



Project Integra – Strategic Board Minutes

Name of meeting	Project Integra Strategic Board	
Date of meeting	Wednesday 16 th April 2025	
Venue	Teams	
Attendees	<p>Councillors: Cllr Dave Ashmore (DA) Cllr Ian Bastable (IB) Cllr Geoffrey Blunden (GB) Cllr Lulu Bowerman (LB) Cllr David Drew (DD) Cllr Paul Gray (PG) Cllr Stephen Hammond (SHa) Cllr Kelsie Learney (KL) Cllr Robert Mocatta (RM) Cllr Kirsty North (KN) Cllr Richard Quaterman (RQ) Cllr Chris Tomblin (CT)</p> <p>Officers: Linda Bratcher (LB) Helen Taylor-Cobb (HTC) David Emmett (DE) Mick Gore (MG) Sean Herdman-Grant (SHG) Mark Grey (MG) Claire Griffiths (CG) Sam Horne (SHo) Toni Johnson (TJ) Paul Laughlin (PL) Olivia Longley (OL) Stephanie Lucking (SL) Sophie Nichol (SN) Chris Noble (CN) Karyn Punchard (KP) Sarah Ward (SW) Ian Spicer (IS) Richard Tebbutt (RT) Campbell Williams (CW) Paul Wykes (PW) Abigail Wylde (AW)</p>	<p>Portsmouth City Council Fareham Borough Council New Forest District Council Hampshire County Council Test Valley Borough Council Havant Borough Council Gosport Borough Council Winchester City Council East Hants District Council Hampshire County Council Hart District Council Basingstoke and Deane Borough Council</p> <p>Southampton City Council Basingstoke and Deane Borough Council Portsmouth City Council Fareham Borough Council East Hants District Council Veolia Havant Borough Council Hampshire County Council Eastleigh Borough Council Hampshire County Council Project Integra Gosport Borough Council Veolia New Forest District Council New Forest District Council Fareham Borough Council Basingstoke and Deane Borough Council East Hants District Council Winchester City Council Test Valley Borough Council Project Integra</p>
Apologies:	Cllr Eammon Keogh Cllr Rupert Kyrle Ruth Whaymand Sonja Reames Colette Hill	Southampton City Council Eastleigh Borough Council Rushmoor Borough Council Havant Borough Council Portsmouth City Council
		Actions
1.	Introductions and Domestic Arrangements	
1.1	Cllr Mocatta opened the meeting and round-the-room introductions were given	

<p>2.</p> <p>2.1</p>	<p>Apologies</p> <p>Apologies as above.</p>	
<p>3.</p> <p>3.1</p>	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
<p>4.</p> <p>4.1</p>	<p>Minutes of the Last Meeting and Matters Arising (Report 130)</p> <p>RM highlighted that the position of deputy chair is still vacant and asked anyone interested in filling the position to let him know before the next meeting.</p>	
<p>5.</p> <p>5.1</p>	<p>Update on DEFRA Compliance Meeting</p> <p>SHo gave a presentation update on the DEFRA compliance meeting held in March. Key points from the presentation included:</p> <ul style="list-style-type: none"> • DEFRA made it clear that the compliance date for Simpler Recycling for households (March 2026) will not change. • DEFRA are happy to work with Hampshire authorities to support and achieve compliance, particularly with procurement activity (i.e. frameworks) – their approach will be to support rather than to take proactive action against authorities who are not compliant after the deadline. • Although the Environment Agency is the regulator for Simpler Recycling, they are only able to regulate businesses not local authorities. The main risk for local authorities in regard to compliance issues is via judicial review from either an individual or organisation. • DEFRA suggested that Hampshire Authorities put together a route map which outlines how and when they plan to achieve compliance. It was agreed that the partnership would develop this, and DEFRA would provide feedback. The partnership would then publish the final version to allow residents to see the steps that are being taken and mitigate the risk of judicial review. 	
<p>6.</p> <p>6.1</p>	<p>Questions and Discussion Following Cllr North Letter</p> <p>KN gave an overview of the meetings held between HCC and each WCA, she highlighted that the meetings had been productive and provided a good understanding of the challenges each authority face. She noted that the route map will be an important tool to communicate changes to residents and authorities should be supportive of its development. HCC is keen to continue to build on the conversations held individually to help ensure that the waste system runs as smoothly as possible, and SHo is ready to engage with authorities on an officer level.</p> <p>KN shared that she hoped the meetings provided authorities with a better understanding of the timescale pressure HCC faces in relation to the MRF build and how any delays to the decision would also delay Simpler Recycling implementation in Hampshire. She recognised that some authorities want to move quickly, and others would appreciate more time given the Local Government Reorganisation (LGR) proposals. However, she emphasised that the route map will only be acceptable to DEFRA if it shows meaningful progress and further delays are unlikely</p>	

to demonstrate this. HCC hope that the offer of a profit share was well received, highlighting that it took a lot of negotiation internally to be approved but that ultimately it was agreed that it makes sense to recompensate authorities to motivate performance.

