 2023, collective trends in the marine environment point to declining biodiversity and continued habitat degradation.<sup>3</sup> This decline is amidst a backdrop of increasing pressures, including the expansion of offshore wind, which can have negative impacts during construction and subsequent operation. Overall, our assessment concludes Government is largely off track for key marine targets and commitments. These include the Environment Act 2021 target for the condition of protected features in relevant Marine Protected Areas (MPAs) and the Convention on Biological Diversity target to effectively protect and manage 30% of the oceans by 2030.<sup>4,5</sup> These targets are inherently intertwined with government's ambitions in

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<sup>1</sup> HM Government, 'Clean Power 2030 Action Plan: A New Era of Clean Electricity' (2024)  
<<https://assets.publishing.service.gov.uk/media/677bc80399c93b7286a396d6/clean-power-2030-action-plan-main-report.pdf>>.

<sup>2</sup> Climate Change Committee, 'Progress in Reducing Emissions 2024 Report to Parliament' (2024)  
<[www.theccc.org.uk/publication/progress-in-reducing-emissions-2024-report-to-parliament/](http://www.theccc.org.uk/publication/progress-in-reducing-emissions-2024-report-to-parliament/)>.

<sup>3</sup> Office for Environmental Protection, 'Progress in Improving the Natural Environment in England 2023/2024' (2025)  
<[www.theoep.org.uk/index.php/report/government-has-chance-get-track-meet-legal-environmental-commitments-window-opportunity](http://www.theoep.org.uk/index.php/report/government-has-chance-get-track-meet-legal-environmental-commitments-window-opportunity)>.

<sup>4</sup> The Environmental Targets (Marine Protected Areas) Regulations 2023.

<sup>5</sup> Kunming-Montreal Global Biodiversity Framework, 'GBF Target 2- Restore 30% of All Degraded Ecosystems' (2022)  
<[www.cbd.int/gbf/targets/2](http://www.cbd.int/gbf/targets/2)>.

relation to offshore wind, clean energy and net zero, hence appropriate weight should be given to achieving them.

We therefore welcome the overall ambition of the proposed MRF, to expand offshore wind in a way that protects the marine environment. There are commendable aspects to the proposed approach such as the integration of monitoring, adaptive management, and the mitigation hierarchy. However, we also consider that there are risks to the environment from the proposed scheme. We discuss these points below and highlight opportunities to mitigate these risks to more effectively achieve the scheme's overall ambition.

We offer the following observations for Government to consider, primarily linked to Parts 2 and 3 of the consultation, focussed on how the MRF will deliver compensation, cross-cutting themes and the role of key delivery partners.

## Design

We support the overall design of the scheme. We are pleased to see the proposed requirement that applicants produce Statutory Nature Conservation Body (SNCB) evidence, corroborating their adherence to the mitigation hierarchy, prior to seeking MRF compensatory measures. We also support the proposal that the amount of compensation be based on the upper estimate of SNCB's advice. The priority should be to first seek to avoid, reduce and adequately mitigate for adverse impacts at site level, prior to seeking compensation elsewhere. These strengths should be reflected in relevant secondary legislation.

We support the flexible approach to the library of measures, allowing for its expansion over time, as well as the inclusion of strategic measures that cannot be delivered by developers themselves. We have not commented on all three proposed compensatory measures, and instead focus our response on MPAs, drawing on our previous work, which highlighted MPAs as a key lever for delivery of marine targets and commitments.<sup>6,7,8</sup> If delivered effectively, the designation of additional, or extensions to existing MPAs, could enhance the connectivity and coherence of the MPA network. In doing so this could improve the prospects of meeting marine targets.

While we support the proposed inclusion of such strategic compensatory measures in principle, we would like to draw Government's attention to the potential challenges we see. In relation to MPAs, these are threefold.

