

Audit Committee Report

DATE: Monday, May 26, 2025

WARD(S): ALL

TITLE: SOLID WASTE MANAGEMENT AUDIT

FROM:

Kevin Shapiro, Director of Internal Audit

ACTION: FOR INFORMATION

Purpose

To communicate the findings from the Solid Waste Management Audit.

Report Highlights

- Solid Waste Management Services is a division of Environmental Services.
- They manage the contract which provides residential waste collection services to more than 335,000 residents.
- Solid Waste Management does a commendable job of managing vital services to residents and supports the City's Green Directions.
- In general, the audit has identified opportunities to improve the operational efficiency and effectiveness of Solid Waste Management Services.
- Management has developed action plans which will mitigate the identified risks and address the recommendations outlined in the report.
- Internal Audit will follow up with management and report on the status of management action plans at a future Audit Committee meeting.

Recommendations

1. That the Internal Audit Report on Solid Waste Management (Attachment 1) and Presentation Material (Attachment 2), be received. .

Background

The objective of the audit was to evaluate the adequacy and effectiveness of the internal controls, processes, and procedures in place to mitigate the business risks associated with Solid Waste Management Services.

The audit scope includes assessing that:

- Strategic plans are appropriately developed, implemented, and monitored, and align with the City's strategic initiatives and priorities.
- There is adequate management oversight, ensuring the proper execution of the Environmental Services' strategies.
- Key performance indicators have been developed and management tracks, monitors, and reports on the critical success factors.
- Policies and procedures are regularly reviewed, updated, and applied consistently.
- Information Technology systems are being leveraged and used to their maximum capabilities.

The scope of the audit covered Solid Waste Management Services' activities for the period of January 2024 to April 2025.

Previous Reports/Authority

Not applicable.

Analysis and Options

Solid Waste Management Services is a division of Environmental Services. They manage the contract which provides residential waste collection services to more than 335,000 residents at an excess of 90,000 points of collection. This contract is coming to an end in December 2025, but there are two one year optional periods where the City can transition to the next ten year contract.

A lot of work goes into developing such a large contract. The City hired consultants to engage residents to determine their level of satisfaction with waste collection services and provide insight into what residents would consider service enhancements. A waste collection consultant was hired to take that information, benchmark the services of peer municipalities, and conduct research and interviews to determine the industry's best practices and trending innovations. With this information, the consultant is working with the City to develop the Request for Proposals (RFP) for the next residential waste collection contract.

Solid Waste Management Services is also responsible for the City's closed landfill site. They maintain and monitor the methane station and report methane levels and ground and surface water quality to the Ministry of Environment, Parks and Conservation on a legislative basis.

Solid Waste Management Services is also a point of contact for other City staff and developers to ensure the Waste Collection Design Standards are met and allow for safe and efficient collection of waste materials and supports the City's waste diversion goals.

Financial Impact

There are no direct economic impacts associated with this report.

Operational Impact

Management has assessed any operational impacts as part of their management action plan development and implementation.

Broader Regional Impacts/Considerations

Not applicable.

Conclusion

Solid Waste Management does a commendable job of managing vital services to the residents of the City of Vaughan. They ensure the fundamental services of waste collection and other services that keep residents healthy and safe. Their administration is forward thinking and supports the City's Green Directions. This audit provided a chance to examine Solid Waste Management Services' processes and provide insight into opportunities for improvement, including:

- Investigating the feasibility of combining the City's residential and commercial waste collection contracts.
- Developing strategies and operational requirements for the transition of the Blue Box program.
- Ensuring that residents moving into new homes receive their recycling and organic bins.

For more information, please contact Kevin Shapiro, Director of Internal Audit, ext. 8293

Attachments

1. Internal Audit Report – Solid Waste Management Audit
2. Presentation Materials

Prepared by

Kevin Shapiro, Director of Internal Audit, ext. 8293