Finance and the need to save money were points repeatedly raised during HCC's meetings. KN noted that twin stream is not purely a cost saving for HCC, and that the waste budget will have to increase whichever system is chosen. However overall twin stream is cheaper and does allow for better income – which will be shared.

KN thanked everyone for engaging fully with the meetings and hoped that everyone feels that we can now make progress and move forward as a partnership.

6.2 RM asked whether the benefits of the packaging price with a twin stream system could be quantified. KN explained that the markets are volatile, and rates can vary year on year however the income is likely to be in the hundreds of thousands rather than the millions split between the authorities. However, the more DMR received the higher the income. SHo agreed and reiterated that the market is volatile with some materials being more stable than others (e.g. ferrous) but the impact of DRS on this is currently unknown. As a benchmark the income has been between 1.8 million and 6 million in recent years, but it currently sits at around 2-3 million. Currently, the impact of adding additional materials, such as plastic pots, tubs and trays, is unknown. SHo highlighted that it is important to recognise that the current EPR disposal payments are net of income related to relevant material and that post LGR that any income will also be netted off to new unitary authorities.

6.3 GB thanked KN and HCC for the meeting, highlighting that it had been both worthwhile and useful despite there not being any firm answers. He raised that the letter from HCC mentioned 'hope' of a future income share which has made people nervous given that nothing tangible was provided. He asked whether more assurance could be given on this. KN explained that in order to move forward a formal decision needs to be approved, the proposal for which would include an income share option. HCC's decision day where the formal decision is due to be approved is scheduled for the end of the month and KN shared that she is keen for an income share to go ahead.

GB asked whether once approved, more detail could be provided on what an income share would look like. KN confirmed that the formal decision will provide the opportunity to engage fully and more details to be explored. GB explained that NFDC want to make progress and work towards a better system but that a twin stream system would result in significant additional costs for them, particularly around vehicles and containers. He asked whether HCC had considered funding authority's service changes either through reserves or their own EPR funding and whether funding was completely off the table. KN explained that HCC's budgetary pressure is at such a point that any unallocated reserves are needed to fill the gap, and that each year adult social care is taking up 80% of the budget. In an ideal world HCC would like to contribute to the service changes but in the current financial situation it is not possible. The EPR payments each authority is getting was discussed at the meetings and broadly these do cover the containers each authority needs to buy, although KN recognised that it wouldn't cover vehicles as well. GB suggested that there is a difference of opinion regarding the EPR funding, especially when ongoing costs are considered. He acknowledged that HCC is facing financial challenges but highlighted that NFDC is also seeing budgetary challenges of their own.

6.4

PG shared that HBC are facing similar financial pressures to NFDC, especially regarding vehicles where the EPR payment shortfall is significant. He highlighted that HBC is wary of the lack of information, including specific figures, being provided around an income share and asked whether it would be possible for HCC to provide a breakdown of approximately how much each authority could expect to receive. KN explained that once a decision is made then there would be an indication on how much each authority would receive under an income share, recognising the volatility of the market.

PG highlighted that the difficulty for HBC then comes from having to decide with no indication of how much money they could receive. KN shared that she was not aware that there would be any delay on getting that work done although there would need to be a change of policy in order to explore that, however this wouldn't necessarily take a long time. SHo agreed and indicated that the work wouldn't take too long, it would likely only be a few weeks. PG emphasised that this would be essential otherwise authorities are being asked to work blind.

RM asked whether historic data could be used to give authorities an estimate of amounts. SHo agreed that this data could be used and shared with authorities quickly. PG outlined that this could be the breakthrough the partnership needs but reiterated that authorities cannot make decisions without certainty.

6.5

CT also thanked KN and SHo for the meetings, highlighting that they were useful to better understand the challenges both from both a collection and disposal perspective. However, he stated that there still haven't been any answers about the way forward or the fact that authorities are being asked to provide extra bins and vehicles without additional funding. BDBC has made its case around cost pressures previously, but the biggest issue remains the fact that the costs are for the life of the MRF and whilst the capital costs are a one off the WCAs will have to fund their ongoing service costs at a higher rate for the lifetime of the MRF. CT emphasised that more transparency is needed on potential costs so that authorities can begin to model those into their budgets.

CT raised that some elements of KN's letter were a concern, for example the issue of contamination. He indicated that the WCAs want to work on a more open system with higher cost benefit.

CT also suggested that by formally approving a twin stream MRF, HCC are essentially issuing a power of direction decision. However, if the WCAs are being asked to pay something then they need a matching funding amount from HCC. There have been no answers that can be built on in a concrete way, BDBC still has issues with a twin stream system and currently there is no indication on how these can be resolved.

RM asked if the power of direction issue could be outlined further. SHo explained that the way the power of direction works is that there is a provision in the environmental act that enables WDAs to require a WCA to collect waste in a particular format and then WDA will be liable for the additional cost of doing so. However, in order to issue a direction, there has to be something to give a direction against. Therefore, a power of direction can only be issued by HCC if a number of authorities decided they were going to go away from what the gov have legislated for – i.e. comingled with a TEEP assessment. The direction would be issued based on the WCA decision and couldn't be done so without going through this process.

