

State Comptroller of Israel

Audit Report on Local Government | 2023

A b s t r a c t s



State of Israel

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Foreword

The Local Government Audit Report for 2023 deals with a variety of topics that are at the core of the local authorities' work.

Local government in Israel is entrusted with providing state and local services to its residents, ensuring their well-being and providing a response to their day-to-day needs. Local government is responsible both for the physical infrastructure – paving of local roads, city construction and planning, sewage, sanitation and water systems, and for the social infrastructure – welfare services and education, culture and sports services. The local authority has a great degree of autonomy in making decisions in its areas of responsibility, regarding the ways and means for realizing these areas of responsibility and the resources required to that end, as well as prioritizing actions in these areas. Furthermore, the local authority serves as a public trustee in all its actions, and as such it is obliged to exercise its authority in accordance with the provisions of the law.

According to the State Comptroller and Ombudsman's vision, we are working to position the State Audit as an action-motivating audit, an innovative, relevant and effective audit, dealing with the core areas of the audited body and focusing both on issues of a social nature and on service to the citizen, as well as on the significant risks affecting the activities of the audited bodies. This is in addition to good governance and integrity.

The report brings forth to the public agenda important audit findings concerning a variety of areas, including: individual welfare, service to the residents, effectiveness of recovery plans, municipal property tax collection, veterinary services, infrastructure planning, construction and maintenance. Following is an overview of some of the chapters included in this report:

A recovery plan is designed to comprehensively solve deficits in the local authorities, thus the provision of municipal services in an equitable and maximally efficient manner will be possible for all residents of the country. In 2011–2020, 71 local authorities operated within the framework of recovery plans. The audit on **Recovery Plans in Local Authorities** found that the four audited local authorities – Bustan al-Marj, Beit Aryeh, Jisr az-Zarqa, and Sajur – did not meet 84 out of the 186 requirements set for them in milestones and additional goals defined for them under 13 recovery plans, hence they did not receive loans and grants. As a result, the authorities were unable to achieve an annual balance in the regular budget, and they continued to operate with accrued deficits, despite the grants transferred to them at NIS 62.9 million and despite the loans given to them at about NIS 42.2 million. Hence, the mechanism adopted by the Ministry of Interior for the recovery of those authorities and for improving their functioning is not sufficiently effective. The long-standing failure of the recovery plans highlights the need for a thorough examination of their current structure. The local authorities should



increase the collection rates of municipal property taxes (current payments and debts), especially the Jisr az-Zarqa Local Authority (35%) and the Sajur Local Authority (28%); Conduct property surveys on time as required and meet all the goals set for them in the recovery plans. As for the Bustan al-Marj Regional Council and the Beit Aryeh Local Authority, they should increase the collection of the remaining Own Income. The State Comptroller's Office recommends that the Ministry of Interior conduct a process of lesson learning and consider additional steps and measures to help the local authorities and their residents. It is also recommended to consider a change in the format of the recovery plans for the authorities, especially in view of the Ministry of Interior's responsibility and its powers, so these authorities become financially and administratively independent.

Municipal property tax is the primary tax collected by local authorities in Israel, and is the main source for financing their duties and the provision of state and local services to their residents. Municipal property tax revenues have a significant impact on the local authorities' ability to provide services, to strengthen their economic independence and reduce their dependence on the central government. The audit on **Municipal Property Tax in the Local Authorities – Regulation, Imposition and Granting of Discounts**, raised that in 2020 the local authorities charged property owners under their jurisdiction with municipal property tax at about NIS 34.6 billion, of which they collected about NIS 24.2 billion, 60% of their Own Income. Account receivables in municipal property tax in the local authorities at the end of 2020 were NIS 31.7 billion. The audit raised deficiencies in the municipal property tax regulation, municipal property tax orders and its imposition, the method of measuring properties and their charging, submitting applications for extraordinary approval of municipal property tax changes and their management, the collection of municipal property tax, handling debts and granting discounts. The audit findings indicate that the municipal property tax requires regulation, among other things due to the multitude of classifications, rates and measurement methods, and that it is characterized by non-uniformity and inequality. The Ministries of Interior and Finance were aware of the deficiencies and distortions that characterize the municipal property tax system in the local authorities, and over the years inter-ministerial committees were established to rectify them, however the committees' recommendations were not implemented. The municipalities of Ashdod, Kfar Saba and Nof HaGalil, the local authorities of Kiryat Tivon and Reineh and the Yizre'el Valley Regional Council – should rectify the deficiencies and consider the reports' recommendations as applicable, and among other things they should increase the municipal property tax collection rate (which stands at about NIS 792 million in the six authorities) and provide discounts on a legal basis while ensuring transparency and equality. The Ministries of Interior and Finance should examine the audit findings, discuss the recommendations of the inter-ministerial committees and teams established over the years, and work together to regulate the municipal property tax in Israel on all its aspects.

This report also includes an audit on **Municipal Property Tax in the Local Authorities – the Service to the Resident** in which deficiencies were raised regarding



the scope and quality of the online service, the phone service and the face-to-face service that the authorities offer to their residents in the municipal property tax as well as the information they publish to the public about their rights and obligations in the municipal property tax, both in digital media and in notices which are distributed to residents' homes via post. By the audit findings the audited local authorities differ considerably in the online service available on their websites, and despite the steps taken by the audited local authorities to encourage the transition from payment vouchers distributed by post to digital payment vouchers, most of the taxpayers in their jurisdictions still receive the municipal property tax payment notices via post.

The aging of the population is a worldwide phenomenon that poses new challenges to society, welfare and medicine professionals. In Israel too, increased life expectancy is evident, and the local government holds a key role in providing services to the senior citizens' and in developing solutions for its unique needs. This report includes an audit on the **Local Authorities' Treatment of Senior Citizens Within Their Jurisdiction.** 1.16 million senior citizens live in Israel, 12% of the general population. It was raised that the scope of the annual budget for a senior citizen allocated by the Ministry of Welfare in 2021 in the local authorities was between NIS 141 and NIS 772. The audit findings indicate that the audited local authorities did not conduct needs and satisfaction surveys and did not from master plans for their preparedness for the aging of the population. The average number of participants per month in the day centers and in the enrichment clubs in the local authorities is low and ranged from 9% to 30% of the senior citizens overseen by the welfare departments. Regarding the making of information accessible to senior citizens and the exhaustion of their rights, it was raised that the information on the local authorities' websites is not prominent and is not easily available for the senior citizens, and that not all of them are aware of their rights. It was further raised that the average number of persons handled per social worker in senior citizens units in the authorities above was 126–444, and that the Ministry of Welfare did not set the maximum number of senior citizens that can be under the purview of one social worker position and did not define specific experience and training requirements for social workers caring for senior citizens. The senior citizens survey conducted by the State Comptroller's Office raised that 42% of them are not familiar with the recreational activities provided by the local authorities, 64% of the senior citizens who are familiar with the activities take part therein; And that most senior citizens (63%) choose not to participate in the frameworks offered to them due to lack of interest. It is recommended that the local authorities expand the communication channels with the senior citizens within their jurisdiction and improve the accessibility of information for them. It is further recommended to map the needs of the senior citizens and prepare master plans that will include long-term objectives, based on the response to the needs of this population, whose rate in the population is expected to continue to grow in the coming years.



In 2020, about 1.6 million persons with disabilities, about 17% of the total population, lived in Israel. As part of the audit on **the Services Provided by the Local Authorities to Persons with Disabilities – Center Versus Periphery**, four online focus groups meetings were held, in which participated persons with disabilities, parents of children with disabilities from local authorities in the center of the country, parents of children and adults with disabilities from local authorities in the periphery, as well as brothers and sisters of persons with disabilities. The audit raised that the variety of services for persons with disabilities and the scope of personnel engaged in the field in the periphery authorities are limited compared to these services and the scope of personnel in the authorities in the center of the country. In the periphery authorities, the number of social clubs is small, going on package tours is only partially realized there, and in most of them there is no professional integrating factor in the field of disabilities. It was also found that over five years the Ministry of Welfare did not adjust the provisions of the social work regulations, the rates, the services and the information systems, to the viewpoint for which the Disability Administration was established in the Ministry of Welfare, that the treatment of persons with disabilities will be done on the basis of functioning and not according to medical diagnosis. In 2021, about 26% of the local authorities in Israel, where most of residents are Jewish, did not fully meet the goal of adequate representation, and among municipalities whose residents are mostly non-Jews – 62% of them did not fully meet the goal of adequate representation. There are also considerable differences between the authorities in the employment of dedicated social workers in the field of disabilities – 78% of the authorities ranked in a high periphery cluster employ social workers who handle only the field of disabilities, compared to 15% of the authorities ranked in a low periphery cluster. The managers of the social services departments and the social workers involved in the fields of disabilities worked on the cases that were brought to them, and were not free to expand the circle of those entitled and increase the exhaustion of the rights of the people who did not contact the departments on their own initiative. All these necessitates the Ministry of Welfare to expand the services provided to the population of persons with disabilities, to adapt the services and rates to the Ministry's new concept and comprehensively address the state of protection of persons with disabilities. It is recommended that the bodies entrusted with the field of disabilities – including the local authorities and the Ministries of Welfare, Education and Interior – identify the reasons that led to the gaps existing between the authorities and reduce these gaps. Regarding the accessibility of the services – it is recommended that the local authorities pro-actively cooperate with the Ministry of Welfare and adopt solutions that will make the services accessible. All of these will improve the level of services provided by the local authorities to persons with disabilities and reduce the bureaucratic burden imposed on them and their families.

Physical activity has a significant positive impact on people, as it makes them feel good, prevents obesity and various chronic diseases, and improves the physical and mental state of both healthy people and those suffering from health problems, at any age. The local authorities have the ability to considerably influence the health of their residents



regarding physical activity and maintaining a healthy lifestyle, both through the planning of the public space and through investment in, and organization of, recreational sports activities. The audit on **Recreational Sports in the Local Authorities – Planning and Investment** found that the total subsidizing budget transferred by the Sports Administration in 2019–2021 increased by about 29% (from about NIS 389.5 million to about NIS 504 million), while the budget for the local authorities' recreational sports, which is the primary budgetary support given by the Sports Administration for recreational sports activities in the local authorities, increased in those years at a rate of only about 9.5% (from about NIS 52.8 million to about NIS 57.8 million). It was also found that the share of the local authorities' recreational sports out of the total subsidies given by the Sports Administration decreased from 13.6% in 2019 to 11.5% in 2021. Furthermore, it was raised that by the audit end, about 70% of the local authorities had not joined the national plan for promoting an active and healthy lifestyle approved by the government in November 2011. From a questionnaire distributed by the State Comptroller's Office, it was found that 78% of the respondents estimated that the local authority encourages residents to engage in physical activity to a moderate (39%) and little (39%) extent, and 22% of respondents estimated that the local authority encourages residents to engage in physical activity to a great extent. It was found that 41% were satisfied to a small extent with the range of sports activities organized by the authority, 27% were moderately satisfied and only 12% were very satisfied with the range. It was also raised that the Sports Administration's average annual support per resident through the components of the local authorities' recreational sports in 2018–2021 in the audited authorities, ranges from NIS 1.2 to NIS 9.7 per resident. The audit noted the difference in the number, variety and layout of the sports facilities in the authorities and the lack of facilities in some of them. Hence, the local authorities promote recreational sports according to their economic capability and according to the priorities they set for themselves, even though they consider it as very important for the benefit of the residents. It is recommended that the relevant parties – including the Ministry of Culture and Sports, the Ministry of Health, the Ministry of Education and representatives of the local authorities – consider establishing a coordinating or organizing body that will formulate a comprehensive and long-term national policy for the promotion of recreational sports among the residents of Israel, to increase the number of residents active in sports and for the health and well-being of all residents. It is further recommended that in the absence of a national policy and strategy for the promotion of recreational sports, the local authorities use their planning tools to promote an active and healthy lifestyle among their residents, examine the needs and desires of the residents to make optimal decisions in the organization of recreational sports activities and investment in sports facilities and act according to orderly plans they will adopt. It is also recommended that the local authorities publish to their residents the information about the sports facilities in their area and allow them to use these facilities in an equitable manner and according to clear criteria.



The right for education is considered a fundamental right in the State of Israel and around the world. Therefore, there is great importance in establishing an education system and supporting it as part of the service to citizens. The Local authorities should invest in optimal maintenance of the educational institutions, identifying safety hazards therein and addressing them, to maintain the safety of all who come through the gates of the institutions and ensure an adequate learning environment, thus striving to improve student achievement. In the audit on the **Maintenance and Safety of Educational Institutions – Secondary Schools**, various deficiencies were raised in the school maintenance, including leaks and dampness, neglected toilets, malfunctioning air conditioners, electrical and lighting malfunctions, a lack of shaded areas, old tables and chairs, and a lack of learning spaces. Safety deficiencies were also found in the audited schools, including repeated safety deficiencies in the annual inspections, failure to conduct all the required periodic inspections and with the required frequency for buildings and facilities, as well as continued deficiencies in electricity, in the access roads to the schools, and safety deficiencies in the laboratories. The State Comptroller's Office recommends that the audited local authorities improve and increase the maintenance of educational institutions and their regulation of safety hazards ensuring an optimal and safe learning environment for their students. The local authorities should form working procedures that define the interaction and the division of responsibilities between the parties involved; Control and supervise the handling of maintenance and safety inquiries in the schools; Conduct all periodic safety inspections and ensure the receipt of all professional safety approvals according to the Ministry of Education's guidelines.

Monitoring the rectifying of deficiencies raised in previous reports is an important tool to verify that the audited bodies have indeed rectified what is required. Therefore, we expanded the scope of follow-up audits and refined the way they are carried out. This report presents the findings of four follow-up audits: **The Local authority Auditor – his Role and Conduct; The Local Authorities' Handling of Sexual Harassment and its Prevention; Employment of External Consultants by Local Authorities; Actions to Increase Road Safety in Local Authorities in Arab Society.**

The report encompasses diverse topics, and this foreword deals with only a few of them. Each and every audit report opens to the public, including the decision makers, a window into the activities of the local government in Israel, as the services provided by them have a direct impact on the quality of life and well-being of the residents and their economic and social situation.

The preparation of the report required a significant effort by the personnel of the Local Government Audit Division and by employees at the Headquarters of the State Comptroller's Office. All of them have worked hard to prepare it with the utmost professionalism, thoroughness, fairness and meticulousness, and they conduct their public roles out of a sense of true dedication. They have my gratitude.



It is the duty of the audited bodies to act in a swift and effective way to rectify the deficiencies noted in this report to promote public service in Israel and thus also improve the quality of life of Israeli residents.

A handwritten signature in blue ink, appearing to read "Matanyahu Englman".

Matanyahu Englman

State Comptroller and
Ombudsman of Israel

Jerusalem, July 2023



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Chapter One

Financial Audit



State Comptroller of Israel | Local Government
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Financial Audit

Recovery Plans in Local Authorities



Recovery Plans in Local Authorities

Background

By the end of 2003, many local authorities were in a financial crisis. As a result, in February 2004, the government adopted a resolution designed to bring about a comprehensive solution to the deficits in the local authorities so that, among other things, the provision of municipal services in an equitable manner and with maximum efficiency would be possible for all residents of the country. As part of the solution, recovery plans were formulated for the authorities. The recovery plans included measures the authorities would be required to take for efficiency purposes to achieve budgetary balance. Following the government's resolution, a recovery plan was established by law to balance the local authorities' budget. From 2005, local authorities with problematic financial situation worked according to recovery plans formulated in cooperation with the Ministry of Interior.



Key Figures

71 local authorities

operated in 2011–2020, according to recovery plans. In June 2022, the date the audit began, 33 local authorities operated according to recovery plans

79%

of the local authorities that operate according to recovery plans are authorities from the Arab sector

13 recovery plans

were implemented repeatedly and unsuccessfully in the four examined local authorities: 5 plans in **Bustan al-Marj**, 2 – in **Beit Aryeh**, 3 – in **Jisr az-Zarqa**, and 3 – in **Sajur**

NIS 62.9 million

were transferred by the Ministry of Interior to the four examined local authorities to cover accrued deficits as part of the recovery plans in 2011–2020

about NIS 42.2 million

loans taken by the examined local authorities to cover accrued deficits according to the recovery plans in 2011–2020

84 out of 186

requirements set as milestones and as additional goals within the 13 recovery plans – the examined authorities failed to meet

NIS 27 million out of about NIS 145 million

grants that the examined authorities did not receive due to failure to meet the goals of the recovery plans

only 3% to 26%

the average annual collection rates of municipal property tax due to the examined authorities' arrears in 2011–2020



Audit Actions

🔍 From June to November 2022, the State Comptroller's Office examined the implementation of the recovery plans in the local authorities in 2011–2020. The main topics examined were the formulation of recovery plans, achieving the goals of the recovery plans and meeting their targets, grants, and loans given to the authorities, and control over the implementation of the plans. The examination was carried out in four local authorities, in each of which several recovery plans have been implemented over the years: in the local authorities of **Beit Aryeh**, **Jisr az-Zarqa**, and **Sajur** and in the **Bustan al-Marj** Regional Council (the examined authorities). The examination was also conducted at the Ministry of Interior – at the headquarters and in the Judea and Samaria, Haifa, and the North Districts.

Key Findings



👎 **The Scope of Local Authorities that Operated According to Recovery Plans** – in 2011–2020, 71 local authorities operated according to recovery plans. Usually, each recovery plan lasts one to two years. For the most part, the number of recovery plans imposed on each of the 71 authorities above ranges from only one plan to four plans at most. The Ministry of Interior does not have collated data on the total number of recovery plans implemented in 2011–2020 in 71 local authorities that operated in the years above, according to a recovery plan.