Firstly, not all MPAs offer equivalent levels of protection. Consequently, compensating for damage to existing European marine sites (Special Areas of Conservation (SACs) or Special Protection Areas (SPAs)) through designation of new sites could present challenges. SACs and SPAs constitute the UK's 'national site network'.<sup>9</sup> This does not include Marine Conservation Zones (MCZs), and the designations differ. For example, identification of MCZs allows for socioeconomic factors to be considered, whereas the national site network does not. It is therefore possible that designation of MCZs to compensate for damage to the

<sup>6</sup> Opergy, 'Evidence Review: Drivers and Pressures Affecting the UK Marine Environment' (2024)

<[www.theoep.org.uk/commissioned-research/evidence-review-drivers-and-pressures-affecting-uk-marine-environment](http://www.theoep.org.uk/commissioned-research/evidence-review-drivers-and-pressures-affecting-uk-marine-environment)>.

<sup>7</sup> Howell Marine Consulting, 'Review and Evaluation of the Marine Protected Area Networks in England and Northern Ireland' (2025) <[www.theoep.org.uk/commissioned-research/review-and-evaluation-marine-protected-area-networks-england-and-northern](http://www.theoep.org.uk/commissioned-research/review-and-evaluation-marine-protected-area-networks-england-and-northern)>.

<sup>8</sup> Office for Environmental Protection, 'Progress in Improving the Natural Environment in England 2023/2024' (n 3).

<sup>9</sup> Department for Environment, Food & Rural Affairs, 'Changes to the Habitats Regulations 2017' (2021)

<[www.gov.uk/government/publications/changes-to-the-habitats-regulations-2017/changes-to-the-habitats-regulations-2017](http://www.gov.uk/government/publications/changes-to-the-habitats-regulations-2017/changes-to-the-habitats-regulations-2017)>.

national site network would be insufficient to meet statutory obligations to designate and manage it.<sup>10,11</sup>

Secondly, designation of new European marine sites as compensation for damage to existing ones could be challenging. For SACs and SPAs, sites designated to discharge compensation responsibilities should be additional to normal practice, that cannot have been expected to occur without the project.<sup>12</sup> In the specific case of SPAs, the Secretary of State is required to classify all sites that have been identified as most suitable in number and size, for the conservation of Annex 1 and regularly migratory species.<sup>13,14</sup> Therefore, if such sites are known, their designation would not qualify as additional compensation.<sup>15</sup>

Thirdly, MPAs need time to deliver their intended ecological benefits. There is considerable evidence illustrating that positive effects on MPA condition are directly linked to the time elapsed since their establishment.<sup>16</sup> Compensatory measures should usually be in place and effective before negative effects occur.<sup>17</sup> We consider the current commitment to endeavour to deliver compensatory measures prior to negative impacts occurring provides little confidence that newly created or extended MPAs will be designated in sufficient time to provide the ecological functions they are intended to compensate for.<sup>18</sup>

We encourage Government to set out a clear plan to demonstrate how these risks to current levels of environmental protection have been considered and what safeguards will be in place to ensure they are maintained. Transparency in the process underpinning the identification of potential sites for use as compensatory measures and selection of measures more generally, would provide further assurances that levels of environmental protection are being maintained. Future plans for the MRF should also make clear how the scheme will work alongside other relevant policies, such as the system of Marine Net Gain, proposed in addition to MPA compensation requirements.<sup>19</sup>

### **Adaptive management**

As we have highlighted in previous reports, a robust approach to monitoring, evaluation and learning is a central pillar of effective environmental stewardship.<sup>20,21</sup> We therefore welcome the integration of adaptive management, and that monitoring is embedded throughout the lifecycle of the MRF to inform it. The adjustment or replacement of compensatory measures if they are not functioning as expected, as proposed in the consultation, will help to safeguard their long-term effectiveness.

For MPAs, designation is not sufficient to deliver ecological benefits alone. Active management is key to their success,<sup>22</sup> therefore the principle of adaptive management in the MRF will be crucial to deliver effective compensation. Currently, the wider MPA network is

<sup>10</sup> Regulations 12, 15 and 16A, The Conservation of Habitats and Species Regulations 2017 1.

<sup>11</sup> Regulations 7, 12 and 18A, The Conservation of Offshore Marine Habitats and Species Regulations 2017.

