The role of a municipality as a service authority for waste management

Waste Summit

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Presentation Outline

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Introduction

• The Constitution of the Republic of SA allocates the responsibilities of providing waste management services to municipalities.

• In exercising these powers and responsibilities, municipalities must establish appropriate institutional arrangements that will deliver effective and efficient waste management services.

• Different municipalities have adopted different institutional models with various degrees of outsourcing - to augment capacity where there are skills shortages, or resource shortages.

• Some perform the function themselves, while others create entities responsible for waste management operations.
Scope of municipal solid waste management
Role of districts versus local municipalities

• The Municipal Structures Act (Section 84(1)(e)) states that Districts have the following powers and functions:
  • 84 (1)(e) Solid waste disposal sites, in so far as it relates to
    – the determination of a waste disposal strategy;
    – the regulation of waste disposal;
    – the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.”

• This means that local municipalities have the powers and functions of collecting refuse and of the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities within their area that are exclusively used for refuse collected within their local municipal area.

• Metropolitan municipalities have the combined powers and functions of both the district and local municipalities.
The key functions of a waste services authority

The six key functions of municipalities in their role as waste services authorities are as follows:

<table>
<thead>
<tr>
<th>Waste Services Authority (municipality) functions</th>
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<tbody>
<tr>
<td>1. Develop a waste management policy with a focus on waste minimisation and recycling</td>
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<td>2. Implement waste management by-laws</td>
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<td>3. Develop an Integrated Waste Management Plan (IWMP)</td>
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<td>4. Decide how waste services are provided (IWMP); manage waste and/or ensure waste is managed.</td>
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<td>4A. If internal, manage the waste service; and/or</td>
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<td>4B. If external, manage the waste services contracts</td>
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<td>5. Set waste services charges and implement incentive mechanisms for waste reduction and recycling</td>
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<td>6. Regulate and monitor external waste services providers and report on waste management</td>
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The meaning of executive authority for the solid waste function

• With respect to solid waste management, the definition of executive authority in the Municipal Systems Act (Section 12) means that Municipalities authorities have:
  – The **duty to develop policies** related to solid waste management (for districts this related primarily to disposal and transfer facilities)
  – The duty to pass and implement by-laws with respect to the waste management services.
  – The duty to develop an integrated waste management plan.
The meaning of executive authority for the solid waste function Cont-

- The right to manage the collection, storage, transport and disposal of municipal waste themselves

- The right to set service tariff with respect to waste management services provided by the municipalities and to levy penalties.

- The duty to regulate and monitor external providers of waste management services and the effectiveness of waste management services in its area.

- These rights are subject to national and provincial legislation, but this legislation cannot take away these rights.
Arrangements for the management of waste

• A local municipality has a right to provide the waste management services itself (collection and disposal) and a district municipality has a right to manage district-wide/regional disposal facilities.

• Municipalities may also contract these services out to one or more external services providers (Municipal Systems Act Section 12).

• This includes a municipal entity (for example, Pikitup), another municipality, another government entity, or a private company.

• Where a municipality chooses to contract with an external services provider, it must do so in terms of the Section 78 of the Municipal Systems Act.
Arrangements for the management of waste cont-

• A municipality could provide a collection and/or disposal service in some areas within its boundaries (or to some customers) and contract out the collection and/or disposal of waste to one or more external providers for defined areas or customers, or it could contract out the services for its whole area and all of its customers.

• Whether the municipality provides the service itself, or through external service providers;
  – the municipality has a duty to ensure that:
    ✓ the services prioritise universal basic needs,
    ✓ make economic, efficient and effective use of available resources;
    ✓ promote waste minimisation, re-use, recycling and avoid or minimise harm to the environment;
    ✓ and that the service is financially sustainable.
Regulating and monitoring external waste services providers

- *Liaison between local and district municipalities with respect to regulation*

- Municipalities have a duty to regulate and monitor external waste services providers (Municipal Systems Act Section 12).

- The purpose of regulation is to protect customers and to ensure that services comply with minimum national standards and with policies and by-laws, so that waste services prioritise basic needs and are efficient, effective, affordable and sustainable.

- This agreement should include provisions for reporting on compliance and performance in relation to a defined set of compliance areas and performance indicators.
Ways to improve the authority function

Achieving greater clarity on the role of districts

• Districts are required to develop an Integrated Waste Management Plan.
• The focus of this plan should be on incentives for waste minimisation and recycling in the district as well as on regional bulk transfer and waste disposal facilities (serving more than one local municipality) in their area.

Model municipal solid waste policies

• It may be useful to draft model municipal waste management policies for adaption and adoption by municipalities.
• This may especially benefit the medium and smaller local municipalities who typically do not have waste management policies.
• These model policies should therefore be appropriate for the small and medium-sized municipalities with less capacity than the larger municipalities, especially the metropolitan municipalities.
Ways to improve the authority function

**Improved model by-laws**

- It may be useful to develop three different model by-laws:
  - For metropolitan municipalities
  - For district municipalities (with focus on district-wide disposal facilities)
  - For local municipalities

**Ring-fencing requirements**

- Enforce the requirement to keep a separate set of financial statements for waste management services (including a separate balance sheet).
Ways to improve the authority function

**Best municipal practices in the outsourcing of solid waste management functions**

- It may be useful to develop a set of best practices in the outsourcing of waste management functions including model contracts for the management of collection (area based).

**Best municipal practices on the recycling, recovery and reuse of waste materials**

- It may be useful to develop a set of best practices in the recycling, recovery and reuse of waste materials.

**Best municipal practices on waste tariff setting**

- It may be useful to develop a set of best practices in municipal tariff setting.
THANK YOU