👎 **The Recovery Plans Application Period in the Examined Local Authorities** – 11 of the 13 recovery plans were signed between two and ten months after their implementation began. I.e., the plans were signed retrospectively, and as a result, the recovery plans stipulated actions for achieving goals that had already been carried out in practice. In the **Bustan Al-Maraj** Regional Council, four recovery plans were partially implemented over two years, in overlapping periods: when the Council and the Ministry of Interior realized that the implemented recovery plan was not working properly due to failure to meet the goals, they canceled it and implemented a new, more lenient plan.

👎 **Meeting the Main Goal of the Recovery Plans (balancing the regular annual budget)** – in two of the four examined authorities (**Beit Aryeh** and **Jisr az-Zarqa**) the debts of the local authority (which include the accrued deficit in the regular budget, the final deficits in the unusual budgets and the burden of the loans) increased during the implementation period of the recovery plans were – the total debts of **Beit Aryeh** increased by about NIS 15.4 million in 2016–2020, and the total debts of **Jisr az-Zarqa**



increased by about NIS 33.23 million in 2011–2020; And in two authorities (**Bustan al-Marj** and **Sajur**) the debts did decrease, but this was mainly due to NIS 43.2 million grants they received from the Ministry of Interior and not due to their actions. The recovery plans implemented over the years in the four examined local authorities failed to stabilize their budget. These local authorities did not meet the goals of the recovery plans they signed with the Ministry of Interior, and they continued to operate with accrued deficits despite grants of NIS 62.9 million transferred to them and despite about NIS 42.2 million loans given to them.

 **Formulation of a Recovery Plan** – it was found that although the government resolution set requirements for the selling of local authority's assets, for making structural and organizational changes, and for streamlining procurement and improving tenders, in practice, in all 13 recovery plans implemented in the four examined local authorities, such requirements were not included. Furthermore, no documentation was found that the Ministry of Interior examined jurisdictional changes regarding **Beit Aryeh** and **Sajur**, and the transfer of Own Income between the local authorities was not examined. It was further found that the Ministry of Interior does not have written criteria for selecting the milestones and additional goals of the recovery plans proposed to the local authorities.

 **Meeting the Milestone Goals and the Additional Goals – Bustan al-Marj, Beit Aryeh, Jisr az-Zarqa, and Sajur** did not meet 84 out of 186 of the requirements set in the milestones and the additional goals defined for them as part of the 13 recovery plans, and as a result they did not receive loans required for their recovery and grants of about NIS 27 million out of about NIS 145 million allocated to the recovery plans (19% of the total amounts included in the recovery plans). It should be noted that there is variation in the allocation of grant amounts. To meet some goals, grants were sometimes allocated in considerable amounts, so even though the authorities did not meet 45% of the goals, they received 81% of the total allocations.

 **Doubtful Debts and Bad Debts (debts to be written off)** – at the end of 2020, the doubtful debts and the debts to be written off in **Bustan al-Marj** were about NIS 15.7 million, in **Beit Aryeh** about NIS 2.7 million, in **Jisr az-Zarqa** about NIS 181 million and in **Sajur** about NIS 53.7 million. The high percentage of doubtful debts and debts to be written off from all debts in **Bustan al-Marj**, **Jisr az-Zarqa**, and **Sajur**, from 57% to 83%, indicates that the authorities did not make an effort to collect debts from their residents and as a result, non-payment became a norm.

 **Property Survey for Municipal Property Tax Payments – Beit Aryeh** did not conduct a property survey for 13 years, and **Sajur** did not conduct a property survey for 11 years; however, the Ministry of Interior set this goal for them at a very late stage, as part of the newest recovery plans in 2020. Following the surveys conducted in 2019–2020, the size of areas subject to financial charging by **Beit Aryeh** and **Sajur** increased by about 44,000 and about 30,000 square meters, respectively, and the



financial charging (gross – before discounts) increased by about NIS 2.4 million and NIS 1.4 million, respectively.



Collection of Municipal Property Tax – in 2011–2020, the average rate of total municipal property tax collection (current and arrears) in **Jisr az-Zarqa** and **Sajur** was 35% and 28%, respectively; this compared to a national average of 66%. In 2011–2020, the average rate of collection of municipal property tax in arrears of three authorities (**Bustan Al Marj**, **Beit Aryeh**, and **Sajur**) was low and was 19%–26%, while the collection rate in **Sajur** was only 3%; this compared to a national average rate of 28%. The recovery plans of the **Jisr az-Zarqa** and **Sajur** did not include requirements for collecting debts in arrears. The **Bustan Al-Marj** Regional Council does not operate the local committees, does not delegate their powers, and does not allow them to collect local committee taxes.



Non-Residential Municipal Property Tax – municipal property tax charges for non-residential properties of **Beit Aryeh**, **Jisr az-Zarqa**, and the **Bustan Al-Marj** Regional Council in 2020 comprised a relatively small part of their total municipal property tax charges (3%–8%) compared to the national average (49%), among other things, due, to the lack of appropriate local economic infrastructures which are a necessary condition for the establishment of factories. In the recovery plans of the four examined authorities, except for **Sajur's** 2020 recovery plan, requirements for developing commercial and industrial areas were not included in the additional milestones and goals.



The Ministry of Interior's Control over the Implementation of the Recovery Plans – the Ministry of Interior does not have complete, collated data regarding the grants given to each of the authorities that operated according to the recovery plans and to all the authorities each year, and it also does not have collated data on the loans taken by each local authority; In 2011–2020, the Ministry of Interior did not appoint a supervising tax collector or an accompanying accountant as a supervising tax collector in **Jisr az-Zarqa** (except for 2020) and **Sajur**, even though they met the criteria for the appointing of a supervising tax collector; Although **Bustan Al-Marj**, **Jisr az-Zarqa**, and **Sajur** did not meet some of the main goals in their recovery plans, and even though the recovery plans failed and the authorities continued to accrue deficits – the Minister of Interior did not exercise its authority and did not order the appointment of a committee to fulfill the duties of the council and those of the head of the council.



Municipal Property Tax Collection – the average rate of municipal property tax collection from current charges in 2011–2020 in the **Bustan Al-Marj** Regional Council and **Beit Aryeh** was 89% and 92%, respectively, compared to a national average of 86.4%.

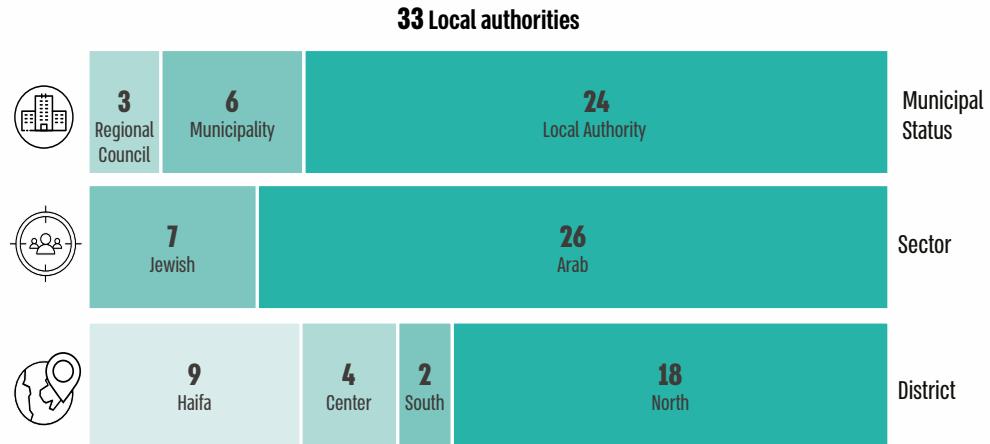


Key Recommendations

- 💡 **Bustan al-Marj, Beit Aryeh, Jisr az-Zarqa, and Sajur** must meet all their goals in the recovery plans and reduce their accrued deficits. It is recommended that the Ministry of Interior consider a hierarchy of actions and controls vis-à-vis a local authority that does not meet the goals. The Ministry of Interior should refrain from signing an updated and lenient recovery plan before the end of the deadline set for the evaluation of the existing plan.
- 💡 **Bustan al-Marj, Beit Aryeh, Jisr az-Zarqa, and Sajur** should increase the collection of municipal property taxes in arrears. It is recommended that the Ministry of Interior set goals for collecting municipal property tax debts in arrears.
- 💡 To increase the authorities' Own Income in the non-Jewish sector, it is recommended that the Ministry of Interior include in the recovery plans targets for the development of employment and industrial areas and cooperate with the authorities to promote them, and alternatively promote border committees for the distribution of revenues.
- 💡 To improve the Ministry of Interior's control over the implementation of the recovery plans, it should utilize an information system that includes an annual list of authorities operating according to recovery plans, the duration of each plan, annual data on the extent of the grants given to the authorities and the loans that each local authority took for its recovery plans.
- 💡 It is recommended that the Ministry of Interior authorize the accompanying accountant as a supervising tax collector to increase the collection rates of the municipal property tax (also in cases where the collection of taxes in arrears is low), of the other mandatory payments and of the water payments in authorities such as those that were examined, I.e., authorities that met the criteria for the appointing of a supervising tax collector and whose rate of collection was low over the years. In cases where the authority does not meet the main goals of its recovery plans, it is recommended that the Ministry of Interior consider appointing an appointed committee.
- 💡 It is recommended that the Ministry of Interior consider changing the format of the recovery plans for the authorities and consider what goals should be set and what additional steps and measures should be taken to help the local authorities improve their budgetary management and increase their revenue potential.



Breakdown of the Local Authorities Operating According to Recovery Plans, by Municipal Status, Sector and Districts of the Ministry of Interior, June 2022



According to the Ministry of Interior data processed by the State Comptroller's Office.



Summary

The State Comptroller's Office examined the activities of four local authorities – **Beit Aryeh**, **Jisr az-Zarqa**, **Bustan al-Marj**, and **Sajur** – within the framework of 13 recovery plans and the extent of their meeting the goals set for them in those plans in ten years (2011–2020). According to the report, the authorities above failed to meet 84 out of 186 of the requirements set in the milestones and the additional goals that were set for them as part of the 13 recovery plans, and as a result, they did not receive loans required for their recovery and grants of about NIS 27 million, that would have been included in the goals, had they met them. Hence, the authorities could not reach an annual balance in the regular budget and continued operating with accrued deficits. Therefore, the mechanism adopted by the Ministry of Interior for the recovery of those authorities and for improving their functioning is not effective enough.

The long-standing failure of the recovery plans highlights the need to examine their current structure thoroughly. The State Comptroller's Office recommends that the Ministry of Interior draw lessons and consider additional measures to help the local authorities and their residents. A change in the format of the recovery plans for the authorities is also recommended, especially given the Ministry of Interior's responsibility and its powers, so that these authorities become financially and administratively independent.



State Comptroller of Israel | Local Government
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Financial Audit

**Financial Audit in
Financially Sound
Local Authorities**



Financial Audit in Financially Sound Local Authorities

Background

Israel is a highly centralized country regarding the local government-central government relationship, particularly in the financial field. Over the last decades, there has been a growing discourse around the world calling for decentralization and greater independence for local government. In 2014, Amendment 135 to the Municipalities Ordinance [New Version] (the Municipalities Ordinance or the Ordinance) led to the orderly decentralization of powers to local authorities. According to amendment 135, the Minister of Interior will declare a local authority as financially sound if it has met the financial conditions stipulated by law and properly manages its budget and affairs according to all the law provisions (financially sound local authority). Declaring a local authority as financially sound exempts it from some of the law requirements that generally obligate local authorities, including the requirement to obtain the Ministry of Interior approvals for actions such as allocating a budget, signing contracts to grant concessions, executing land transactions, writing off debts and employing through personal contracts. On the other hand, authorities declared financially sound are denied the right to receive grants from the Gaps Reduction Fund, and authorities adjacent to Ben-Gurion Airport that have been declared financially sound are also denied further funds.



Key Figures

36	3.1 million (33.7%)	21	71.4%
local authorities out of 256 are declared financially sound as of April 2023	residents live in financially sound local authorities (according to the Central Bureau of Statistics for the end of 2020)	financially sound local authorities (out of 36) are in socio-economic index clusters of 7–10, 15 are in clusters 4–7, and none are in clusters 1–3	the average rate of the financially sound authorities' Own Income in 2019. 26% higher (in percentage points) than the average rate in the non-financially sound authorities – 45.4%
0	194	NIS 5,600	4
the number of non-Jewish local authorities among financially sound ones	local authorities received a balancing grant in 2019 and, thus, could not be declared financially sound	the average Own Income per resident in 2019 in a financially sound authority, as opposed to a non-financially sound authority – NIS 2,524	procedures for the declaring and revoking by the Ministers of Interior since 2014 (out of 9 that were supposed to be carried out)



Audit Actions

From May to December 2022, the State Comptroller's Office examined the Ministry of Interior mechanism to declare financially sound local authorities and revoke the declaration, as well as the mechanisms to examine the financial conduct of the authorities declared as such. The audit analyzed the local authorities' financial statements and detailed audit reports, conducted interviews, and reviewed correspondence and various documents. The audit also examined the financial data of all the financially sound authorities declared as such since 2014 and those whose declaration as financially sound was revoked. An in-depth audit was carried out in **Ashkelon, Holon, Haifa, and Kfar Saba**, in the **Tamar** Regional Council, and in **Even Yehuda** (the authorities that underwent an in-depth audit), as well as in the headquarters of the Ministry of Interior and four of its districts: South, Haifa, Center and Tel Aviv. A completion audit was conducted in Hadera and **Ra'anana**, the **Hof Hasharon** Regional Council, **Rosh Pina, Azor, and Kfar Shmaryahu**. The laters were selected while considering their municipal status, the Ministry of Interior's district they belong to; their socio-economic cluster; the peripheral cluster to which they are associated; and the number of residents living within their jurisdiction.

Key Findings



Own Income per Resident – the average Own Income per resident in 2019 in financially sound local authorities was NIS 3,078 (122%) higher than that of authorities not declared financially sound. Financially sound local authorities can invest a higher rate of their budget in services for their residents compared to other local authorities.

Expenditure per Resident for Local Services – in 2019, the average expenditure per resident for local services, such as sanitation services, city beautification, municipal supervision (enforcement), urban planning, guarding and security – services that considerably affect the quality of life of the residents in the private and public sphere – was NIS 1,706 in the financially sound local authorities – NIS 556 (48%) over those that were not declared financially sound (NIS 1,150).

Declaration and Revocation of Declaration Procedures – the Ministry of Interior, which is authorized by law to make decisions and manage the procedures examining the local authorities' compliance with the conditions for declaring them as financially sound authorities, did not formulate an orderly procedure, including timetables and areas of responsibility to manage the declaration mechanism. In addition, the procedures were



not conducted in a consistent, orderly, and transparent manner. Thus, out of the nine years since the amendment to the Municipalities Ordinance in March 2014, the Ministry of Interior has not completed the examination procedures within five years. Hence, local authorities that operated efficiently and appropriately and met the required conditions in the years when the declaration procedure was not completed did not benefit from the decentralization of powers accompanying the status of financially soundness during this period. Local authorities that did not meet the conditions and did not operate efficiently and properly continued to operate under reduced control, even though this could have jeopardized their stability.

 **The Financial Threshold Conditions and Good Governance Criteria for Declaring a Local Authority as Financially Sound** – it was raised that among the financial conditions for recognizing a financially sound authority, some constitute a challenge for most local authorities to meet, as of 2019 (the absence of a current deficit in the three previous years [58%] and a percentage of Own Income [77%]), including financially sound authorities. On the other hand, one condition most of the authorities met (cumulative deficit rate and credit balance [88%]) and another that almost all authorities met (loan repayment rate [99%]). One financial condition was increasingly met (minimum municipal property tax collection rate higher than 80%), and another became increasingly difficult to meet (minimum self-generated income rate of 62.5%). Deficiencies were also found in the Ministry of Interior's use of good governance criteria to formulate the Director General's determination whether the authority manages its budget or its affairs improperly and not according to the provisions of the law, preventing it from being declared a financially sound authority. It was raised that non-compliance of local authorities with the Ministry of Interior criteria for good governance did not lead to summons for hearing or revoking of declarations.

 **Non-receipt of a Balancing Grant as a Threshold Condition for Financially Sound Status** – this precondition prevented 194 local authorities (76%) that received a balancing grant in 2019 from receiving financially sound status and 11 of them were denied the possibility of being declared financially sound even though they received balancing grants at a rate of up to 2% of their income – a rate that does not indicate improper financial conduct or significant dependence on central government.

 **The Effect of Accounting Rules on the Rate of Own Income** – the accounting rules applicable to local authorities do not allow a comparison – regarding the rate of Own Income – between local authorities that operate recreational services through a municipal association and between authorities that operate these services themselves. Furthermore, due to the accounting rules that apply to local authorities, loan recycling carried out by a local authority reduces the rate of its Own Income.

 **The Control over the Conduct of the Financially Sound Authorities** – it was found that since the Ministry of Interior began decentralizing powers to financially sound local authorities, there is no systematic policy controlling their conduct. Deficiencies were



found in the six financially sound local authorities' self-auditing that underwent an in-depth audit. Thus, except for **Ashkelon**, deficiencies were found in the internal audit mechanism in **Holon, Haifa, Kfar Saba**, and **Even Yehuda** and in the **Tamar** Regional Council. Among these authorities, some council plenary did not approve their budget on the date set by law in 2017–2019 (**Holon** and **Haifa** in 2017 and 2019, **Kfar Saba** in 2018 and 2019, and **Even Yehuda** in 2019).



Consequences to the Local Authorities with Financially Sound Status – the audit raised that the local authorities only partially use the concessions they receive in the regulatory requirements from the Ministry of Interior, concessions intended to increase their independence in managing their affairs and to encourage local authorities to conduct themselves properly to benefit from the decentralization of powers. This partial use may be affected, among other things, by the characteristics of each authority and its needs. The audit also found that the declaration of local authorities as financially sound prevents them from receiving grants from the Gap Reduction Fund and prevents the financially sound authorities adjacent to the Ben Gurion Airport from receiving an additional distribution of funds, which may affect their degree of motivation to meet the conditions and criteria required to be declared financially sound.



