CABINET
Thursday 9th April 2015

PROJECT INTEGRA; CHANGES TO THE CONSTITUTION AND APPROVAL OF THE ACTION PLAN 2015-2018

Report of the Head of Direct Services

Recommendations

It is recommended that approval is given to:

(a) a change to the Project Integra constitution;
(b) the Project Integra Action Plan 2015-2018

Summary

This report seeks Members consideration and approval of a change to the Project Integra constitution (allowing the Action Plan to become a true 3 year plan rather than a rolling 3 year plan) and to approve the Project Integra Action Plan 2015-2018

Statutory Powers

Environmental Protection Act 1990
Waste and Emissions Trading Act 2003
Clean Neighbourhoods and Environment Act 2005
Local Government Act 1972

Introduction

1. Project Integra is the adopted brand name for the waste management partnership covering the councils of Hampshire. Its membership comprises all eleven district councils, the two unitary councils of Southampton and Portsmouth, Hampshire County Council and Hampshire Waste Services, (a subsidiary of Veolia Environmental Services) as the waste disposal contractor. The partnership is controlled by a Management Board constituted under S.101 (5) and S.102 (1) of the Local Government Act 1972.
2. In common with other partner authorities, Cabinet approved Project Integra’s refreshed Joint Municipal Waste Strategy (JIMWMS) at its meeting in March 2013. This strategy provides strategic direction for its operational work, the basis for the action plan and a common strategy framework for each partner authority to deliver its services.

**Background to the Project Integra Annual Action Plan 2015-2018**

3. The Action Plan (Appendix 1) is the mechanism by which the Project Integra Strategic Board (PISB) receives its mandate to work on behalf of the partnership. It also details the costs of running the Board and the associated joint activities of the partnership.

4. The council may approve the Annual Action Plan without reservation, or it may approve it subject to a reservation in respect to any particular matter with which it has concerns. Where approval is given subject to a reservation, the Board will consider the matter formally as laid down in paragraph 13.3 of the constitution.

5. This draft action plan covers the period 2015-2018. Amendments to this plan can be made during this period and progress will be regularly reported. The next full action plan will cover the period 2019-2022.

The Action Plan sets out the operational focus for its activities through a number of work streams, as follows;

   a. Working to reduce costs across the whole systems through;
      
      * Communication and behavioural change
      * Waste prevention including reuse
      * Recycling and performance improvements through;
        - Reducing contamination
        - Increasing material capture
        - Improving income from sale of materials
        - Changing management arrangements
      * Reducing landfill
      * Joint working arrangements and activities

   b. Looking ahead together
      
      * Long-term solution and strategy
      * Collaborative and joint working
6. The tables in pages 6 to 10 of the Action Plan (Appendix 1) provide the agreed key actions for Project Integra.

7. Perhaps of particular significance is Action 4 in the Plan the ‘Resource Capture and Treatment Review - Implementation’. This will consider the impending outcomes of this review, including potential new capture methods and treatment options, together with associated costs for waste collected in PI.

8. This work stream focuses on expanding the range of materials that residents can recycle together with the ramifications of any potential change, particularly around quality versus quantity of recyclate. The partnership has always focussed on the capture of high-quality recyclate, delivered to sustainable and ethical end markets. This has been brought into sharp focus with the February demise of Aylesford Newsprint (a leading reprocessor and paper mill), a company who have reprocessed a significant quantity of Hampshire’s paper for many years. This closure leaves only two paper mills in the UK, a position which will undoubtedly reduce the value of paper and make the issue of material quality more important than ever before.

9. It is imperative therefore that all potential changes are fully understood given the prevailing economic climate and the potential impacts on the council’s recycling income and performance. Fully costed options are being prepared and will be presented to the PI Board, including the impacts that each change will have on partner authorities.

10. The partnership runs a ‘Recycle for Hampshire’ (R4H) campaign, delivered on its behalf by Hampshire County Council. Its aims are to encourage waste minimisation, recycling and sound environmental stewardship to all Hampshire residents in a consolidated and consistent manner. This approach is accepted best practice and is widely used by other waste partnerships, augmented by targeted local campaigns. To illustrate the effectiveness of this approach, the partnership has recently been successful in securing £60K ‘Pledge for Plastics’ funding for a targeted campaign to boost plastics recycling in poorly performing rounds, including some in Eastleigh.

