City of Ekurhuleni

UNDERSTANDING THE WASTE TARIFF STRUCTURE: Policy Clauses & Implementation

WASTE MANAGEMENT BUSINESS UNIT

DECEMBER 2025

City of Ekurhuleni

Contents of Presentation

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Context: Why Waste Management Tariffs Are Required

LEGISLATIVE MANDATES FOR WASTE MANAGEMENT

Primary Legislation

- Constitution of the Republic of South Africa, 1996:
- National Environmental Management Act (NEMA), 1998 (Act 107 of 1998
- National Environmental Management: Waste Act (NEM:WA), 2008 (Act 59 of 2008)

Key Regulatory Instruments and Strategies

- National Waste Management Strategy (NWMS)
- Waste Classification and Management Regulations
- Extended Producer Responsibility (EPR) Regulations
- Municipal by-laws and Integrated Waste Management Plans (IWMPs)
- Extended Producer Responsibility (EPR) regulations (R. 1184),
- National Norms and Standards.

Context: Why Waste Management Tariffs Are Required

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Cost of operations

Fleet Operations Costs

- Fuel consumption is a primary recurring expense, alongside
  - Maintenance,
  - Insurance,
  - Depreciation, and
  - Licensing fees.

Facilities Costs – Offices, , Workshops and Landfill Sites

- Operational Costs
- Disposal Fees
- External Costs

Labour Costs

- Depot management
- Supervisors
- Drivers
- Team Leaders
- Collection crews
- Personnel at Waste Storage Facilities
- Landfill Facilities personnel

Context: Why Waste Management Tariffs Are Required

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Revenue fairness & cost-reflective services

- Municipalities are legally required to set waste management tariffs that are both **cost-reflective** and **fair**, principles of which are established in the **Local Government: Municipal Systems Act (MSA)**.

Fairness

- Fairness in tariff setting involves treating users equitably and ensuring services are affordable, particularly for vulnerable groups.

Cost Reflectiveness

- Cost reflectiveness means that revenue from tariffs must cover the full cost of service delivery to ensure the financial sustainability of the waste management service.

Tariff Policy Overview

City of Ekurhuleni

Mandate related to what is in the policy.

- Policy Principles
  - Access to basic services
  - Non-discrimination and fairness
  - Cost reflectiveness
  - Revenue sufficiency
  - Sustainability
  - Transparency
  - Poverty alleviation
- Definitions related business
  - Business: means any property used for commercial purposes.
  - Business waste: means waste that is generated from premises that are zoned for
  - Commercial, retail, wholesale, entertainment or government
  - Administration purposes and includes waste generated by
  - Informal traders and owner properties where commercial activities are being conducted.
  - Collection: means the act of picking up solid waste materials from homes, businesses, governmental agencies, institutions, or industrial sites.
  - Container: means a disposable or reusable vessel in which waste is placed for the purposes of storing, accumulating, handling, transporting, treating or disposing of that waste and includes bins, bin-liners and skips; with a capacity varying between 240l, 600l, 900l, 1100l and 1.75m3 - 30m3 provided by City of Ekurhuleni for the storage and disposal of waste in areas identified for containerization. This includes colour code for Recycling.
  - Services: means waste management services to be provided by City of Ekurhuleni and as defined in the National Environmental Management: Waste Act, 2008
  - Tariff: means the user charge for the provision of the Council services, determined and promulgated by the Council in a regulation made under Chapter 7 in terms of section 75 of the Local Government: Municipal Systems

Tariff Policy Overview

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What does it entail for business

- Tariffs for businesses refuse charges have been approved and promulgated in City of Ekurhuleni Schedule 5 of the Waste Management Services and Incidental Charges

Tariff determination principles

- The costs incurred by the City of Ekurhuleni are unique and include the following. ▪ Collection ▪ Transportation ▪ Storage ▪ Disposal and waste minimisation
- Provision for bad debts.
- General administrative costs and overheads: ▪ Depreciation and interest on borrowings. ▪ Capital and infrastructure replacement reserves. ▪ Rehabilitation of landfill sites: and ▪ Implementation of waste minimisation initiatives.
- Capital and infrastructure replacement reserves.