Control Tools – the South, Haifa, Center, and Tel Aviv Districts of the Ministry of Interior have developed independent tools to monitor the conduct of the authorities declared financially sound in their area.

Discussing the Current Budget – **Holon, Haifa**, and **Kfar Saba** regularly held discussions on their budgets in 2017–2019.

Key Recommendations



It is recommended that the Ministry of Interior regulate the procedures for declaring and revoking the declaration of financially sound authorities while determining areas of responsibility and clear timetables. Among other things, it is recommended that the process begin every year with the publication of the audited reports and end with the publication of an up-to-date list of financially sound authorities within a reasonable period, in which the collected findings will be updated and faithfully reflect the state of the authorities. It is also recommended that the Ministry of Interior increase transparency and publish its decisions in hearings for financially sound authorities and the reasons for them. Transparent conduct will reveal, first and foremost, the conditions according to which a local authority can gain the status of financially soundness, increase the number of local authorities that will be declared financially sound, increase good governance among all local authorities, and correspondingly also the decentralization.



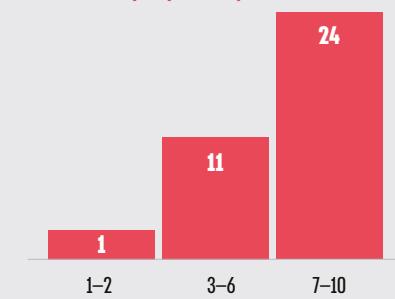
- 💡 It is recommended that the Ministry of Interior examine the financial threshold conditions and the ability to optimally reflect the financial soundness of the authorities so that the status is granted to all the authorities deserving of it. Furthermore, it is recommended that the Ministry of Interior consider adding criteria for examining the good governance of the authorities, thus incentivizing them to improve their work processes and the conduct of their internal mechanisms as much as possible.
- 💡 It is recommended that the Ministry of Interior consider amending the threshold conditions regarding the balancing grant – so that authorities entitled to a balancing grant at low rates compared to their income may be declared financially sound.
- 💡 It is recommended that the Ministry of Interior examine the accounting rules applicable to the local authorities for the uniform and equitable use of their Own Income index and to reliably reflect the financially soundness of the local authorities. Alternatively, it is proposed to publish adjustments to the criteria for eligibility to the status of a financially sound local authority, which will eliminate the gaps arising from the accounting rules.
- 💡 It is recommended that the Ministry of Interior regulate the control procedures over the financially sound authorities and include in the collection of information and data every year as part of the processes of declaring authorities as financially sound and the revoking of such declarations, the data of the audits to be conducted in the districts. The Ministry of Interior should also consider the opinions of the district supervisors.
- 💡 It is recommended that **Holon, Haifa, Kfar Saba, and Even Yehuda** approve the local authority's budget by its council at the beginning of the fiscal year, according to the provisions of the relevant law.
- 💡 It is recommended that the Ministry of Interior examine whether the decentralization of powers encourages local authorities to operate properly to gain said powers and if the decentralization of powers given to the financially sound local authorities should be expanded while orderly supervising their conduct in the decentralized areas. Furthermore, it is recommended that the Ministry of Interior and the Ministry of Finance examine the consequences of the distribution policy of the Gap Reduction Fund and the budget intended for the authorities adjacent to Ben Gurion Airport and its effect on the degree of motivation of local authorities to meet the conditions and criteria required to be declared as financially sound. It is also recommended to examine the link between the financially soundness of the local authorities and the rationale behind this distribution of funds. The examination above is critical as the local authority is not sovereign to decide whether it accepts the status of financially soundness or rejects it.



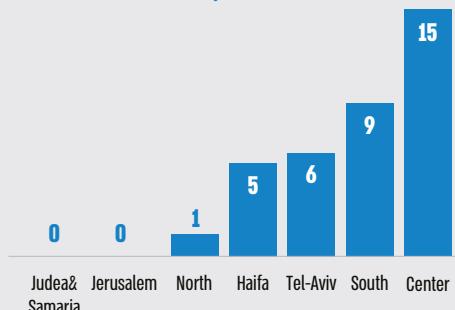
Main Characteristics of the Financially Sound Local Authorities, 2021



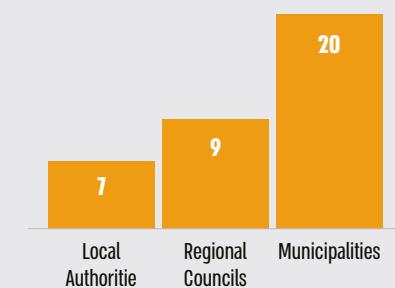
Breakdown of authorities declared as financially sound according to the peripherality index



Breakdown of authorities declared as financially sound according to the Ministry of Interior districts



Breakdown of authorities declared as financially sound according to municipal status



Breakdown of authorities declared as financially sound according to sector affiliation



Breakdown of authorities declared as financially sound according to sector affiliation

36

Jewish sector

0

Non-Jewish sector

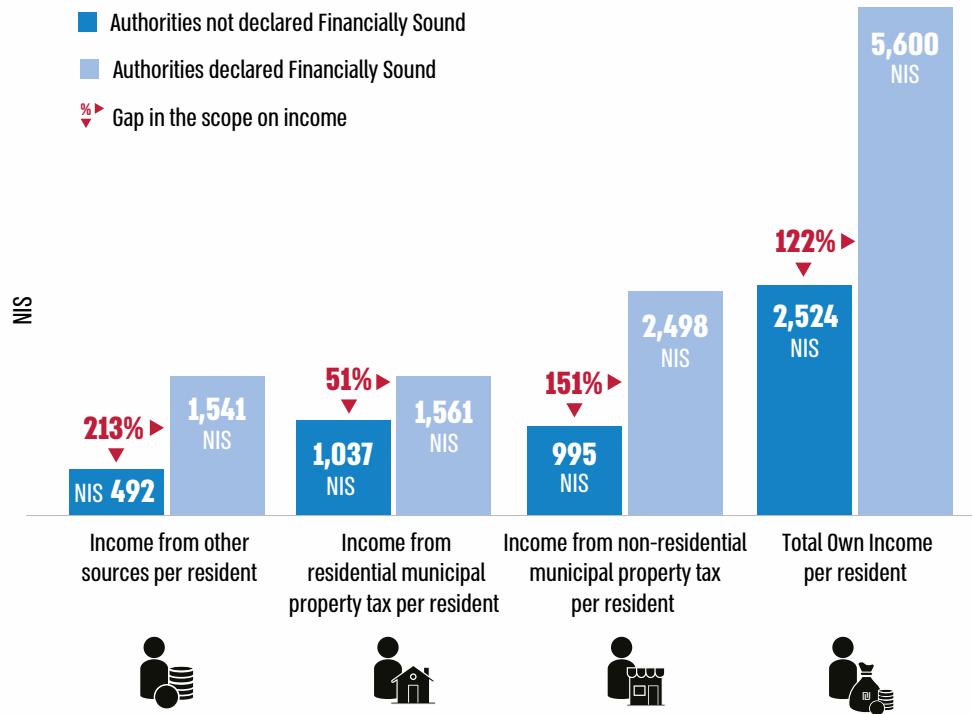


Comparison of local authorities in terms of their number, the number of residents and their income





The Average Own Income per Resident, by the Types of Income in Financially Sound Authorities and in Authorities not Declared Financially Sound, 2019



According to audited financial statements of the local authorities for 2019, processed by the State Comptroller's Office.



Summary

The amendment of the Municipalities Ordinance in 2014 was a turning point in the relations between local government and central government in Israel after forming the orderly process of decentralization of powers, which had until then been vested in the Ministry of Interior, and transferred to local authorities that managed their financial and administrative affairs properly. These were declared "financially sound authorities" and as of the audit time includes 36 local authorities populated with 3.12 million residents (33.7% of the country's residents), most of whom are characterized by high Own Income per resident.

It was found that the Ministry of Interior did not formulate an orderly procedure, including timetables and areas of responsibility to manage the mechanism for declaring financially sound local authorities. Out of the nine years since the amendment to the Municipal Ordinance came into force, the Ministry of Interior has not completed the examination procedures within five years. Examining the financial threshold conditions required for the declaration raised that there are financial conditions for recognition as a financially sound authority, but which most local authorities find challenging to meet, and the main condition among them is the rate of Own Income. The audit raised deficiencies in the Ministry of Interior use of good governance criteria for formulating the opinion of the Ministry's Director General before the declaration. Furthermore, deficiencies were found in the self-auditing of the authorities that underwent an in-depth audit of the internal audit mechanism and the approval of the current budget. The audit also found that the authorities only partially use the concessions they receive in the regulatory requirements from the Ministry of Interior. This use is influenced, among other things, by the characteristics and needs of each authority. It was also raised that the declaration of local authorities as financially sound prevents them from gaining specific government grants, which may affect their degree of motivation to meet the conditions and criteria required to be declared financially sound.

It is recommended that the Ministry of Interior rectify the deficiencies and examine the recommendations above in its actions to decentralize powers to local authorities – both in the decision-making process regarding which authorities will be decentralized and in the operation of a consistent and transparent mechanism, which includes a regulated control over the decentralized powers. Moreover, the local authorities found to have deficiencies in their conduct in this report must rectify them.



State Comptroller of Israel | Local Government
Audit Report | 2023

Financial Audit

**Municipal Property
Tax in the Local
Authorities –
Regulation,
Imposition and
Granting of Discounts**



Municipal Property Tax in the Local Authorities – Regulation, Imposition and Granting of Discounts

Background

Municipal property tax is the main tax collected by the local authorities in Israel and the main financial source for fulfilling their duties and providing state and local services to their residents. The local authorities impose municipal property taxes on property owners within their jurisdiction according to the type of property, its size, its use, and the area in which it is located. Municipal property tax rules are anchored in primary legislation – mandatory orders and laws of the Knesset; in secondary legislation – regulations and orders enacted by the Ministers of Interior and Finance; and in municipal property tax orders legislated by the local authorities councils every year. In 2020, the local authorities imposed municipal property taxes on the owners of the properties under their jurisdiction at about NIS 34.6 billion, of which they collected about NIS 24.2 billion, 60% of their Own Income. The local authorities are allowed, and sometimes even obligated, to grant different populations, including those in need and persons with disabilities, exemptions and discounts in municipal property taxes. In 2020, the local authorities granted discounts and gave exemptions from all imposed municipal property tax at about NIS 8.8 billion.



Key Figures

about NIS

**21.7
billion**

the local authorities balance of doubtful debts in municipal property tax for the end of 2020

**NIS 31.7
billion**

the municipal property tax balance of receivables in the local authorities for the end of 2020

**NIS 24.2
billion**

municipal property tax collection in local authorities in 2020

86%

of local authorities impose "gross-gross" municipal property taxes

**about NIS
8.8 billion**

total discounts and exemptions from municipal property tax granted by local authorities in 2020

**about NIS
792
million**

the municipal property tax balance of receivables in the six local authorities examined for the end of 2020

**about NIS
290
million**

municipal property tax debts in the **Reina** Local Authority for the end of 2020

58%

the rate of residential municipal property tax imposed out of the total municipal property tax in the **Reina** Local Authority in 2020

only 11%

the collection rate of municipal property tax in arrears in the municipality of **Nof HaGalil** in 2020 compared to the national average of 26%

in 2

of the local authorities examined, there was no appeal committee for municipal property tax issues in 2022 (the local authorities of **Kiryat Tivon** and **Reina**)

722

of the complaints submitted to the Ombudsman about local authorities' municipal property tax in 2019–2021 (7% of all complaints)

39%

of the complaints that the Ombudsman arbitrated in the State Comptroller's Office regarding municipal property tax were classified as justified or as rectified



Audit Actions

 From May to November 2022, the State Comptroller's Office examined the local authorities' municipal property taxes including a review of municipal taxation in Israel and around the world; Regulation by the central government; The municipal property tax imposed and its collection and granting of discounts. The examination was conducted in six local authorities: the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**; the local authorities of **Kiryat Tivon** and **Reina**; and the **Emek Yizre'el** Regional Council (the local authorities examined). Completion examinations were carried out at the Ministry of Interior. The audit also included complaints received by the Ombudsman at the State Comptroller's Office regarding municipal property taxes in 2019–2021 and presented examples of the complaints and the decisions made concerning them.

Key Findings



 **Municipal Property Tax Debts and Doubtful Debts** – the balance of municipal property tax receivables of all local authorities as of the end of 2020, including doubtful debts, was about NIS 31,735 million compared to NIS 28,961 million in 2016, and the balance of doubtful debts at the end of 2020 was NIS 21,697 million compared to NIS 19,265 million in 2016. As of the end of 2020, the balance of the doubtful debts was about 69% of the total receivables, which was about NIS 31,735 million. An alarming situation was raised regarding the municipal property tax debts of the **Reina** Local Authority, which was about NIS 290 million, and its balance of doubtful debts, which was about NIS 273 million – almost three times higher than the authority's annual budget, and about 95% of its municipal property tax debts.

 **Extraordinary Approvals for Changes in the Municipal Property Tax Rate** – a large number of applications for extraordinary approval, submitted by between 78 and 102 authorities in 2020–2022, is not in line with the purpose of the legislation – to allow an extraordinary increase in special cases only; The above turns the exception into the rule, and it may be used as a means of circumventing the mechanism and purpose of the freeze legislation.

 **Regulation by the Central Government** – at the audit completion in November 2022, over 16 years after the government resolved the need for municipal property tax reform, no reform was carried out. The two inter-ministerial committees established for this purpose, the Committee for Municipal Property Tax Reform (the Barzilai Committee) and the Inter-Ministerial Team for Structural Changes in Municipal Property Taxes, did not



form final reports, and their recommendations did not receive the ministers' approval, and they were neither published nor implemented. According to the Ministry of Interior's data submitted to the State Comptroller's Office in August 2022, 219 of the local authorities impose their residents under municipal property tax orders according to the "gross-gross" method, while 25 local authorities adopted the "gross" method and 11 local authorities adopted the "net" method. Although all the local authorities examined (the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**, the local authorities of **Kiryat Tivon** and **Reina**, and the **Emek Yizre'el** Regional Council) have adopted the "gross-gross" measurement method, the method of imposing the municipal property tax is not the same due to differences in the attribution of common areas for imposing taxes and in parts of buildings such as open balconies, parking, open floors and shelters. Thus, for example, the authorities examined imposed the gas stations within their jurisdiction differently and classified the convenience stores and the land occupied by the gas stations in a non-uniform manner.

 **Determining Lower Rates than Allowed in the Municipal Property Tax Orders**

– **Kiryat Tivon** Local Authority set in the municipal property tax order for 2022 a rate for the classification of "auxiliary buildings and warehouses used for residences" that is lower than the minimum rate set for the residential classification.

 **Municipal Property Tax Collection** – the rates of municipal property tax collection from residences in the **Nof HaGalil** Municipality and the **Reina** Local Authority were relatively low – 65% and 63%, respectively. A meager collection rate (30%) was found in the non-residential municipal property tax collection in **Reina** Local Authority. The collection rate of taxes in arrears in the **Nof HaGalil** Municipality in 2020 was meager – about 11%, compared to a national average of 26%.

 **Procedure for Granting Municipal Property Tax Discounts** – the local authorities examined differ from each other in setting procedures for granting municipal property tax discounts – the **Ashdod** Municipality established a comprehensive and detailed procedure for granting municipal property tax discounts; The **Emek Yizre'el** Regional Council established several procedures to regulate the granting of municipal property tax discounts; The **Kfar Saba** Municipality established several procedures, some of which overlap; The **Kiryat Tivon** Local Authority established a partial procedure. On the other hand, the **Nof HaGalil** Municipality and the **Reina** Local Authority have not established procedures for granting municipal property tax discounts.

 **The Interface Between the Local Authorities and the State Institutions for Receiving Information on Those Entitled to Discounts** – no guidelines have been

established on the frequency of the transfer of information from the National Insurance Institute to the local authorities and its integration in the computerized systems of the local authorities' collection departments to provide automatic real-time municipal property tax discounts. The municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil** receive the above information once a month. In contrast, the **Emek Yizre'el** Regional



Council and the **Reina** Local Authority receive it once a year. It was also found that all the authorities examined integrate the information at intervals close to the date of its receipt, except for the **Kiryat Tivon** Local Authority, which receives information once a quarter but integrates it once a year.

 **Providing Municipal Property Tax Discounts not According to the Regulations and the Law** – for years and up to the audit's completion date, the **Kfar Saba** Municipality granted long-time municipality employees a 20% discount on municipal property tax, contrary to the provisions of the law, regulations, and case law. The above discount in 2019–2021 was about NIS 100,000. The municipalities of **Kfar Saba** and **Nof HaGalil** and the **Kiryat Tivon** Local Authority gave combined discounts, incorporating several discounts that are due to the owners of one property, not according to Regulation 17 of the State Economy Arrangements (Discounts in Municipal Property Tax) Regulations, 1993 (the Discount Regulations), according to which if the owner of a property is entitled to various discounts, they will be given only one discount, the highest of them, and no discount will be given to another owner of the property for which a discount was given.

 **Preparation for Limiting the Exemption from Municipal Property Tax to Properties not Suitable for Use** – in 2020, as part of an amendment to the local authorities orders, a graded restriction was applied for three periods on the exemption from municipal property tax for properties that are not suitable for use within the jurisdiction of the local and regional councils. For the preparations before the application of municipal property tax imposed under the amendment, the local and regional councils were required to examine data concerning properties not suitable for use in their jurisdiction. As of the date when they began to receive an exemption from the payment of municipal property tax, and regarding the last use made of each of the properties, they were required accordingly to impose properties unfit for use in 2023. The **Reina** Local Authority and the **Emek Yizre'el** Regional Council did not impose municipal property taxes for properties unsuitable for use within their jurisdiction, for which the first exemption period ended. Following the audit, the **Emek Yizre'el** Regional Council imposed the relevant properties with municipal property tax starting at the beginning of 2023, as required.