<sup>12</sup> DTA Publications, 'Section C.15 The Habitats Regulations Assessment Handbook' (2013) <[www.dtapublications.co.uk/handbook/browse](http://www.dtapublications.co.uk/handbook/browse)>.

<sup>13</sup> Regulation 15, The Conservation of Habitats and Species Regulations 2017 15.

<sup>14</sup> Regulation 12, The Conservation of Offshore Marine Habitats and Species Regulations 2017.

<sup>15</sup> DTA Publications (n 12).

<sup>16</sup> Howell Marine Consulting (n 7).

<sup>17</sup> Office for Environmental Protection, 'OEP Gives Advice to Government on the Planning and Infrastructure Bill' (2025) <[www.theoep.org.uk/report/oep-gives-advice-government-planning-and-infrastructure-bill](http://www.theoep.org.uk/report/oep-gives-advice-government-planning-and-infrastructure-bill)>.

<sup>18</sup> Department for Environment, Food & Rural Affairs and others, 'Habitats Regulations Assessments: Protecting a European Site' (2023) <[www.gov.uk/guidance/habitats-regulations-assessments-protecting-a-european-site](http://www.gov.uk/guidance/habitats-regulations-assessments-protecting-a-european-site)>.

<sup>19</sup> Office for Environmental Protection, 'OEP Response to Principles of Marine Net Gain Consultation' (2022) <[www.theoep.org.uk/report/oep-response-principles-marine-net-gain-consultation](http://www.theoep.org.uk/report/oep-response-principles-marine-net-gain-consultation)>.

<sup>20</sup> Office for Environmental Protection, 'Progress in Improving the Natural Environment in England 2023/2024' (n 3).

<sup>21</sup> Office for Environmental Protection, 'A Review of the Implementation of Environmental Assessment Regimes in England' 2023 <[www.theoep.org.uk/report/environmental-assessments-are-not-effective-they-should-be-due-practical-barriers](http://www.theoep.org.uk/report/environmental-assessments-are-not-effective-they-should-be-due-practical-barriers)>.

<sup>22</sup> Howell Marine Consulting (n 7).

not being effectively managed, against a backdrop of mounting pressures. While it is commendable that almost 40% of the UK marine area is designated,<sup>23</sup> the UK's 2023 submission to OSPAR's MPA network assessment indicated that just 13% of relevant MPAs had all the necessary management measures in place to achieve conservation objectives.<sup>24,25</sup> Subsequently, Government missed the milestone to introduce management measures in all MPAs before the end of 2024. This milestone underpinned feature recoverability assessments for the Environment Act 2021 MPAs target.<sup>26</sup> This poses a risk to the current network, as well as to future sites designated as compensatory measures.

We encourage Government to urgently implement outstanding MPA management measures for the current MPA network, in advance of the designation of compensatory sites. We also ask that the evidence demonstrating the achievability of statutory targets in the context of the expansion of offshore wind, and continued delays to implementation of management measures be published.

### **Cross-boundary effects**

Due to the dynamic, interconnected nature of the marine environment, offshore wind projects in one administration's marine area could have adverse effects on MPAs in another. Plans are in development for a separate Scottish MRF, which the consultation states is to 'recognise the separate planning and consenting process in Scotland'.

Under the current proposal, developers would be able to choose which fund to apply to for compensatory measures, if a project has adverse effects on MPAs in a different jurisdiction. Development of both the MRF and Scottish MRF is guided by a set of three shared principles. However, we are concerned these are not yet sufficiently developed or linked to deliver two coherent schemes. For example, the choice between the two schemes will be affected and could be decided by economic factors. This could have knock-on implications for environmental protection if they are not comparable in their access to compensatory measures and approach to adaptive management.

We encourage Government to undertake further work with Scottish Government to strengthen the shared principles for the development of respective MRFs. This should help to ensure coherence between the two schemes and limit the risk of peripheral factors, such as cost, affecting decisions on how to discharge compensatory obligations. Such principles could then be used to guide development of similar future schemes where required.

### **Role of delivery partners**

We welcome that fund applicants will be expected to consult with SNCBs during the planning and consenting process. This will help to ensure damage to MPAs are sufficiently compensated with the right evidence-based measures. However, delivering measures under the MRF could be a complex, long-term endeavour.