Billing /Liability to pay for the service

- The account holder is liable to pay to the City of Ekurhuleni the fee prescribed in Schedule 5 of the Waste management services and incidental for the provision of the waste services, and is not entitled to exemption from, or reduction of the amount of such fee by reason of not making use, or of making a partial or limited use, of the municipal service.
- In all service provisions, the property owner will be billed and not the tenant, however, in the case where a property management agency is involved and they have power of attorney, they may apply for services on behalf of the owner, although the settlement of the account remains the responsibility of the property owner.

Compliance requirements

- Tariff enforcement and implementation
- Adjustment to Accounts
- During data clean-up exercises City of Ekurhuleni may adjust the account, backdated to three years.

Tariff Structure Breakdown

City of Ekurhuleni

Standard Bin Tariff

BUSINESS REFUSE REMOVAL TARIFF

For all sizes of containers same additional tariff will be charged for additional bin or bins or additional lifts, multiplied by frequency per week.

COMPLEXES/SECTIONAL TITLE BUSINESS PROPERTIES: CHARGED PER UNIT

Frequency of Removal (240 Liter Container)	Tariff Per Month 2025/26
1 x per week	R584,46
Frequency of Removal (660 Liter Container)	**Tariff Per Month 2025/26**
1 x per week	R1 754,76
Frequency of Removal (900 Liter Container)	**Tariff Per Month 2025/26**
1 x per week	R2 339,55
Frequency of Removal (1100 Liter Container)	**Tariff Per Month 2025/26**
1 x per week	R2 633,34

Tariff Structure Breakdown

Availability Charge The following containers are used in the business complexes and a minimum tariff must be based on type of container and service frequency:	**Tariff 2025/26**
Minimum charge: All other properties not being levied a CoE Refuse Removal Tariff and not falling within 1,75 and 6 cubic meters below including vacant stands.	R584,46
	Per Month
Minimum charge: 1,75 cubic metre container per week for non-food premise	R526,21
	Per Week
Minimum charge: 6 cubic metre container per week for restaurants, food handling or manufacturing premises and businesses with food outlets	R1 654,15
	Per Week

Tariff Structure Breakdown

City of Ekurhuleni

6. SPECIAL EVENT LEVY	
The service rendered is a refuse removal service through 240 Liter bin (two-way recycling system) and bulk containers (different sizes).	**Tariff Per Month 2025/26**
Special event bins	
1. 240l bin (Two-way recycling system)	R584,46
2. Bulk containers	Business tariff for bulk containers as contained in the tariff schedule

7. LITTER PICKING

Litter Picking levy	Tariff Per Month 2025/26
At all business and industrial zoned erven where a scheduled litter picking service is provided at least once per week,	0,1667 per m2 at all business and industry zoned erven where a scheduled litter picking service is provided at least once per week, with a maximum of R3406.12 per month

Tariff Structure Breakdown

8. BULK CONTAINER SERVICES	
COMPLEXES/SECTIONAL TITLE UNITS CHARGED PER UNIT.	
Container Size	**Tariff Per Lift 2025/26**
1,75 cubic metre	R526,21
2,5-3 cubic metre	R1 106,54
3,1-4 cubic metre	R1 183,20
4,1-5 cubic metre	R1 254,62
5,1-6 cubic metre(Non-Compactible)	R1 654,15
5,1-6 cubic metre (Compactable)	R1 353,98
6,1-7 cubic metre	R1 654,15
7,1-8 cubic metre	R1 995,91
8,1-9 cubic metre	R2 485,64
9,1-10 cubic metre	R2 566,16
10,1-11 cubic metre	R2 766,43
11,1-12 cubic metre	R3 051,00
12 m3 Rolon, 25 m3 Rolon, 30 m3 Rolon, 10 m3 Compactor, 18 m3 Bulk Containers, 25 m3 Compactor, 30 m3 Compactor	R 761,53 per ton or part thereof R2 326,83 Minimum levy per service
Ad hoc domestic use: 5 - 6 m3 non compactable	1 654,15

Tariff Structure Breakdown

City of Ekurhuleni

Rationale for tariff charges:

- Waste Management tariffs should be set at levels that facilitate the financial sustainability of the service. Innovative debt management schemes should be implemented to promote payment. Waste management tariffs shall also encourage the economical, efficient, and effective use of airspace, the reduction of waste to landfill, the recycling of waste and other appropriate environmental objectives.
- If municipal councils do not raise enough revenue, they must cut expenditures to balance budgets. Often when this happens, it means cutting expenditures on asset maintenance and rehabilitation. The result is a decline in the performance of assets and ultimately in asset break- down, which in turn means that the municipal council can no longer deliver good quality services. This can result in a vicious cycle where customers lose the appetite to pay for poor-quality services, and so revenue is reduced even further.
- The most common practice in municipalities setting tariffs is characterized simply by applying an inflation adjustment to the baseline tariff from the previous year. The risk of this approach is that municipal tariffs often do not reflect the full costs of providing services and thus seldom generate sufficient revenue to cover those costs.
- The account holder is liable to pay to the City of Ekurhuleni the fee prescribed in Schedule 5 of the Waste management services and incidental for the provision of the waste services, and is not entitled to exemption from, or reduction of the amount of such fee by reason of not making use, or of making a partial or limited use, of the municipal service.

Business Compliance Obligations

Liability to Pay for the Municipal Service

- (1) The owner or occupier of premises is liable to pay to the Municipality the prescribed fee for the provision of the municipal service in terms of the Municipality's approved waste tariff policy, and is not entitled to exemption from, or reduction of the amount of such fee by reason of not making use, or of making a partial or limited use, of the municipal service.
- (2) A prescribed fee becomes due and payable on the date stipulated in the account. (3) Non-receipt of an account does not relieve the person concerned of the liability to pay a prescribed fee before or on the due date.

Availability charge

- Refers to a monthly charge that the municipality may levy against any property and vacant stand which do not utilize the municipal waste management services, where this service is readily available, and the City has the necessary capacity to provide service to the property.
- This charge is used to defray the cost of the waste generated by the user; to defray the cost of operations and maintenance of waste disposal facilities and for the preservation, conservation, sustenance, and enhancement of the environment.

The available resources and capacity within the City

- The Waste Management service has the capacity to provide the required service to all businesses within the City of Ekurhuleni. The City officials are available to conduct an assessment of the required resources in every business situated in the City for the purpose of providing the service. The City provides reliable and consistent waste collection services at a market related promulgated tariff. Businesses must feel free to negotiate the service package in line with the waste volumes generated.

Benefits for Businesses

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Transparent billing

- Council tariffs and billing procedures are transparent processes with municipal accounts available from various platforms. Consumers can openly request a reconciliation of services rendered against the billing effected on their accounts.

Improved collection reliability

- Getting tariffs right and maximizing the revenue is vital for ensuring the financial sustainability of any Municipality ultimately resulting in better infrastructure for a more improved service offering.

Cleaner business districts

- The alignment and implementation of the promulgated tariffs with the service standards will advance the Municipality's cleanliness level in the business districts.

Predictable budgeting

- Municipal tariff, through an open public participation process, are promulgated annually thus avoiding unforeseen fluctuations during the year. This can assist businesses with a more stable forecast in a given year (of possible waste disposal costs).

Key Takeaways

Why tariffs are necessary

- Tariffs are the most considerable revenue source existing for most Municipalities.
- Municipalities receive significant subsidies from National Government BUT tariffs still account for over 40% of municipal revenues.

Getting tariffs right and maximizing the revenue available from tariffs is vital for ensuring the financial sustainability of a Municipality.

If a Municipality does not raise enough revenue, it must cut expenditures to balance budgets. Often when this happens, it means cutting expenditures on asset maintenance and rehabilitation. The result is a decline in the performance of assets and ultimately in asset break- down, which in turn means that the municipal council can no longer deliver good quality services

What businesses must comply with

- Business are to ensure compliance with the prescribes of the promulgated waste management policy and other environmental legislative requirements for the preservation and conservation of our Environment.

City support for implementation

- The City sensibly supports the implementation of the Council approved tariff policy and schedule in an aid to render more efficient, effective, reliable and consistent waste management services to all residence within the City.

THANK YOU