 **Appointment of an Appeals Committee to the Local Authority** – the audit raised that the **Kiryat Tivon** and **Reina** Local Authorities are having difficulty finding candidates who wish to be appointed as members of the appeals committee for municipal property tax matters and who meet the conditions outlined in the law and guidelines. It was found that from December 2021 until the end of December 2022, the **Kiryat Tivon** Local Authority did not appoint an appeals committee for municipal property tax matters and that from August 2022 until the end of the audit, the **Reina** Local Authority did not appoint an appeals committee for municipal property tax matters. It was also found that from June 2022 to March 2023, the **Kfar Saba** Municipality did not appoint an appeals committee for municipal property tax matters.



The Frequency of Convening of the Appeals Committee – the appeal regulations have no provision regarding the frequency of convening of the appeals committees. Still, according to good governance procedures, the authority should perform its duties within reasonable time frames. The audit raised that in 2022, the appeals committee of the **Kfar Saba** Municipality convened only once, even though 36 appeals were submitted to it, and that as of November 2022, no decision had been made regarding 30 of them; In 2022, three appeals were submitted to the **Emek Yizre'el** Regional Council, but the appeals committee did not convene in the said year; The **Reina** Local Authority Appeals Committee convened only once in 2022, although three appeals were submitted, two of which were still open in December 2022.



Publication of the Appeals Committee's Decisions on the Local Authority's Website – according to section 20(c) of the Local Authorities Regulations (Appeal on the Determination of General Municipal Property Taxes) (Appeals Committee Procedures), 1977, the committee's decisions will be published on the local authority's website on the internet. It was found that the **Emek Yizre'el** Regional Council and the local authorities of **Kiryat Tivon** and **Reina** did not publish the decisions of the appeals committee on their websites on the Internet; The **Kfar Saba** and **Nof HaGalil** Municipalities published the decisions partially.



Digital Submission of Applications for Extraordinary Approval – the State Comptroller's Office commends the changes made by the Ministry of Interior in the method of applying for extraordinary approval, the adoption of the differential method for determining the municipal property tax rate and the efficiency of the new system and the use of computers for communication between the local authorities and the Ministry of Interior. The guidelines for applying for extraordinary approval published by the Ministry of Interior and the preliminary opinions that are given without needing to arrive at the Ministry of Interior physically help the local authorities to submit applications for extraordinary approval according to the established guidelines and policies and prevent unnecessary complications.

Handling Procedure for Granting Municipal Property Tax Discounts – the State Comptroller's Office commends the **Ashdod** Municipality for establishing a detailed, inclusive, and orderly procedure for providing municipal property tax discounts and for handling applications for receiving a discount, allowing proper reporting, control and supervision.



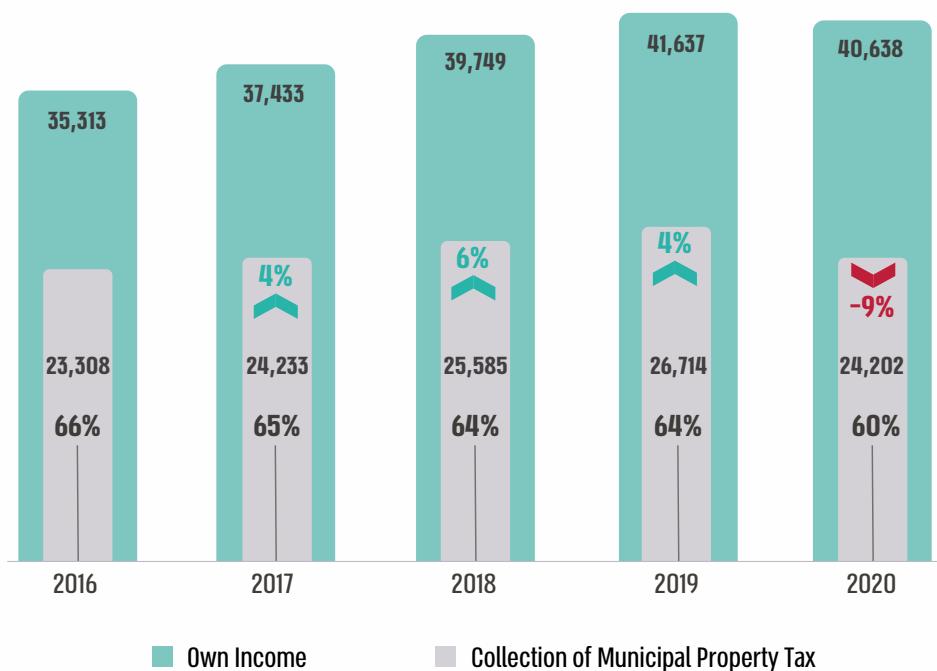
Key Recommendations

-  It is recommended that the Ministries of Interior and Finance, in cooperation with the Ministry of Justice, examine the work of the inter-ministerial teams and the recommendations in the OECD report for municipal property tax reform in Israel and form a comprehensive municipal property tax reform; This is to regulate, among other things, the municipal property tax calculation method, the property classifications for imposing municipal property tax, and the discounts and exemptions granted according to each law.
-  It is recommended that the Ministry of Interior, in cooperation with the local authorities, consider a uniform method for calculating the property area and regulate the unification of the types of attachments and the areas that will be added to the property's location for imposing municipal property tax. This is while considering the consequences on the local authorities' municipal property tax, including on their financial stability while preventing harm to taxpayers.
-  It is recommended that the Ministry of Interior, as the regulator of local government, manage a database of the local authorities' municipal property tax orders from previous years, supervise the changes made to it, and ensure that the municipal property tax orders approved each year comply with the law and regulations, and do not include unapproved changes. It is also recommended that the Ministry of Interior consider regulating the appointment of municipal property tax appeal committee members in local authorities where the pool of suitable candidates is limited.
-  It is recommended that the **Reina** Local Authority increase its current collection efforts to reduce doubtful and written-off debts, especially in non-residential municipal property taxes. High doubtful debt balances could incentivize avoiding paying the municipal property tax, and it affects – even if only outwardly – the equality between the residents. Furthermore, it may affect the local authority's income and the services it can provide its residents and indicates its inability to collect municipal property tax debts. It is further recommended that the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil** and the local authorities of **Kiryat Tivon** and **Reina** prevent the accrual of municipal property tax debts over the years and that said authorities, as well as the **Emek Yizre'el** Regional Council, increase their efforts to collect municipal property tax debts.
-  It is appropriate that the municipalities of **Kfar Saba** and **Nof HaGalil** and the **Kiryat Tivon** Local Authority publish, among other things, in their municipal property tax orders, the municipal property tax discounts rules on a relative share of the property to inform the residents of their entitlement for a discount.
-  The municipalities of **Kfar Saba** and **Nof HaGalil** and the **Kiryat Tivon** Local Authority should comply with the Discount Regulations. If joint holders of one property are entitled to several municipal property tax discounts, they must be given the highest discount according to the Discount Regulations.



- 💡 The **Reina** Local Authority should impose municipal property tax on properties unfit for use within its jurisdiction, according to the amendment to the Local Councils Order, 1950, and the amendment to the Local Councils Order (Regional Councils), 1958, already in 2023 as required.
- 💡 The municipality of **Kfar Saba** and the **Reina** Local Authority should appoint an appeals committee for municipal property tax under the Appeals Law and should then set upcoming dates for the hearings of the submitted appeals. The **Emek Yizre'el** Regional Council should complete the hearings of the open appeals and decide thereon.

Total Municipal Property Tax Collection and Own Income in Local Authorities, 2016–2020 (in NIS millions)



According to the data of the collating book for the years 2016–2020, processed by the State Comptroller's Office.



Summary

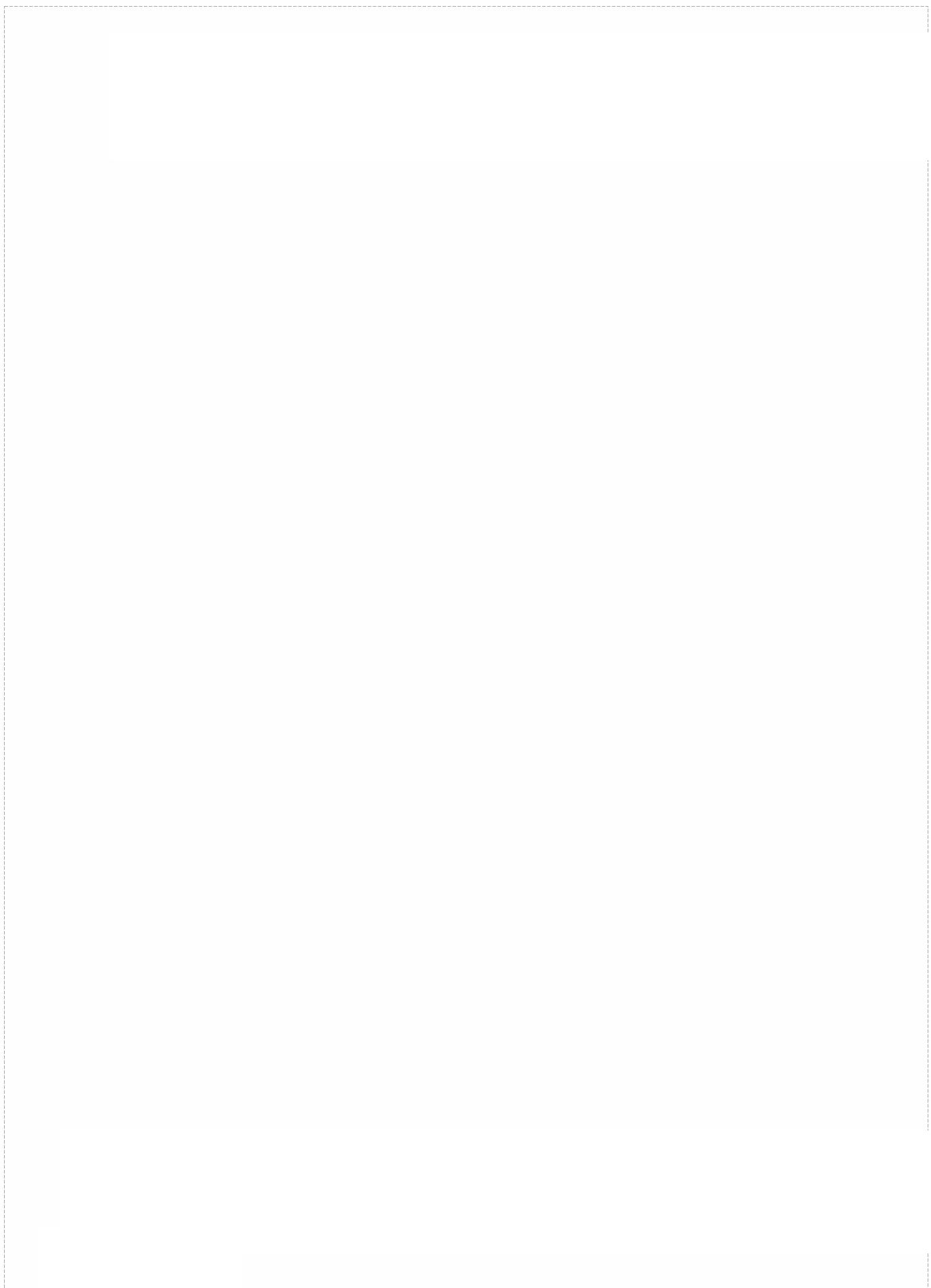
Municipal property tax is the main tax collected by local authorities in Israel and the main financial source used to fulfill their duties and provide services to their residents. Municipal property tax revenues significantly impact the local authorities' ability to provide services, strengthen their economic independence, and reduce their dependence on the central government.

In this report, deficiencies were raised regarding municipal property tax, and among other things, in the regulation of municipal property tax, the municipal property tax orders, the method of measuring the areas of the properties and its imposition, submitting applications for extraordinary approval of changes in municipal property tax and their handling, the collection of municipal property tax and the handling of debts and the granting of discounts. The audit findings highlight that municipal property tax requires regulation, among other things, due to the multitude of classifications, tariffs, and measurement methods, and it is characterized by non-uniformity and inequality. The Ministries of Interior and Finance were aware of the deficiencies and distortions that represent the municipal property tax system in the local authorities, and over the years, inter-ministerial committees were established to rectify them; however, the committee's recommendations were neither published nor implemented.

The Ministry of Interior is commended for making changes to the method of submitting the application for extraordinary approval and adopting a differential method for determining the municipal property tax rate. The changes optimized the system and the use of the computer for communication with the local authorities. Furthermore, the Ministry of Interior began to provide preliminary opinions without needing physical arrival, enabling the local authorities to submit requests for extraordinary approval according to the established policy without unnecessary complication.

The municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**, the local authorities of **Kiryat Tivon** and **Reina**, and the **Emek Yizre'el** Regional Council should rectify the deficiencies and examine the recommendations made in the report. Among other things, they should increase municipal property tax collection rates and provide discounts on a legal basis while ensuring transparency and equality.

The Ministries of Interior and Finance should examine the findings in this report, discuss the recommendations of the inter-ministerial committees and teams established over the years, and work together to regulate the municipal property tax in Israel in all its aspects.





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Financial Audit

**Municipal Property
Tax in Local
Authorities – The
Service to the
Residents**

Municipal Property Tax in Local Authorities – The Service to the Residents

Background

One of the local authority's key roles is to provide services to residents, business owners, and other stakeholders who live and work within its jurisdiction. Consumers of services in the modern era are not satisfied with the mere receipt of the service but expect quality service and a quick response, among other things, through digital channels, availability of the services, and information accessible and adapted to them in real-time¹. The relationship with the public in the new era requires knowledge and understanding, and it is based on communication channels and advanced tools that are constantly improved².

Municipal property tax is the main tax that local authorities in Israel collect and the main financial source to fulfill their duties and provide services to their residents. To collect municipal property tax, most local authorities use three main channels: telephone service, online service, and face-to-face service. The great diversity of service recipients, ranging between an audience that prefers face-to-face service and those that prefers digital channel service, challenges the authority with managing diverse service channels and prioritizing them. The availability of the municipal property tax collection service to the resident and its quality is measured from several aspects, including the information on its website; The scope of the online service and its quality; The processing duration of the inquiries; And the quality and availability of the telephone and face-to-face service.

1 State Comptroller, **Local Government Audit Reports 2021** (2021), "Online services of local authorities in routine and during emergencies", pp. 311–414.

2 The Ministry of Interior and Mifam Emek Yizre'el and the Upper Galilee, "The communication channels with the public in the digital age" (October 2018).



Key Figures

3 out of 6

the examined local authorities that did not regularly monitor the distribution of municipal property tax inquiries in the various service channels (the **Nof HaGalil** Municipality and the **Kiryat Tivon** and **Reina** Local Authorities)

only 40%

taxpayers' rate in the **Emek Yizre'el** Regional Council (6,721 taxpayers) who joined the digital voucher service as of 2022 (the authority with the most significant rate of subscribers)

about 49,000

online municipal property tax inquiries submitted to the revenue collection departments in the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**, in the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority in 2021 (without inquiries submitted via e-mail)

120 days

the longest standard time for processing an application for a discount for the needy people set by a local authority (the **Kfar Saba** Municipality)

21 days

the shortest standard time for processing an application for a discount for the needy people set by a local authority (the **Emek Yizre'el** Regional Council)

25,198

telephone inquiries to the revenue collection departments (out of about 262,000 calls), in which applicants gave up waiting in 2021, in the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**, in the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority

23%

the abandoned calls rate in the call center (7,758 calls) out of all incoming calls in the **Nof HaGalil** Municipality in 2021

7%

the abandoned calls rate in the call center (5,602 calls) out of all incoming calls in the **Kfar Saba** Municipality in 2021

16:00

the latest response time via telephone at the revenue collection departments of the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** and **Reina** Local Authorities

20:00

the latest response time via telephone at the revenue collection departments of the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**



Audit Actions

 From May to November 2022, the State Comptroller's Office examined the municipal property tax service to the residents in the local authorities, including providing information to the public; The service level agreements; The online, face-to-face, and telephone service; And the service quality. The examination was conducted in six local authorities: the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**³, the local authorities of **Kiryat Tivon** and **Reina**, and the **Emek Yizre'el** Regional Council (the local authorities examined). The audit presents examples of complaints reviewed by the Ombudsman in the State Comptroller's Office regarding the municipal property tax service to the residents in 2019–2021 and the decisions made on said matters.

Key Findings



 **Publication of Information** – all the local authorities examined – **Ashdod**, **Kfar Saba**, **Nof HaGalil**, **Emek Yizre'el**, **Kiryat Tivon**, and **Reina**, did not publish their updated municipal property tax orders on the bulletin boards at the authority, and two of them – the local authorities of **Kiryat Tivon** and **Reina** – did not publish the municipal property tax order on their websites at times prescribed by law. Regarding the publication of the application for extraordinary approval – the municipalities of **Kfar Saba** and **Nof HaGalil**, the **Emek Yizre'el** Regional Council, and the local authorities of **Kiryat Tivon** and **Reina** did not publish all the information they are required to publish concerning the application for extraordinary approval which they submitted to the Ministries of Interior and Finance according to the Ministry of Interior's Director General Circular of 2/2011. Publication of municipal property tax discounts and their rates – the **Nof HaGalil** Municipality and the **Reina** Local Authority did not publish information on their websites regarding the discounts and exemptions they grant to those eligible and the criteria for their eligibility; The **Kiryat Tivon** Local Authority did not publish the list of discounts in a centralized and accessible manner; And the **Kfar Saba** Municipality and the **Emek Yizre'el** Regional Council did not publish information regarding discounts for people in need.

 **The Channels of Communication with the Revenue Collection Department** – the **Nof HaGalil** Municipality, the **Emek Yizre'el** Regional Council, and the **Reina** Local

³ In 2019 the name of the local authority was changed from Nazareth Illit To Nof Hagalil.