It is worth stating when SNCB resources are already stretched, that the effective delivery of measures through the MRF will partly depend on the availability of resources and expertise within those organisations to provide advice and potentially to meet additional monitoring

<sup>23</sup> JNCC, 'UK Marine Protected Area Network Statistics' (2023) <<https://jncc.gov.uk/our-work/uk-marine-protected-area-network-statistics/>>.

<sup>24</sup> OSPAR, 'Report and Assessment of the Status of the OSPAR Network of Marine Protected Areas in 2023' (2023) <<https://oap.ospar.org/en/ospar-assessments/committee-assessments/biodiversity-committee/status-ospar-network-marine-protected-areas/assessment-reports-mpa/mpa-2023/>>.

<sup>25</sup> Office for Environmental Protection, 'Progress in Improving the Natural Environment in England 2023/2024' (n 3).

<sup>26</sup> Department for Environment, Food & Rural Affairs, 'Biodiversity Marine Target- Detailed Evidence Report' (2022) <[https://consult.defra.gov.uk/natural-environment-policy/consultation-on-environmental-targets/supporting\\_documents/Biodiversity%20marine%20target%20%20Detailed%20evidence%20report.pdf](https://consult.defra.gov.uk/natural-environment-policy/consultation-on-environmental-targets/supporting_documents/Biodiversity%20marine%20target%20%20Detailed%20evidence%20report.pdf)>.

demands. The proposal includes a commitment that any additional SNCB function specific to the MRF will be cost-recoverable, however it is not clear whether there is sufficient capacity in place in SNCBs to meet demand. The consultation notes that, as the number and complexity of offshore wind applications has increased, resourcing, skills and funding of SNCBs has not kept pace, resulting in applications going well beyond the statutory timeline. Under current plans, demand will continue to mount in the near-term.

Our previous research has shown that effective environmental assessment regimes rely on the necessary in-house skills, expertise and resources being available in relevant public bodies. We found this is not always in place, which can be a significant barrier to effective implementation and inhibits positive environmental outcomes.<sup>27</sup> An effective MRF will require sufficient capacity to deliver, both in SNCBs and Defra itself. This may require investment in education and training, as well as the provision of resources to the appropriate authorities.

We encourage Government to publish a credible and fully resourced delivery plan alongside the MRF. This should demonstrate what will be required, at what stages and by whom, for both delivery and ongoing monitoring and evaluation of the scheme.

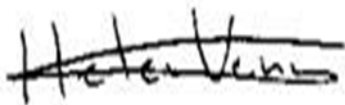
### **In conclusion**

The MRF could become a significant enabling tool to simultaneously deliver a clean power system, while protecting the marine environment. We support the overall design and ambition of the MRF, while noting that it also presents some environmental risks. Our observations on these matters are directed at further strengthening of the scheme, helping to ensure the expansion of offshore wind does not come at the expense of an already depleted marine environment.

The Government must have due regard to the Environmental Principles Policy Statement, as the MRF is developed. We welcome the recognition of the duty in the consultation, but note that no information is provided as to how it has been applied. Transparency about how the duty is informing development of the MRF and what this means for its role in achieving statutory targets and commitments set out in the EIP would be a positive step. We consider that such information would be useful to those engaged with this policy, and for wider scrutiny and accountability purposes.<sup>28</sup>

We will continue to monitor the development of the MRF and would welcome the opportunity to engage with the MRF policy team to understand how our input could be most valuable.

Yours faithfully,



Helen Venn  
Chief Regulatory Officer  
Office for Environmental Protection

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<sup>27</sup> Office for Environmental Protection, 'A Review of the Implementation of Environmental Assessment Regimes in England' (n 21).

<sup>28</sup> Office for Environmental Protection, 'A Review of Implementation of the Duty to Have Due Regard to the Environmental Principles Policy Statement in England' (2025) <[www.theoep.org.uk/report/positive-start-implementation-epps-more-can-be-done-says-oep](http://www.theoep.org.uk/report/positive-start-implementation-epps-more-can-be-done-says-oep)>.