11. However during 2013/14, four members of the partnership withdrew from ‘Recycle for Hampshire’ citing financial reasons or the belief that they could provide this function more effectively using other means. This decision resulted in a commensurate loss of funding for R4H activity. Recently two further partners (Winchester City Council and East Hampshire District Council) have served notice of their intention to follow suit on 1st April 2015; however both expressed their reluctance in taking this action, acknowledging the benefits of joint communications for the greater good of the partnership. Both stated they would be willing to re-consider this decision, pending the outcome of a review into the partnership’s communications work and recommendations as to its future direction.

12. The suggested way forward is to retain the R4H website and social media activity but to cease the wider campaign. Where there is a requirement, communications will be built into the business case for future PI Actions in the
Action Plan. Additionally the partnership will bid for external funding for specific communications activity, which may require match funding and which would proceed on the basis of a “coalition of the willing.” This fulfils partner desire for change, presents the opportunity to retain the R4H brand, will lead to consistent messages on specific issues across the partnership, and enables PI to bid for external funding.

13. The reduced funding will result in a reduction in the number Education Officers (from two to one) being employed by Hampshire County Council to work on behalf of the partnership with schools and young people promoting recycling and waste minimisation agendas. There will be a commensurate cost reduction to the council for this element of work from £10.5k to £3.5k, a saving of £7k. It is proposed to use this funding internally to continue this council’s work in support of its key priority of ‘a Green Borough’.

14. The current PI constitution reflects the fact that the current action planning process sees the production of a rolling three year plan produced annually. A draft is signed off by the PI Management Board and then taken by each PI partner for approval in their own authority. Approval must be confirmed by all partners before the plan is adopted. In practice, officers spend time considering the following years Action Plan little more than 6 months after the previous one has been approved.

15. In order to address this it is proposed to change the action planning process, which will require the constitution of the PISB to be amended (Appendix 2, 1.5, 13.1, 13.2, 13.4, 13.5, & 13.6). The proposed change will see the PI Action Plan become a true 3 year plan rather than a rolling 3 year plan. This will reduce time spent by the PI Executive and partner authorities in reviewing and approving action plans and allows a more strategic approach to be taken, reflecting practice in other successful waste partnerships. The plan will still be subject to an annual review by partners with changes/amendments being progressed at PI Board level.

16. This change does not commit individual partners to remain as members of the partnership should they decide otherwise; additionally all have the right to question/challenge decisions in the same way as they do currently. The change is designed to support a more strategic approach whilst reducing the administrative burden that adds little, if any value to partners.

Financial Implications

17. Authority contributions required to administer the partnership in 2019/22 are shown on pages 12 & 13 of the Action Plan (Appendix 1). The contributions cover the PI Executive and the Material Analysis Facility for which there is a marginal increase (£238) in this authority’s contribution for 2015/16 for these two areas. However factoring in the reduction in the Recycle for Hampshire contribution will deliver an overall saving to the council of circa £7k.

18. The council receives an income from the sale of recyclable materials, which is paid annually in arrears. It should be noted that the materials market is liable to fluctuate during the year. The situation is monitored by Veolia, Hampshire
County Council and the Project Integra Waste Technical Group with each authority being provided with a detailed income forecast on a quarterly basis. It should be noted that all partners and VES have a vested interest in securing the best price for material sales due to the profit share arrangements that have been in place since the inception of the contract.

19. The income covers price fluctuation for recycling materials and contributes towards the councils recycling initiatives, in addition to its research and development activities.

**Risk Assessment**

20. There are no significant risks to the council associated with the approval of the Action Plan.

**Equality and Diversity Implications**

21. The Equality Act is not relevant to the decision in this report as the decision does not relate to eliminating discrimination, advancing equality of opportunity, or fostering good relations between different people. An Equality Impact Assessment has not been carried out.

**Conclusion**

22. The 2015-2018 Action Plan sets the key actions for the PI Partnership and reaffirms the benefits of partnership working. The most successful councils in terms of waste and resources management are those who work in strategic partnerships with others. Officers will be working proactively in leading these agendas with like-minded partners in order to deliver tangible benefits to the council and its stakeholders

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Appendices Attached: Two  
Report No ds163

**LOCAL GOVERNMENT ACT 1972 - SECTION 100D**

The following is a list of documents which disclose facts or matters on which this report or an important part of it is based and have been relied upon to a material extent in the preparation of this report. This list does not include any published works or documents which would disclose exempt or confidential information.

None