Authority did not publish on their websites the hours of operation of the call centers at the revenue collection department.



Publication of Information in the Annual Payment Notice on General Municipal Property Tax – it was found that the **Nof HaGalil** Municipality and the local authorities of **Kiryat Tivon** and **Reina** did not publish in the annual payment notice sent to the residents the details of the Public Complaints Commissioner and the methods of submitting a complaint, as required. It was also found that the **Ashdod** Municipality did not publish the reception hours and the hours of operation of the call centers in the revenue collection department and that the **Reina** Local Authority did not publish the contact details with the revenue collection department in the annual payment notice. This notice lacks basic contact details, details for inquiries and making payments, including reception hours at the revenue collection department and its address, the phone number for inquiries or payments, and the possible means of payment.



The Local Authorities Monitoring the Service Channels Usage – Face-to-Face, Telephone, and Online – the **Nof HaGalil** Municipality and the local authorities of **Kiryat Tivon** and **Reina** do not monitor the breakdown of inquiries between the various service channels in the revenue collection department.



Online Services on the Local Authorities' Websites – it was found that all the examined local authorities have established websites on the internet as required by law, and they also use them to provide an online municipal property tax service to the residents. However, the level of online services was not uniform, and the authorities differed considerably in the online service available to residents on their websites. Examining 18 essential online municipal property tax services on the websites of the examined local authorities, raised that the **Ashdod** Municipality makes available to the residents on its website all the services examined, the **Kfar Saba** Municipality and the **Kiryat Tivon** Local Authority made available to residents more than 80% of the online services examined, and the **Emek Yizre'el** Regional Council about 61% of services. On the other hand, the **Nof HaGalil** Municipality and the **Reina** Local Authority made less than 50% of the online services available to the residents. For example, on the websites of the **Nof HaGalil** Municipality and the **Reina** Local Authority, there is no form for a general inquiry, and it is impossible to make an appointment for face-to-face service in the revenue collection department; In the **Reina** Local Authority, it is impossible to submit an online request for confirmation to the Land Registry; The **Nof HaGalil** Municipality, the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** and **Reina** Local Authorities do not make available to the residents a refund request form or a form for changing the mailing address; And on the websites of all the examined local authorities, except for the **Ashdod** Municipality, it is impossible to submit an online application for a residency permit, on the **Reina** Local Authority website one can download the form above and fill it out manually.

**The Authorities Actions for Encouraging the Transition to Digital Payment**

Vouchers – although there is no obligation to do so, in recent years, some local authorities have begun to promote the transition from mailing municipal property tax payment notices via post to digital delivery: in the municipalities of **Ashdod**, **Kfar Saba** and **Nof HaGalil**, in the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority there has been an increasing trend in the number of taxpayers who receive payment notices digitally every year – from 2020 until the audit date. For example, the **Kiryat Tivon** Local Authority doubled the number of taxpayers to whom it digitally sends municipal property tax payment notices from 798 taxpayers in 2020 to 1,668 taxpayers in 2022. In the municipalities of **Ashdod** and **Kfar Saba**, the increase rate in the number of people registering for the service is more moderate, and the rate of receiving digital payment notices therein increases by about 10% every year, and in each of the authorities above in 2022 there were more than 12,000 taxpayers who receive payment notifications digitally. In 2022, the **Nof HaGalil** Municipality began a "pilot" to examine the transition to digitally mailing the payment notices, and it operated said service in a limited manner; it was found that the municipality sent the municipal property tax payment notices also by post to those who registered for the digital voucher service; The **Reina** Local Authority distributed the municipal property tax payment notices to taxpayers by post only. It was found that despite the examined local authorities' encouragement of the transition from payment vouchers distributed via post to digital payment vouchers, most taxpayers still receive municipal property tax payment notices by post. For example, in the **Ashdod** Municipality, 81% of taxpayers still receive their payment vouchers via post; In the **Kfar Saba** Municipality – 67% of taxpayers; In the **Nof HaGalil** Municipality – 95% of the taxpayers; In the **Emek Yizre'el** Regional Council – 60% of the taxpayers; In the **Kiryat Tivon** Local Authority – 70% of the taxpayers; And in the **Reina** Local Authority – 100% of the taxpayers.



Setting a Service Level Agreement for the Revenue Collection Department and its Publication, and Standard Times for Processing Online Inquiries – the **Nof HaGalil** Municipality and the local authorities of **Kiryat Tivon** and **Reina** did not set a service level agreement; The **Nof HaGalil** Municipality and the **Reina** Local Authority did not define standard times for processing residents' inquiries made to the revenue collection department, and the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority set standard times. Still, they did not publish them to the residents on their websites.

**Processing Times for Online Inquiries Compared to the Established Standard**

Times – it was found that the processing time for 11,158 (about 34%) of the inquiries submitted to the **Ashdod** Municipality and 414 (about 20%) of the inquiries submitted to the **Emek Yizre'el** Regional Council exceeded the standard times set by said authorities. In contrast, the processing time for 38 (about 1%) of the inquiries submitted to the **Kfar Saba** Municipality and for 24 (3%) of the inquiries submitted to the **Kiryat Tivon** Local Authority exceeded the standard times they set. From an analysis of the distribution of inquiries for which the processing time exceeded the standard times, it



was found that in the **Kfar Saba** Municipality, the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority requests for a discount or exemption had the most significant percentage of deviations of all the types of said inquiries in the authority in 2021: in the **Kfar Saba** Municipality, the processing time of 55% of said inquiries (21 inquiries) exceeded the standard; In the **Emek Yizre'el** Regional Council – in 40% of the inquiries above (166 inquiries); And the **Kiryat Tivon** Local Authority – in 46% of the inquiries above (11 inquiries). It was also found that in the **Ashdod** and **Kfar Saba** Municipalities, in the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority, requests for change of holders had a high rate of deviation in 2021: in the **Ashdod** Municipality, the processing time for 37% of said requests (4,128 requests) exceeded the standard set at three days; In the **Kfar Saba** Municipality, the processing time for 13% of the requests above (5 requests) exceeded the standard set for 14 days; In the **Emek Yizre'el** Regional Council, the processing time for 15% of the requests above (62 requests) exceeded the standard set for 14 days; And in the **Kiryat Tivon** Local Authority, the processing time for 42% of the requests above (10 requests) exceeded the standard set for 30 days.

 **The Operation Hours of the Phone Service and Face-to-Face Service in the Revenue Collection Department** – in all the examined local authorities – **Ashdod**, **Kfar Saba**, **Nof HaGalil**, **Emek Yizre'el**, **Kiryat Tivon** and **Reina**, reception hours at the revenue collection department are concentrated in the morning and afternoon hours, which may force some residents to be absent from work to receive face-to-face services; The call centers in the municipalities of **Ashdod**, **Kfar Saba** and **Nof HaGalil** are available to the public from morning to evening; In the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** and **Reina** Local Authorities, response via phone to inquiries regarding municipal property tax is available until noon only.

 **Monitoring the Waiting Times for Face-to-Face Service and Service Via Phone in the Revenue Collection Department** – five out of six examined local authorities – the municipalities of **Kfar Saba** and **Nof HaGalil**, the **Emek Yizre'el** Regional Council and the local authorities of **Kiryat Tivon** and **Reina** did not gather information on the waiting times of the recipients of face-to-face service in the revenue collection departments. Regarding the quality of the phone service, it was found that the municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil** monitored the data regularly to improve its service, the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority did not monitor the data regularly even though it is available to them, and the **Reina** Local Authority does not collect data on the quality of the phone service.

 **Calls Abandoned in the Call Centers** – it was raised that out of about 261,830 inquiries received in 2021 at the call centers of the revenue collection departments in five of the six examined authorities – **Ashdod**, **Kfar Saba**, **Nof HaGalil**, **Emek Yizre'el**, **Kiryat Tivon**, 25,198 inquiries, about 9.6% of the total inquiries, were



abandoned during the waiting time. The **Reina** Local Authority does not monitor phone service data.

 **Satisfaction Survey** – it was found that the **Nof HaGalil** Municipality and the **Kiryat Tivon** and **Reina** Local Authorities did not conduct a satisfaction survey in 2019–2022 to receive feedback from their residents regarding the handling of their inquiries and to examine their satisfaction with the service in the revenue collection departments.



Publication of Information – the **Ashdod** Municipality has published a complete and detailed list of the municipal property tax discounts it gives, including their rate and the conditions and documents required to receive them, and even a link to the appropriate form for submitting the discount request. The municipality publishes on its website a booklet containing collated, comprehensive, and essential information for the residents about their rights and obligations regarding municipal property tax, as well as essential instructions on the subject.

Compliance with the Standard-Times Set for Processing Inquiries – the **Kfar Saba** Municipality and the **Kiryat Tivon** Local Authority met the standard times set for handling inquiries by the revenue collection department – at the **Kfar Saba** Municipality, in 99% of inquiries; And at the **Kiryat Tivon** Local Authority, in 97% of inquiries.

Monitoring the Waiting Times in Face-to-Face Service in the Revenue Collection Departments – the **Ashdod** Municipality consistently and in detail measured and analyzed the quality of the face-to-face service in the department to draw lessons and improve it.

Publication of Data Regarding the Quality of the Call Centers – the **Kfar Saba** Municipality publishes monthly data on its website, regarding the quality of the service, including the waiting times and the rate of abandoned calls.

Satisfaction Survey – the municipalities of **Ashdod** and **Kfar Saba** and the **Emek Yizre'el** Regional Council conducted satisfaction surveys among residents who turned to receive services at the revenue collection departments.

Key Recommendations



It is recommended that the **Nof HaGalil** Municipality and the **Kiryat Tivon** and **Reina** Local Authorities regularly monitor the distribution of inquiries between the various service channels – face-to-face, telephone, and online. The monitoring of the usage figures of the service channels enables to examine the use extent of the services in the face-to-face and



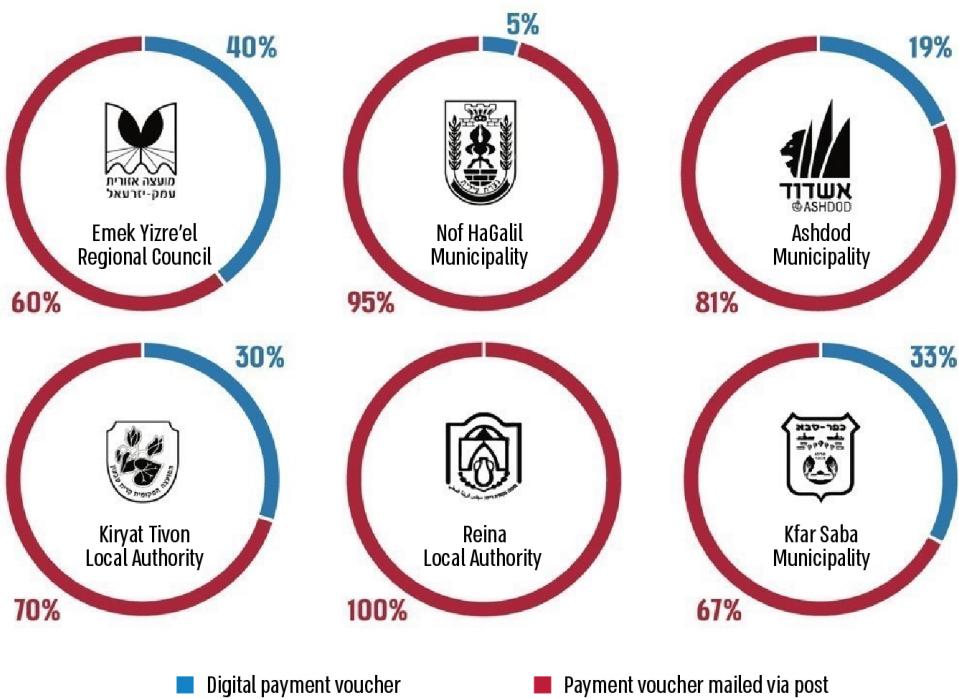
telephone service channels compared to the online service channel and the trends in the use of said services, which will allow adjusting the service to the actual demand and improve the efficiency and savings in public funds.

-  Given the increasing use of online means as a tool to strengthen the relationship with the residents and as a tool to increase the efficiency of the local authority's operation, it is recommended that **Kfar Saba**, **Nof HaGalil**, **Emek Yizre'el**, **Kiryat Tivon** and **Reina**, expand the use of the online tools they make available to the residents related to municipal property tax and that they examine the services and online forms missing from their websites out of the 18 examined, and consider adding them.
-  It is recommended that the Municipality of **Nof HaGalil**, the **Emek Yizre'el** Regional Council, and the **Kiryat Tivon** and **Reina** Local Authorities set and publish a service agreement including indicators for the quality of the service and conditions for meeting them. It is recommended that the municipalities of **Ashdod** and **Kfar Saba** update the service agreement of the revenue collection department and set standard times and performance conditions for all the online municipal property taxes services they make available to residents.
-  It is recommended that the **Ashdod** and **Kfar Saba** Municipalities, the **Emek Yizre'el** Regional Council, and the **Kiryat Tivon** Local Authority periodically review the standard times established in the service agreement or their internal procedures and update them as necessary. The above local authorities, along setting standard times for handling inquiries, should operate a supporting and ongoing measurement system that will accompany their activities and include current information and periodic reports.
-  It is recommended that the **Nof HaGalil** Municipality, the **Emek Yizre'el** Regional Council, and the **Kiryat Tivon** Local Authority consider ways to shorten the waiting times at the revenue collection department's call center, to reduce the number of abandoned calls and to optimize the service at the revenue collection department; It is recommended that the municipalities of **Ashdod**, **Kfar Saba** and **Nof HaGalil**, the **Emek Yizre'el** Regional Council and the **Kiryat Tivon** Local Authority examine why those contacting the call center for municipal property tax inquiries abandon the queue without receiving service and address the matter, among other things by increasing the manpower at the call center in the months with multiple phone calls; It is recommended that the **Nof HaGalil** Municipality and the **Kiryat Tivon** and **Reina** Local Authorities conduct short-term and periodic satisfaction surveys among their residents to assess the quality of service.
-  It is recommended that the Ministry of Interior direct the local authorities to set a service agreement and standard times for the services they provide to the residents. Moreover, it should direct them to orderly and frequently measure the extent of use of the online services they offer to their residents on their websites and to expand the range of municipal property taxes online services. It is also recommended that the Ministry of Interior publish



instructions and recommendations to the local authorities regarding the publication format and the scope of the information they must publish on the municipal property tax.

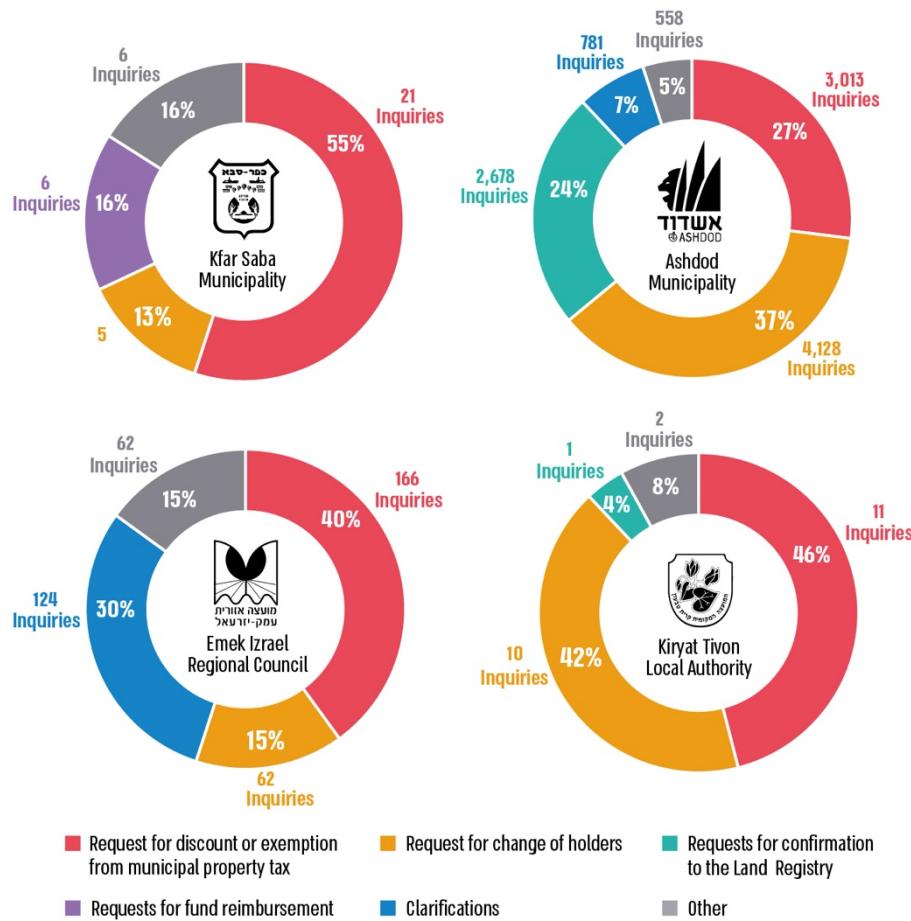
Distribution of the Method of Mailing Municipal Property Tax Payment Notices in the Examined Local Authorities, 2022



According to the data of the local authorities examined processed by the State Comptroller's Office.



Types of Inquiries Whose Processing Time Exceeded the Standard-Times, 2021



According to the data of the local authorities examined processed by the State Comptroller's Office.