CT suggested that there will always be two sides to the story, so BDBC is sitting on

<p>6.6</p>	<p>the fence at this moment.</p> <p>SHa raised that he was under the impression that each board member would get a vote on the way forward but now it seems that one member is making the decision for everyone else. He highlighted that the board has a duty to make a decision based on what is cheaper for residents rather than what is cheaper for one authority and that in his opinion this is a co-mingled system. He emphasised that figures on which is the cheapest option overall have been asked for repeatedly, but they still haven't been shared. GBC's meeting with HCC raised expectation on an offer of financial funding but clearly that has not materialised. SHa reiterated that GBC cannot afford the additional costs required for a twin stream system and therefore do not know how to move forwards.</p> <p>SHa also expressed that he was concerned that costs are still not being shared transparently between partners and that it seemed now that a vote would not take place. He emphasised that currently GBC cannot see a resolution and that in order to move to twin stream they would need to be ordered under a power of direction.</p> <p>RM shared that he had sought advice from the HCC legal team regarding a vote. As HCC is providing an update to the board rather than asking them to make a decision, and that as the update doesn't form part of an approved action plan a vote is not needed. The functions of PI, as detailed within its constitution, would need to be changed to allow the board to formally vote and PI is not currently in that position. AW to share with the board.</p>	<p>AW</p>
<p>6.7</p>	<p>KL highlighted that WCC is one of the authorities who is keen to move forward as rapidly as possible and suggested that it is not helpful for authorities to act as if HCC is forcing the partnership to change when it is a national government agenda. She also raised that twin stream is the direction the partnership was heading in when the JMWMS was signed a number of years ago and all authorities agreed to it then which is why HCC has done all the work they have done on it. Authorities need to remember that there is a compliance requirement for collection authorities as well as HCC and as a group we need to be looking at the cheapest compliant option not just the cheapest individual option, KL suggested that there is a danger that this is being forgotten.</p> <p>KL added that WCC would welcome an income share but historically the income has always been very variable and without knowing the impact of DRS it will be hard to include the DMR income in any budget planning. In the past WCC has always made modest estimations on the income and then been pleased if it exceeds predictions, KL suggested that it would be sensible for others to take this approach too.</p>	
<p>6.8</p>	<p>RQ shared that his understanding from the meeting with KN and SH, which he found to be very helpful, was that there is no longer a debate between a co-mingled or twin stream option and instead the debate is now about how to move forward with twin stream in the most equitable way. He highlighted that as a partnership we were already expecting a revision of the financial arrangements in order to make an equitable arrangement across the parties, and this now includes how to make twin stream fair for everyone.</p> <p>RM agreed, highlighting that the main aim from both a WCA and WDA perspective was to ensure that the chosen system is as fair as possible given individual authority financial pressures. He indicated that although LGR may impact this, delaying the MRF is only going to make things harder for authorities.</p>	

7.	Any Other Business	
7.1	None.	
8.	<p>Date of Next Meeting</p> <p>8.1 Proposed date: Thursday 24th June 2025, 10am-12pm.</p> <p>RM suggested that given that HCC's decision day is due to take place at the end of April that the proposed date (Thursday 24th June) gives the board enough time to understand and react to the outcome of the decision day so that a meaningful discussion can take place. The meeting is scheduled to take place on Teams but if anyone would like it to be in person let RM know.</p> <p>8.2 HTC requested that information ahead of the next meeting be shared in enough time for partners to talk to respective portfolio holders as an officer group before the meeting. SHo will do best to get the information out as early as possible, however it is not always possible.</p> <p>RM asked for the income share figures to be provided as a percentage as well. SH agreed.</p> <p>HTC highlighted that whilst sharing numbers is important to understand the wider implications, there are some concerns about sharing costs that come through 3rd party arrangements. Suggested that the partnership agreed that information won't be shared further as it will likely contain commercially sensitive information. RM said that hopefully that is only a small part of the costs, and we don't have to ringfence large chunks. HTC indicated that she is happy to give total numbers, just not detailed breakdowns.</p> <p>8.3 DD highlighted that TVBC have put a lot of work into getting ready for change and that it is frustrating to hear the same arguments being put forward repeatedly at these meetings. He suggested that as a group PI isn't making any progress and that this raises the question as to whether the meetings are worthwhile.</p> <p>DD asked for clarification on what information authorities need to make their decision. He highlighted that residents do want to recycle more items and that they want Hampshire to make progress. He asked whether officers can collate as much information as possible to allow authorities to make an informed decision on the future of collection services. He asked whether councillors are likely to be surcharged for delaying the decision and suggested that the board need to make progress somehow. RM agreed that residents are keen to recycle more, and that the partnership needs to do its best for residents.</p> <p>8.4 KN shared that she was pleased to hear that the meetings were well received despite the ongoing issues authorities are facing. She encouraged authorities to continue discussions with HCC and to ask if they need any further information.</p> <p>KN indicated that this is just the beginning of the process and that ultimately a decision does need to be reached and that the route map is needed to demonstrate to residents that progress is being made. She reiterated that the HCC decision day is due to take place at the end of April.</p>	