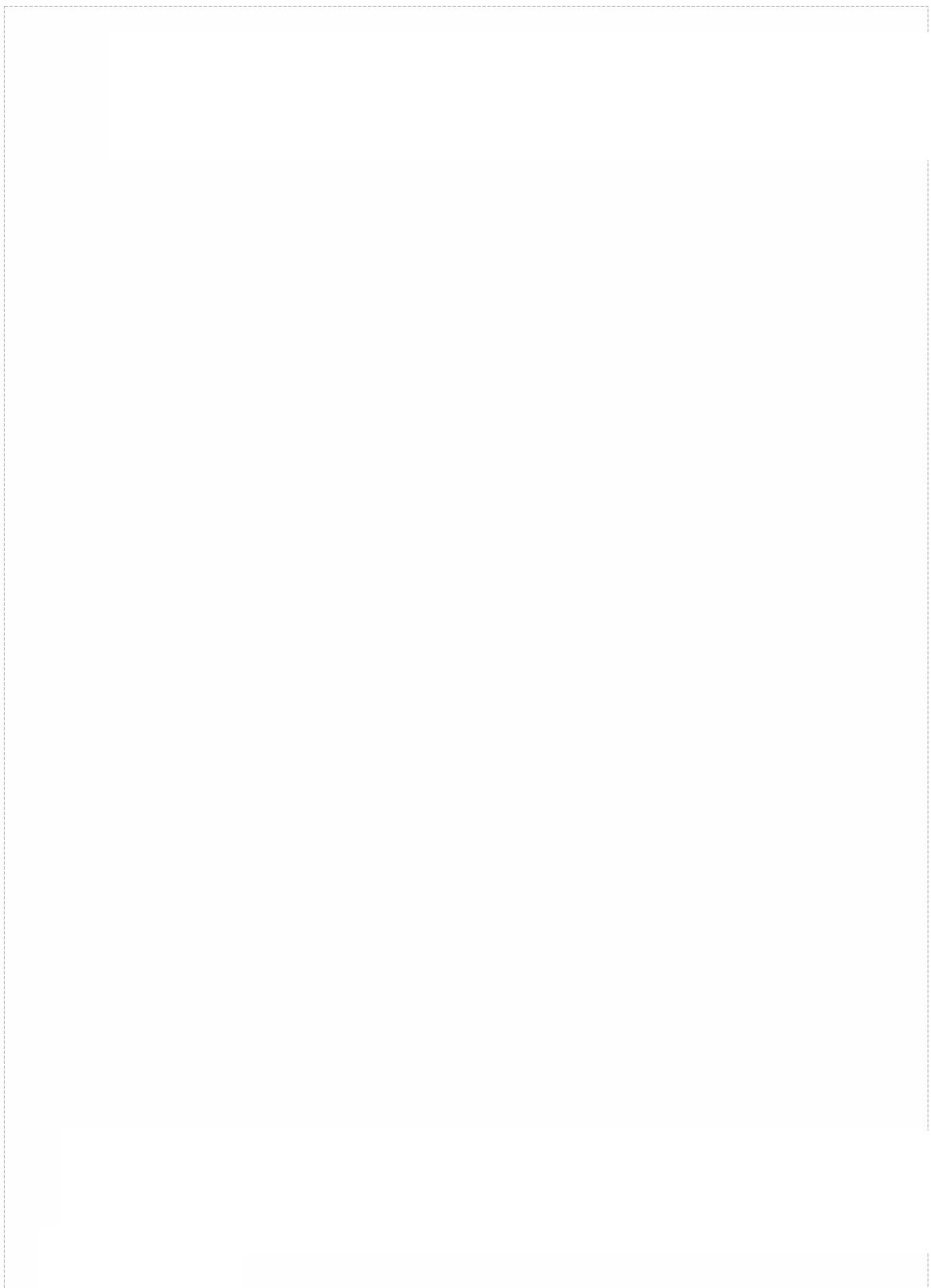


Summary

The municipal property tax is the main tax that local authorities in Israel collect and the main financial source for fulfilling their duties and providing services to their residents. The services the local authority provides directly impact the resident's quality of life and well-being and their economic and social state.

In this report, deficiencies were raised regarding the scope and quality of the online service, the phone service, and the face-to-face service that the authorities offer to their residents in the municipal property tax collection; And the information published both in the digital media and in the notices distributed to residents' homes via post about the public's rights and obligations regarding municipal property tax. The audit findings raised that the examined local authorities differ considerably in the online service available on their websites and that despite their encouragement of the transition from payment vouchers distributed via post to digital payment vouchers, most of the taxpayers in their jurisdictions still receive municipal property tax payment notices via post.

The municipalities of **Ashdod**, **Kfar Saba**, and **Nof HaGalil**, the local authorities of **Kiryat Tivon** and **Reina**, and the **Emek Yizre'el** Regional Council – should rectify the deficiencies and consider the recommendations in the report, among other things regarding the setting of a service agreement including indicators for the service quality and the conditions for meeting them, and regarding the ongoing measurement system that will accompany their activities and determine the extent to which they comply with the set indices. It is recommended that all local authorities make available to the public, and especially to populations deserving of advancement, as much information as possible on municipal property taxes. They should include the service to the residents in their agenda and adopt innovative tools to improve the quality of service that may contribute to savings in public funds for the resident's well-being and environmental protection. It is recommended that the Ministry of Interior direct all local authorities to set a service agreement and standard times, to orderly and frequently measure the extent of use of the online services, and to expand the range of online services they make available to them regarding municipal property tax, to optimize public service while saving public money and promoting environmental protection. It is also recommended that the Ministry of Interior publish instructions and recommendations to the local authorities regarding the publication format and the scope of the information they must publish regarding the municipal property tax.





State Comptroller of Israel | Local Government Audit
Report | 2023

Chapter Two

Social Audit



State Comptroller of Israel | Local Government
Audit Report | 2023

Social Audit

The Services Provided by the Local Authorities to Persons with Disabilities – Center Versus Periphery



The Services Provided by the Local Authorities to Persons with Disabilities – Center Versus Periphery

Background

In 2020, about 1.6 million persons with disabilities lived in Israel, about 17% of the total population (about 9.2 million). The Disability Administration, operating in the Ministry of Welfare since 2017, provides services to persons with disabilities to promote their well-being, allow them to optimally develop, and help them integrate as equals in the community. The social services departments, in the local authorities provide services to residents who live within the local authority's jurisdiction and are the main and direct body with which the disabled person and his family contact. The Disability Administration is responsible, among other things, for regulating and unifying the disability services provided by the social services departments, supervising the social workers, improving their work, and training them. This report addresses the local authorities' services to persons with disabilities. It examines the disparities in the provision of services between the various authorities, emphasizing the center versus the periphery¹.

¹ The terms "center" versus "periphery" in this report express disparities in different areas: disparities arising from the peripherality cluster; Disparities between geographic districts; Disparities between services provided by authorities with different municipal status – municipality vs. local council vs. regional council; Disparities arising from the socio-economic cluster and disparities arising from belonging to different sectors of the population – population from the Jewish secular and Jewish state-religious sector, the Arab sector, the Bedouin sector and the ultra-orthodox sector.



Key Figures

about 1.6 million

persons with disabilities lived in Israel in 2020 – about 17% of the total population (about 9.2 million)

10%–38%

the disability cases rate out of all the cases handled by the examined local authorities' social services departments compared to 36% – 56% – their financial expenses rate in welfare in those authorities

NIS 3.3 billion

the Ministry of Welfare budget for the local authorities in 2020 for treating and providing services to persons with disabilities

39%

of the local authorities did not fully meet the goals of adequate representation of persons with disabilities among their employees in 2019–2021 (I.e., at least 5% of the local authority's employees are persons with significant disabilities)

0

inspection reports on behalf of the Ministry of Welfare in community settings in **El-Kassum** in 2019–2021

about 90%

of the local authorities send six months to three years toddlers to a rehabilitation daycare center in a nearby local authority

only 23%

of the local authorities reported in the questionnaire that they can provide all services to their residents with disabilities

7-fold

the gap between the average staffed positions of disability social workers in the high peripherality clusters authorities (20 positions), compared to the low clusters' ones (3 positions)



Audit Actions

 From April to December 2022, the State Comptroller's Office examined the local authorities' services to persons with disabilities and their families, emphasizing the disparities between the center and the periphery in providing services. An in-depth audit was conducted in the municipalities of **Ofakim, Bnei Brak, Ramat HaSharon**, the **Kfar Kanna** Local Authority, and the **El-Kassum** and **Hof HaCarmel** Regional Councils.

The audit includes a questionnaire sent to 71 local authorities and four online focus groups², with the participation of persons with disabilities, parents of children with disabilities from local authorities in the center of the country and the periphery, and brothers and sisters of persons with disabilities.

Completion examinations were carried out at the Ministry of Welfare and Social Affairs and its districts, the Ministry of Transport and Road Safety, the Ministry of Justice – the Commission for Equal Rights of Persons with Disabilities and the Privacy Protection Authority, the Ministry of Interior, the Ministry of National Security – the Israel National Authority for Community Safety and at the National Insurance Institute.

Key Findings



 **Disparities Between Central and Peripheral Authorities** – the various services for persons with disabilities and the personnel in the peripheral authorities are limited compared to the central authorities. In the peripheral authorities, the number of social clubs is small, trips through said clubs are partially realized, and most do not have a professional integrating factor in disability.



The Social Work Regulations – since the establishment of the Disability Administration, the Ministry of Welfare has not adapted the provisions of the Social Work

² A focus group is a qualitative data collection research tool based on a conversation with participants representing a population. The conversation is led by a facilitator. From the group's discussions, information can be gathered about feelings about examining different situations and more. The focus group meetings were defined as the main question from which one can learn about "The manner in which the local authorities' treatment of people with disabilities is perceived, with an emphasis on leisure, social life and integration". The questions addressed to the participants were predetermined and were almost identical in all groups. The focus group meetings were held in June 2022. In each group, between seven and ten participants participated in a guided group discussion that lasted about two hours. The meetings with the focus groups were conducted with the assistance of an external company whose area of expertise is public participation procedures.



Regulations to the Ministry's new outlook, according to which an adjustment will be made to the services provided to persons with disabilities based on their functioning, needs, and desires and not according to the medical diagnosis of the type of disability. The provisions' unsuitability imposes a burden on the person with a disability and his family members. It increases their bureaucratic burden in locating and receiving an adapted service.

👎 The Priorities of the Local Authority – most of the examined local authorities – **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna, El-Kassum** (except for **Hof HaCarmel**) – did not formulate a general policy and work plans based on advance planning including measurable, achievable goals, for the integration of particular communities and persons with disabilities, and the provision of services. In all the six examined authorities, no integrating factor is responsible for coordinating care for persons with disabilities. In **Kfar Kanna** and **El-Kassum**, the authority's website is inaccessible under the Service Accessibility Adjustments Regulations. About 42% of the local authorities that responded to the questionnaire indicated that their employees had not undergone training or further education in providing services to persons with disabilities.

👎 Adequate Representation – in 2021, about 26% of the local authorities in Israel, where most of the residents are Jewish, did not meet the goal of adequate personnel representation in full, and among local authorities where the majority of residents are non-Jews – 62% of them did not meet the above goal in full.

👎 The Organizational Structures of the Social Services Departments in the Local Authorities – even though the Ministry of Welfare stated that there is a need for consistency between the Ministry's policy and the organizational structures of the social services departments in the local authorities, it did not change its instructions in this regard: it did not define the role of the disability social worker. It did not adapt the role to the Ministry's new outlook according to which care and services should be provided according to the person's functioning and not the type of disability. In **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna**, and **Hof HaCarmel** Local Authorities, the treatment of persons with disabilities is done within the framework of a family case and according to the person's level of functioning, while in **El-Kassum**, the organizational structure of the social services department was not adapted to the Disability Administration's stance and the social worker treats a specified disability (mental-developmental disability) and does not provide services to all persons with disabilities at the social services departments.

👎 Staffing of Disability Social Worker Positions and Their Workloads – there are considerable differences between the authorities in employing social workers dedicated to treating disabilities – 78% of the local authorities ranked in a high peripherality cluster employ social workers who deal only with disabilities, compared to 15% of authorities



ranked in a low peripherality cluster. Furthermore, designated social workers who handle disabilities in the authorities ranked in a low peripheral cluster do so in addition to handling other areas. The workload of the two designated social workers in **El-Kassum** is unusually considerable (887 cases per full-time social worker) compared to the workload of the social workers in the other authorities examined (175 cases or less).

Locating Eligible Persons with Disabilities and Exhaustion of Rights – the social services departments in the examined local authorities keep data only on people they treat and known to them, and not on all persons with disabilities who live within the jurisdiction of each local authority, and who may be entitled to the services of the social services department. The authorities did not consider reaching out to other public bodies, holding information regarding their residents entitled to the services of the social services department, and did not check whether such information could be transferred according to privacy protection laws. The response of the local authorities in general and the social services departments in particular – both in the examined authorities and in the authorities that responded to the questionnaire – was made as a response to inquiries, not as an initiative. The social services department directors and social workers dealing with the disability cases that were referred to them are not free to expand the circle of those who are eligible and exhaust the rights of the people who did not turn to the social services department on their own initiative.

Public Participation – the Ministry of Welfare and the examined local authorities did not conduct needs and satisfaction surveys among people with disabilities and their families. There are only six "centers for independent living" – most of them in prominent local authorities and the center of the country, and only two of them in the periphery – and these are operated by persons with disabilities for the preparation and training for independent living; The "Accessible Community" program, to promote equal opportunities by increasing accessibility and integration in the community, operates in only 21% of the authorities that responded to the questionnaire; In the examined Arab authorities – **Kfar Kanna** and **El-Kassum** – there are no parent groups for children with disabilities. The examined authorities (except for **Ofakim**) did not establish official forums and roundtables for persons with disabilities, and none of the authorities have representation for persons with disabilities and their family members or for dedicated associations in the forums that discuss their matters. Therefore, the relevant segment of the public does not participate in the authority's decision-making process on issues that directly concern it.

Regional Cooperation – the examined local authorities cooperate with nearby authorities to provide services. In the region of **Bnei Brak**, **Ramat HaSharon**, and **Hof HaCarmel**, there is no cluster of authorities, **Kfar Kanna** is a member of a regional cluster and receives employment and recreational services from it. **Ofakim** is a member of a regional cluster and participates in a forum dealing with services for persons with disabilities; **El-kassum** is also a member of a regional cluster. However, these two local authorities do not provide social affairs services in cooperation with the regional clusters.



Welfare and Recreation Services for Persons with Disabilities and Their Families – the questionnaire raised that only 23% of the local authorities reported that they can provide all services to their residents with disabilities. Moreover, the ability of the authorities with a low and medium peripheral cluster to provide their residents with disabilities the services they need is lower than that of the authorities with a high peripheral cluster. Regarding the implementation of a recreational service of the package tour intended for adults and minors with disabilities and their families, it was found that 79% of those who used this service are persons with disabilities who live in the districts of Jerusalem and Tel Aviv and the center, and the rest are people who live in districts far from the center of the country – the South and Haifa and North Districts – only 21%. In the examined local authorities – **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna, El-Kassum, and Hof HaCarmel** – the recreational activities for adults are few, and there is no deliberate inclusion of adults aged 18 and over in ongoing recreational activities within the community by the Ministry of Welfare or by the local authorities. Budget barriers, barriers to skilled and competent personnel to lead the activity, barriers of geographical deployment, lack of transportation, physical accessibility, and more were raised. In addition, in these authorities, there are few dedicated recreation and welfare services for parents and siblings of persons with disabilities. In **Kfar Kanna** and **El-Kassum** there are few recreation services for minors. It was also found that there is a disparity between the districts in the number of social clubs for adults with disabilities; for example, the number of frameworks in Tel Aviv and the Center District is 127, compared to only 34 in the South District.

Funding Transportation for Recreation Services – Ofakim, Kfar Kanna, El-Kassum, and Hof HaCarmel, ranked in a low peripheral cluster, face great difficulty in financing transportation for recreation services and almost do not finance it. **Bnei Brak** partially finances the transportation by burdening service providers with the cost.

Rehabilitative Day Care Centers – in three examined authorities, which are ranked in a low peripheral cluster – **Ofakim, El-Kassum** and **Kfar Kanna** – there are no rehabilitative day care centers, and the 58 toddlers who are in a rehabilitative setting (**Ofakim** – 20, **El-Kassum** – 30, **Kfar Kanna** – 8) travel every day a distance that may reach 70 km to the daycare center and back to their home.

Professional Auxiliary Services³ – the number of auxiliary service recipients in the examined authorities is low – in **Ofakim** – 11; In **Bnei Brak** – 152; In **Ramat HaSharon** – 4; In **Kfar Kanna** – 2; In **El-Kassum** – 7; In **Hof HaCarmel** – 15; And so is the number of hours they receive (less than 20 hours a month). The local authorities indicated difficulty locating and recruiting workers, among other things, due to the low wages.

³ The professional auxiliary service is designed to help families or individuals who are in dire straits, temporarily or permanently, in the personal, family, financial and social aspect.



- 👎 Services that are not Adapted to the Characteristics of the Different Populations** – not all programs of the Ministry of Welfare are adapted to all populations, especially the ultra-orthodox and the Arab population. Thus, for example, online activities are irrelevant for the ultra-orthodox population. Finding counselors and therapists familiar with social and language codes is challenging. Some populations do not use services where there is no gender segregation.
- 👎 Management of Information About Persons with Disabilities** – not all the information systems of the Disability Administration are adapted to the Ministry's new concept – there are information systems that manage information according to the type of disability, for example, a system for managing the entitlements of the visually impaired and hard of hearing, a collection system for persons with intellectual-developmental disabilities, a separate collection system for people on the autistic spectrum and more. On top of that, there are no interfaces⁴ between specific systems and other systems. Among the examined authorities, **Bnei Brak** makes the best and most extensive use of the computer system (use of the "Task Management" module). **Ramat HaSharon, Hof HaCarmel, and El-Kassum** use the systems moderately (all documents are documented in files). **Ofakim** and **Kfar Kanna** do not use the computer systems regularly (there is no regular update of the files throughout the year).
- 👎 Transfer of Information Between Public Bodies and the Social Services Departments and Between Local Authorities Departments** – information about persons with disabilities is not orderly transferred between public bodies and the social services departments, as well as between the various departments of the authorities. Data about the same population are found in separate databases in the various departments of the same local authority, and each department is required to collect the information on its own.
- 👎 Data on Victims of Crimes who are Persons with Disabilities** – the Ministry of Welfare did not collect general data and did not direct the local authorities to collect and provide it with general information about the cases of violence in which persons with disabilities are harmed to form an extensive systemic situation report to outline policy (except for cases where reporting obligations apply, where consultation obligations apply and where an obligation to appoint a special investigator under the law applies). The Ministry of Welfare does not have a complete and updated database. The general data available to the Ministry of Welfare are the data of the special investigations carried out by the Ministry, which are partial and missing. The Ministry of Welfare data for 2021 raise that Haifa and the North District had the highest number of reports of victims of crime (230) compared to the other districts (between 147 and 207 in the other four districts); however, there is no documentation of examining the reasons for the disparity in the reporting rates between the districts. It was raised that the Ministry was not prepared to optimally contend with prevention and outreach actions, the detection of the

⁴ Communication and transfer of information between separate computer systems.



cases, and their treatment in cases of violence in which persons with disabilities are harmed.

👎 Adherence to the Prevention of Employment of Sex Offenders Law as Part of Engagements for the Provision of Services – the tenders and agreements for the provision of services in the Ministry of Welfare and **Ofakim, Bnei Brak, El-Kassum** and **Hof HaCarmel** – do not fully comply with the requirements of the law and are not regularly reviewed by the Ministry's supervision. In the tenders, the bidders were not required to provide the tenderer (the Ministry of Welfare or the local authority, respectively) with police certificates regarding the absence of convictions for sexual offenses for all employees or job applicants at the institution.

👎 Programs in the Sexual-Social Field – in the Arab examined authorities – **Kfar Kanna** and **El-Kassum** – as well as in **Bnei Brak**, there is a lack of guidance and treatment in the sexual-social field, and awareness of the importance of the matter must increase, and the phenomena of silencing, exclusion, and shame must be minimized.

👎 Supervision of Community Frameworks by the Ministry of Welfare – in 2019 – 2021, no supervision reports were found on community frameworks in **El-Kassum**. It was found that the frequency of supervision in the social services departments and frameworks in the North District and the South District is low compared to the Central District (one annual visit on average in the South District and 0.8 on average in the North District, compared to 2.5 annual visits on average in the Central District).



The Work of the Social Workers in the Social Services Departments – the State Comptroller's Office impression, through its conversations and the audit it conducted, that the social workers in the social services departments in the examined authorities are dedicated to their work. Despite the complexity of the job, the heavy workload, and the difficulties they face every day, they are willing to work for the population under their care and do their work with great sensitivity.

Hof HaCarmel formulated an overall stance of integration and inclusion of persons with disabilities in the community within the Council's general activity, with the participation of people without disabilities, without differentiation, consistent with the concept of the Disability Administration in the Ministry of Welfare and also established a steering committee for the topic of persons with disabilities.



Key Recommendations

-  It is recommended that the Ministry of Welfare update the provisions of the Social Work Regulations regarding the treatment of persons with disabilities and adapt them to the Ministry's new policy and the concept of the Disability Administration.
-  It is recommended that the **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna**, and **El-Kassum** define a clear authority policy regarding services for persons with disabilities. It is recommended that the Ministries of Welfare and Interior consider establishing a professional disability integrating factor in the local authorities.
-  It is recommended that the Ministry of Welfare complete the change of the organizational structures in the social services departments and the process in which it began to define the position of a disability social worker. It is recommended that the **El-Kassum** Council consult with the Ministry of Welfare regarding the adjustment of the organizational structure of its social services department and examine with the Ministry whether it is necessary to increase the scope of the position of the Disability Coordinator.
-  It is recommended that the Ministry of Welfare work in cooperation with all the examined local authorities – **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna, El-Kassum**, and **Hof HaCarmel** – to increase the number of positions of social workers in the social services departments and in particular in **Ofakim, Kfar Kanna, El-Kassum** and **Hof HaCarmel**. All this is to reduce the burden placed on the social workers treating persons with disabilities.
-  It is recommended that the examined local authorities – **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna, El-Kassum**, and **Hof HaCarmel** – consider pooling the information in their possession on rights and services for persons with disabilities and transfer it to them, in an orderly, adapted and service-focused manner, increasing the exhaustion of the rights of those entitled. It is also recommended that the examined authorities consider ways to expand the initiative to locate eligible persons who are not recognized and expand the circles of exercising rights.
-  It is recommended that the examined local authorities – **Ofakim, Bnei Brak, Ramat HaSharon, Kfar Kanna, El-Kassum** and **Hof HaCarmel** – in conjunction with the Ministry of Welfare, consider ways to increase public involvement and participation in the integration of the population of persons with disabilities in the community, among other things, through needs and satisfaction surveys, encouraging initiatives and programs in which persons with disabilities participate in training, parent leadership groups and authority forums for persons with disabilities.
-  It is recommended that the Ministry of Welfare promote, within the framework of the partnership agreement signed in 2021, the activity of the regional clusters in social services, including the services for persons with disabilities, transportation services, the



establishment of employment frameworks and recreational frameworks, which will suit the needs required by the authorities. It is also recommended that the Ministries of Welfare, Interior, and Finance expand their cooperation and encourage the authorities to participate in cluster activities through incentives. The Ministry of Welfare should increase the development of services, the pool of responses in the community, and the quality of responses in the recreation for adults. It is recommended that the **Kfar Kanna** and **El-Kassum** Local Authorities expand the recreational activities intended for children with disabilities.



It is recommended that the Ministry of Welfare consider adding transportation funding for recreational and community activities while setting criteria such as distance from the activity location and the number of participants. It is recommended that the Ministry of Welfare address the large number of toddlers with disabilities who travel daily to a nearby local authority for a stay in a rehabilitation daycare center and consider encouraging the authorities to build daycare centers within their jurisdictions and assist them with the matter. It is recommended that the Ministry of Welfare, in cooperation with the relevant local authorities representing different populations, find solutions adjusting the programs to all populations and thus allow all residents to receive the services in an equal manner, with the distribution of budgets according to an equitable key, considering the cultures of the different populations.



It is recommended that the Ministry of Welfare adapt all the information systems on persons with disabilities to the Ministry's new concept and enable an interface between the systems themselves and between the local authorities, the districts, and the headquarters to optimize the work of all the parties involved and use them for the intelligent management of the information in the systems. It is recommended that the examined authorities, particularly **Ofakim** and **Kfar Kanna**, extensively use the computer system as a work tool to update the files regularly and record all documents.



It is recommended that the Ministry of Welfare and the Disability Administration, in cooperation with the social services departments in the local authorities, map out all the required interfaces between them and between public bodies that hold information on persons with disabilities. It is recommended that the examined authorities operate through the information transfer committees to obtain the required information on the population that receives service under the provisions of the law and its regulations.

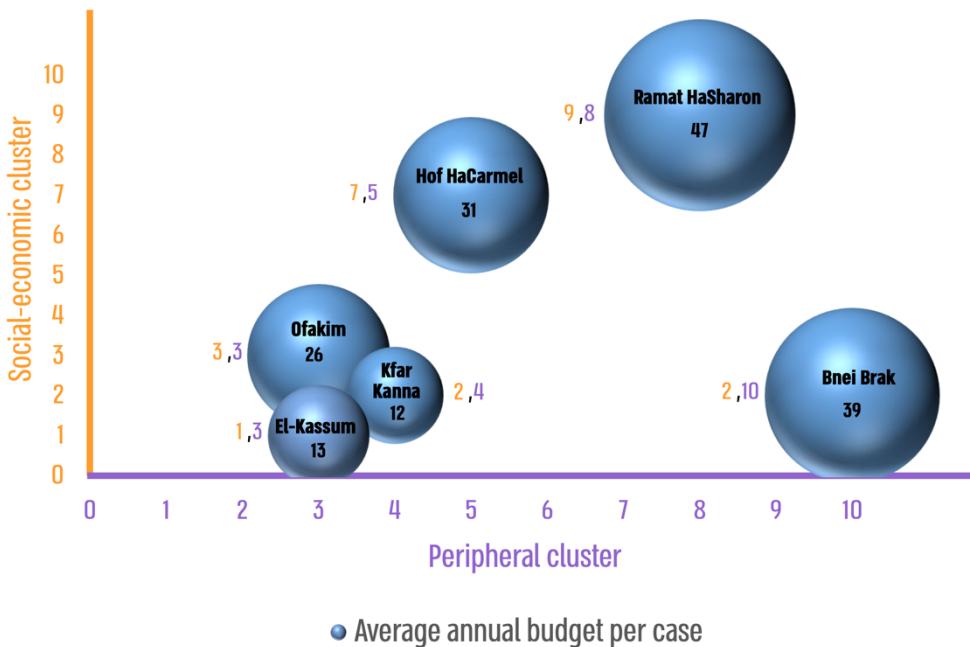


It is recommended that the Ministry of Welfare map the data it needs regarding the protection of persons with disabilities with an emphasis on the phenomenon of violence against persons with disabilities, collect it to assess the phenomenon and to contend with it optimally – all for policy formulation, prevention, information, detection, treatment, and enforcement.



It is recommended that the Ministry of Welfare tighten the supervision over the social services departments and the frameworks in the community according to the mix of occupation document.

The Average Annual Budget per Disabilities Cases in the Examined Local Authorities, 2020 (in NIS thousands)



According to the data of the audited financial statements of the local authorities for 2020 and the data of the Ministry of Welfare, it is processed by the State Comptroller's Office.



Statements by Parents and Siblings of Persons with Disabilities on Protection

MY SON WAS A **VICTIM OF ASSAULT AND RAPE**, AND THE AUTHORITIES, OF COURSE, IGNORED HIM. A SPECIAL INVESTIGATOR IS NEEDED. THE POLICE SUMMONED A SPECIAL INVESTIGATOR EIGHT MONTHS AFTER [THE INJURY]. HE DID NOT KNOW HOW THE INVESTIGATORS KNEW; THEY COULDN'T CARE LESS. EVERYTHING IS CONNECTED. THE LOCAL AUTHORITY SHOULD HAVE PROVIDED PSYCHOLOGICAL TREATMENT, BUT AN APPOINTMENT IS NEEDED. **SO, THEY WILL GIVE HIM PSYCHOLOGICAL THERAPY IN TWO YEARS, AND HE IS SUFFERING FROM POST-TRAUMA...** I AM NOT READY TO PUT HIM IN AN INSTITUTION EVEN THOUGH THEY KEEP RECOMMENDING IT BECAUSE OF ALL THE VIOLENCE **AND EVERYTHING THAT HAPPENS IN THESE INSTITUTIONS.**

I SUFFERED FROM BULLYING AND OSTRACIZING. THEY PUT INSECTS IN MY SHIRT. **PHYSICAL AND VERBAL ABUSE...** THERE IS A ONE-DIMENSIONALITY OF "YOU ARE DISABLED." STILL, WHEN IT COMES TO OTHER THINGS... THINGS UNRELATED TO DISABILITY, THE SAME COMPASSION IS NOT THERE, THE SAME UNDERSTANDING... THE WORLD OF RECREATION, ON BEHALF OF THE AUTHORITY, COULD HAVE CONNECTED ME **SO THAT I WOULD NOT BE BULLIED.** HAVING A VISIBLE DISABILITY **DESTROYED ME.**

I WOULD LIKE TO KNOW THAT ALL CHILDREN ARE PROTECTED. ALL THE NAMES OF THOSE WHO HAVE BEEN PROVEN TO HAVE ABUSED... SO THAT THEY DO NOT OPEN A KINDERGARTEN IN ANOTHER CITY. IT IS UNTHINKABLE THAT IT WILL BE POSSIBLE TO SEND THE CHILDREN TO A KINDERGARTEN WITH AN ABUSIVE **KINDERGARTEN TEACHER.** **THIS IS ALSO THE FEAR OF ALL PARENTS.**

FRIENDS WERE NOT READY TO COME TO MY HOUSE... AS A CHILD – GIRLS WOULD COME TO MY HOUSE AND COME STRAIGHT TO MY MOTHER, CRYING TO BE PICKED UP AFTER THEY SAW MY SISTER. THEY WOULD IMMEDIATELY PICK THEM UP... **THERE WERE REQUESTS TO PUT MY SISTER IN [ANOTHER] ROOM.** A CHILD WITH A DISABILITY CAN TARE FAMILIES APART.

THIS DAY-TO-DAY PREOCCUPATION DRIVES THE BRAIN CRAZY, AND IT BRINGS CRISES. 90% OF THOSE AROUND ME ARE DIVORCED. EVERYONE WHO HAS SUCH A CHILD [WITH A DISABILITY] IS DIVORCED. THOSE WHO REMAIN, WHO HAVE A RELATIONSHIP, ARE NOT AT THEIR BEST.

BROKEN PEOPLE WHO ARE TIRED AND LOOKING FOR A BIT OF REST COME TO THE FAMILY CENTER [WELFARE RESPONSE IN THE COMMUNITY].



Statements by Parents and Siblings of Persons with Disabilities on the Recreational Activity

WE ARE NOT READY TO ACCEPT A **LIFE OF EXCLUSION**. WE WANT OUR CHILD TO BE PART OF THE ENVIRONMENT THAT SURROUNDS HIM. **NO APOLOGIES AND NO CONDITIONS**.

I ASKED FOR THE HELP OF A 'PERACH' (NATIONAL PROGRAM FOR SOCIAL IMPACT) STUDENT, WHO WOULD COME ONCE A WEEK TO PLAY WITH THE CHILD FOR AN HOUR OR TWO. THERE ARE VOLUNTEERS, THERE IS A NATIONAL SERVICE, AND THERE ARE A MILLION OPTIONS. BUT **NO ONE THINKS THAT A PARENT OF SUCH A CHILD ALSO NEEDS TIME OFF**. [YOUTH MOVEMENT FOR CHILDREN AND YOUTH WITH AND WITHOUT SPECIAL NEEDS] IT IS WONDERFUL, BUT THERE IS A WAITING LIST FOR A YEAR AND A HALF. **DISABLED CHILDREN ARE SUPPOSED TO WAIT A YEAR AND A HALF FOR SOME ASSOCIATIONS TO ACCEPT THEM**.

WE WANTED JOINT EXTRA-CURRICULAR CLASSES, BUT IT HASN'T HAPPENED YET, AND IT'S DEVELOPING TOO SLOWLY AND TOO LITTLE... I CAN TELL YOU THAT IN ONE OF THE CASES, WE TRIED TO BRING A RECREATIONAL ACTIVITY FOR SPECIAL NEEDS, BUT IT FAILED.

WE DID NOT ENCOUNTER AN OPEN DOOR AND OPEN ARMS OF THE MUNICIPALITY. WE FOUGHT VERY HARD AND HAD TO JUSTIFY OUR EXISTENCE AND THE NEED.

FOR INDEPENDENCE DAY, THEY DID AN ACTIVITY FOR THE KINDERGARTENS – I CALLED A WEEK IN ADVANCE TO SAY THAT MY DAUGHTER HAS A WHEELCHAIR AND I NEED AN ADAPTED LOCATION... I HAD TO RAISE MY VOICE... **WHY ISN'T THERE A CLOSED ACCESSIBLE COMPOUND?**! LET'S MAKE THE ACTIVITIES THAT ALREADY EXIST ACCESSIBLE TO WHEELCHAIRS. ARE YOU DOING AN ACTIVITY? DON'T PUT HER BEHIND A FENCE SO I CANNOT PLACE HER TO SEE WITH THE WHEELCHAIR. EXTRACURRICULAR CLASS? IT, TOO, SHOULD BE ADAPTED.

I HAVE NO ONE TO TALK TO ABOUT THIS [ABOUT THE DIFFICULTIES OF THE DISABILITY]. **I DON'T HAVE A COMMUNITY TO SPEAK WITH ABOUT IT**, BUT I WOULD LIKE THE AUTHORITY TO DO AN ACCESSIBLE ACTIVITY. BECAUSE THERE ARE SO MANY COMMUNITY CENTER ACTIVITIES, LET THEM DO RELEVANT THINGS. SOCIAL GROUPS PROVIDE A SUITABLE GROUP OF EQUALS".

I DON'T NEED A PARTICULAR AFTER-SCHOOL CLUB. **I NEED A SOCIAL LIFE WITH YOUNG PEOPLE**.

IN ONE OF THE CASES WHERE WE TRIED TO BRING A RECREATIONAL ACTIVITY [FOR CHILDREN] WITH SPECIAL NEEDS, IT FAILED. **WE WERE NOT RECEIVED WITH AN OPEN DOOR AT THE MUNICIPALITY**.

WE FOUGHT HARD AND HAD TO JUSTIFY OUR EXISTENCE.

THAT PEOPLE WITH DISABILITIES WILL ALSO INTEGRATE WITH PEOPLE WITHOUT DISABILITIES. LET IT BE BOTH. NOT ONLY FOR DISABLED PEOPLE.

“



Statements by Parents and Siblings of Persons with Disabilities on Accessibility

“A LARGE PART OF THE CITY [WHERE THE FOCUS GROUP PARTICIPANT LIVES] IS INACCESSIBLE, AND THE SIDEWALKS ARE INACCESSIBLE... I CAN’T GET TO THE POOL, WHICH IS TWO BLOCKS FROM ME, WITHOUT A CAR BECAUSE THEY CLOSED THE STREET TO A WHEELCHAIR”.

“THERE IS NO INFORMATION ACCESSIBILITY, NO INFORMATION ABOUT WHAT I CAN GET.”

“I HAD TO SUBMIT SOME APPLICATION, AND I CALLED THE HOTLINE [OF THE LOCAL AUTHORITY]. THEY TOLD ME TO FILL OUT A FORM THROUGH THE WEBSITE [THE LOCAL AUTHORITY WEBSITE]. I EXPLAINED TO THEM THAT THE WEBSITE IS NOT ACCESSIBLE [TO A PARTICIPANT WITH VISUAL IMPAIRMENT, AND THE WEBSITE IS NOT ACCESSIBLE FOR THIS DISABILITY]. I ASKED THEM TO [SEND THE APPLICATION FORM] BY PHONE OR EMAIL, AND THEY INSISTED – ONLY ON THE WEB-SITE”.

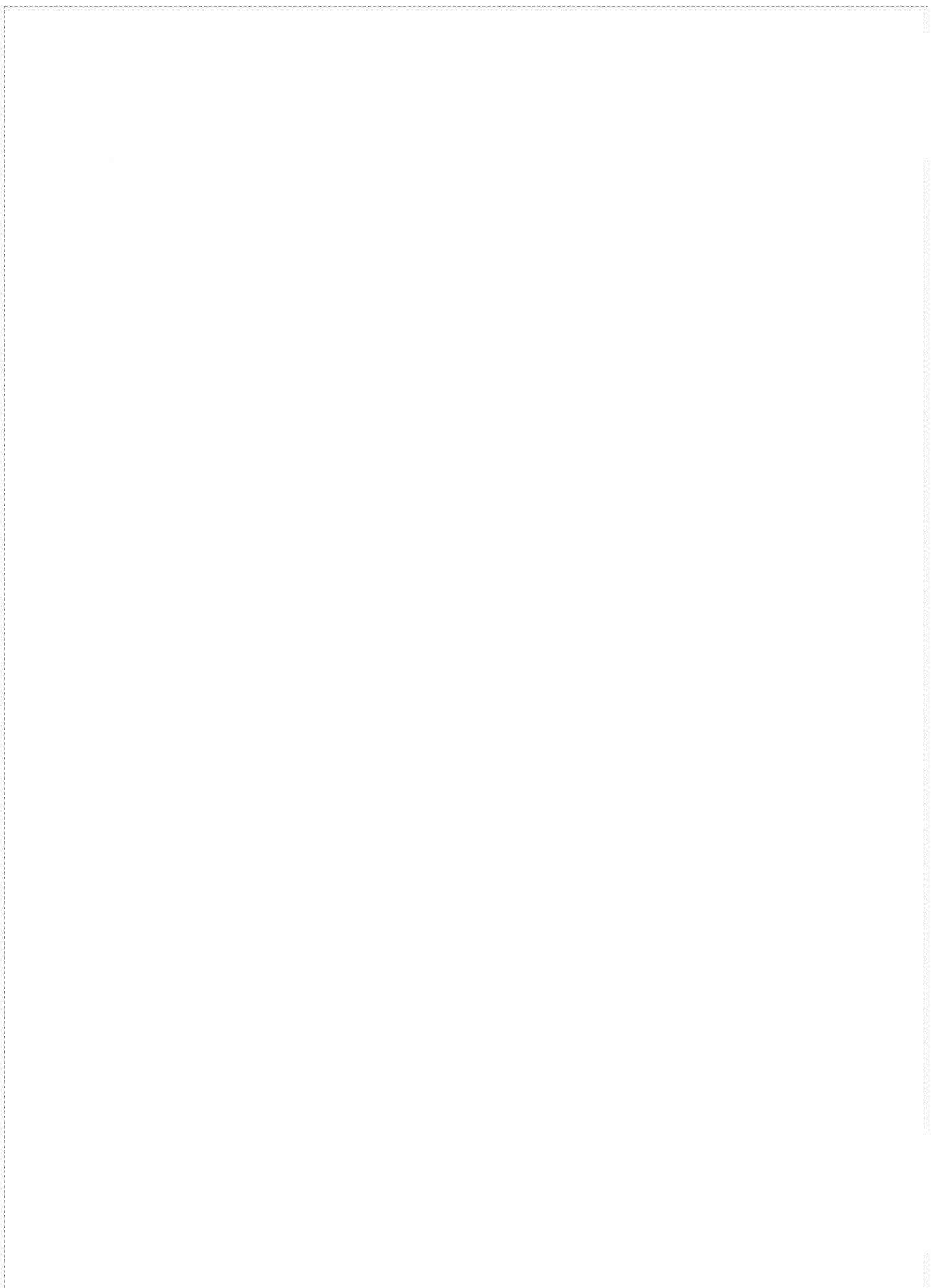
“AS A DISABLED PERSON, I DON’T FIND MYSELF SOCIALLY. IT’S ALSO A MATTER OF SOCIAL ACCESSIBILITY... YOU DON’T HAVE MUCH TO DO WITH YOURSELF”.



Summary

About a fifth of all residents in Israel are persons with disabilities. The audit raised that the actions of the social services departments in all the authorities examined are usually reactive and not proactive. Disparities were found between the examined local authorities, central authorities, and periphery authorities regarding the variety and scope of the services for persons with disabilities and the treating personnel. It was also found that for over five years, the Ministry of Welfare did not adapt the provisions of the Social Work Regulations, the tariffs, the services, and the information systems to the concept for which the Disability Administration was established, according to which the treatment of persons with disabilities will be done based on functioning and not according to the medical diagnosis.

The Ministry of Welfare should expand the services provided to the population of persons with disabilities, adjust the services and tariffs to the Ministry's new concept, and dedicate comprehensive thought to protecting persons with disabilities. It is recommended that the bodies entrusted with the disabilities – including the local authorities and the Ministries of Welfare, Education, and Interior – understand the reasons for the disparities between the authorities and formulate solutions to reduce these gaps. The local authorities should take the initiative and, in cooperation with the Ministry of Welfare, adopt solutions that make the services accessible. These will improve local authorities' services to persons with disabilities and reduce the bureaucratic burden imposed on them and their families.





State Comptroller of Israel | Local Government
Audit Report | 2023

Social Audit

The Local Authorities' Treatment of Senior Citizens Within Their Jurisdiction

The Local Authorities' Treatment of Senior Citizens Within Their Jurisdiction

Background

Due to increased life expectancy and quality of life, senior citizens continue to lead an independent, active lifestyle with plenty of options. According to the Senior Citizens Law, a senior citizen in Israel is a resident who has reached retirement age – 67 for men and 65 for women. Around the world, it is customary to define those 65 and older as senior citizens, which is how they are defined in this report. The aging of the population poses challenges and requires preparation on the part of countries worldwide, including Israel. The World Health Organization formulated a global strategy for healthy aging, which addresses the role of the local authority in developing services adapted to the needs of senior citizens and promoting active aging, and it was adopted in Israel.



Key Figures

1.16

million

(12%)

senior citizens out of the general population in Israel at the end of 2021

32

(12.5%)

local authorities that have not appointed an advisor for senior citizen affairs

17% –

126%

the "optimal aging" budget growth rate in the examined local authorities in 2022

NIS

141 – 772

the Ministry of Welfare and Social Affairs annual budget allocated for a senior citizen in the examined local authorities in 2021

126 –

444

the average number of cases per social worker position in senior citizens units in the examined local authorities

60%

the average daily occupancy rate in the day centers in three of the examined local authorities, out of the maximum occupancy

only 60%

of the senior citizens who participated in the senior citizens' survey are familiar with one or more of the local authorities' services

42%

of the senior citizens who participated in the senior citizens' survey are not familiar with the local authorities' recreational activities

Audit Actions



From May to November 2022, the State Comptroller's Office audited the local authorities' treatment of senior citizens within their jurisdiction. The audit was conducted in nine local authorities (**Elad, Ashkelon, Ma'ilot-Tarshiha, Nes Ziona, Nazareth, Arad, Kiryat Bialik, Sdot Dan, and Tel Mond**). A completion audit was conducted at the Ministry of Welfare and Social Affairs (the Ministry of Welfare) and the Ministry of Social Equality. Furthermore, from July to August 2022, the State Comptroller's Office conducted two public participation initiatives: an online (internet) survey among 524 senior citizens from all local authorities in Israel (senior citizens survey) and interviews with 90 senior citizens who stayed at day centers and clubs in all the examined local authorities.



Key Findings



- The Local Authorities' Information About the Senior Citizens Within Their Jurisdiction** – the examined local authorities do not have complete and updated information on all the senior citizens within their jurisdiction, which could optimize the communication channels with them and help them in routine and emergencies. During the Covid-19 crisis, the authorities updated their data on senior citizens. Still, they did not establish a mechanism and action plan to continue updating the details even after the crisis passed, even though in some of them (**Ashkelon, Ma'ilot-Tarshiha, Nes Ziona, Arad** and **Kiryat Bialik**), the senior citizens' rate today is 13%–19% of the total population.
- Development of Services for all Senior Citizens in the Local Authorities** – in the nine examined local authorities, there are no master plans for the aging of the population; Eight of them – **Ashkelon, Ma'ilot-Tarshiha, Nes Ziona, Nazareth, Arad, Kiryat Bialik, Sdot Dan**, and **Tel Mond** did not conduct needs or satisfaction surveys among the senior citizens within their jurisdiction.
- The Advisor for Senior Citizen Affairs in the Local Authority** – 32 (about 12.5%) out of the 258 local authorities in Israel have not appointed an advisor for senior citizen affairs, including two of the examined local authorities – **Ma'ilot-Tarshiha** and **Arad**. In about 55% (124 out of 226) of those who appointed an advisor for senior citizen affairs, the position was assigned to the director of the social services department or the director of the senior citizens unit operating in the social services department. The Ministry of Interior did not include the position of advisor for senior citizen affairs in the occupation analysis file, even though the obligation to appoint one was established by law. The advisor for senior citizen affairs does not receive additional remunerations.
- Allocation of the Ministry of Welfare's Budget to Senior Citizens Units and its Utilization** – six of the examined local authorities, **Ashkelon, Nes Ziona, Arad, Kiryat Bialik, Sdot Dan** and **Tel Mond** did not utilize the entire budget allocated to them by the Ministry of Welfare at the beginning of 2021 for the treatment of senior citizens (**Ashkelon** – NIS 4,894,179 (90%), **Nes Ziona** – NIS 879,971 (87%), **Arad** – NIS 1,431,848 (81%), **Kiryat Bialik** – NIS 1,442,085 (76%), **Sdot Dan** – NIS 936,341 (77%), **Tel Mond** – NIS 213,862 (89%)
- Allocation of Social Worker Positions to the Local Authorities** – the Ministry of Welfare did not set the maximum number of senior citizens treated per one social worker position. Hence, in some local authorities (such as **Elad, Ma'ilot-Tarshiha**, and **Arad**), the average number of cases per social worker varies between 324 and 444.



- 👎 The Committee for Examining the Model of Operating Day Centers for Senior Citizens** – six months after the submission of the Committee's recommendations summary in May 2022, the Ministry of Welfare has not yet implemented its recommendations, including encouraging the operation of a day center as a meeting center, the establishment of MOFET clubs (offering enhanced activities including nutrition) within the day centers and the extension of the hours of operation.
- 👎 The Social Frameworks for Those Treated in the Senior Citizens Units** – the average number of participants per month in the day centers and MOFET clubs/enrichment clubs in the examined local authorities is low compared to the number of senior citizens treated in the welfare departments, and ranges from 9% to 30%; The average occupancy per day in enrichment clubs, in MOFET clubs and the supporting communities, is close to maximum occupancy, while in the day centers there is a difference of up to 60% (in **Ashkelon**, **Nes Ziona** and **Kiryat Bialik**) between the average occupancy per day and the maximum occupancy.
- 👎 Recreational Activities for Senior Citizens Outside of the Activities Provided by the Ministry of Welfare** – the State Comptroller's Office's senior citizens survey raised that 42% of them are not familiar with the recreational activities provided by the local authorities and that 64% of the senior citizens who are familiar with the activities participate therein; Most senior citizens (63%) do not participate in the frameworks offered to them due to lack of interest.
- 👎 Recreational Activity Within the Ministry of Social Equality's Calls for Bids – Ashkelon and Nazareth** did not participate in even one of the calls for bids published by the Ministry of Social Equality over the last three years to provide activities for senior citizens.
- 👎 Social Frameworks for Senior Citizens** – the average number of participants per month in other social clubs in the examined local authorities is low compared to the total population of senior citizens within their jurisdiction, from 20 participants per club in **Kiryat Bialik** (there are five clubs in the city) to 72 participants per club in **Elad** (there is one club in the city of **Elad**, and the number of participants also includes activities for senior citizens that take place virtually).
- 👎 The Local Authorities' Engagements with the Entities Operating the Senior Citizens Frameworks – Ma'ilot-Tarshiha and Kiryat Bialik** did not hold a tender for operating some of the frameworks operated by local associations that are not municipal associations; **Kiryat Bialik, Ma'ilot-Tarshiha, Arad** and **Ashkelon** did not sign agreements with the entities that operate some of the frameworks, for the provision of services to senior citizens, anchoring the parties' obligations and rights.
- 👎 Accessibility of Information** – according to the senior citizens survey, less than 60% of them are familiar with one or more of the local authorities' services, and less than 40% use them. The rate of senior citizens who use the local authorities' services and



activities, except for recreational activities, ranges from 4% to 14%. Moreover, the information on the websites of the examined local authorities is not prominent and not easily available for senior citizens, and not all are aware of their rights.

 **Exhaustion of Rights** – according to the State Comptroller's Office senior citizens survey, these citizens expect the local authorities to contact them, and 84% of them stated that the local authority did not contact them on its initiative.

 **Discounts and Benefits for Senior Citizens on Behalf of the Local Authorities** – in seven of the nine examined local authorities – **Elad, Ashkelon, Nes Ziona, Arad, Kiryat Bialik, Sdot Dan, and Tel Mond** – the number of senior citizens who receive a 30% discount under the Senior Citizens Law is low (between 1% to 5% of the senior citizens). The rate of recipients of the senior citizen discount of 25% under the Municipal Property Tax Discount Regulations ranges from 18% to 40%. The examined local authorities do not proactively inform the senior citizens who receive a 25% senior citizen's discount that they can submit a one-time request to receive a 30% discount under the Senior Citizens Law, subject to an income test.



Allocation of the Ministry of Welfare's Budget to Senior Citizens Units – the State Comptroller's Office commends the increase in budgets for the care of senior citizens.

Discounts and Benefits for Senior Citizens on Behalf of the Local Authorities – the State Comptroller's Office commends **Ashkelon** and **Kiryat Bialik** for free parking in the regulated parking spaces to senior citizens living within their jurisdictions.

Key Recommendations

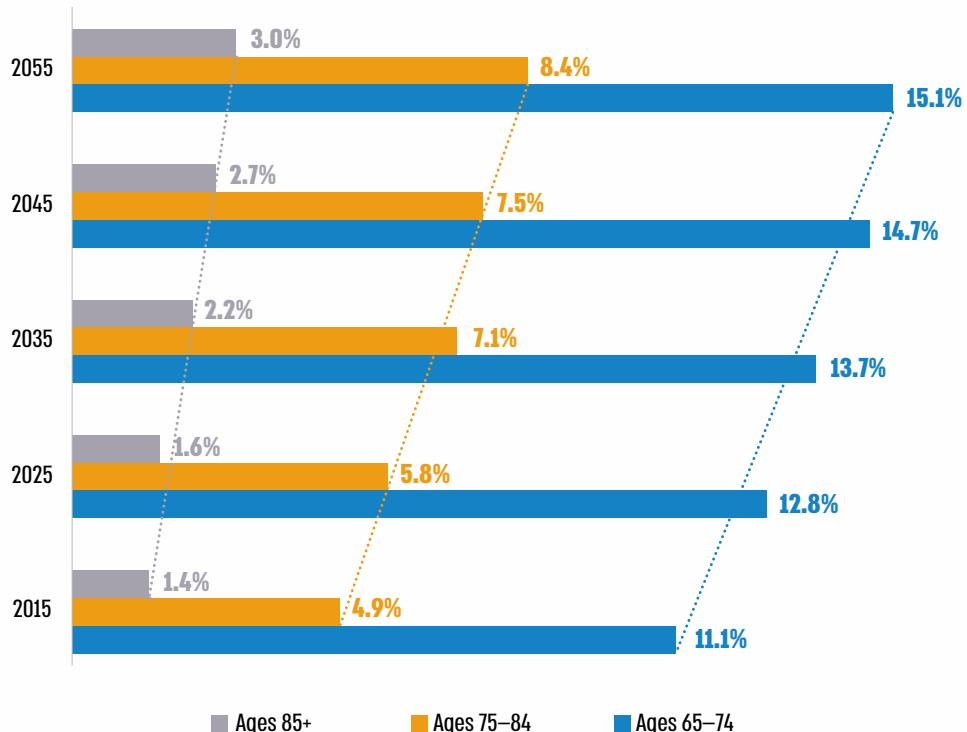
-  It is recommended that all local authorities continue to update the details of all the senior citizens who live within their jurisdiction, thus streamlining the channels of contact with senior citizens and assisting them in routine and emergencies.
-  It is recommended that the local authorities cooperate with the senior citizens to prepare local master plans, including long-term goals and objectives, based on which the services and activities to promote the well-being of senior citizens will be determined. It is further recommended that the local authorities conduct needs and satisfaction surveys to map the services required for the senior citizens in their jurisdiction, to derive maximum benefit from the investment in public resources, and to provide an optimal solution for the senior citizen's needs.



- 💡 It is recommended that the Ministry of Interior include the position of advisor for senior citizen affairs in the occupation analysis file. It is further recommended that the Ministries of Interior and Social Equality complete the discussions with the Ministry of Finance to reward the advisor and allocate him the resources required to perform his duties, as is customary in other responsibilities imposed by law.
- 💡 It is recommended that the Ministry of Welfare set the maximum number of senior citizens treated per one social worker position. This will allow the social workers to perform their duties well and provide the senior citizens with proper and high-quality care. It is also recommended that the local authorities examine the workload imposed on the social workers in the senior citizens' units and allocate personnel accordingly.
- 💡 It is recommended that the Ministry of Welfare discuss the recommendations of the Committee for Examining the Model of Operating Day Centers for Senior Citizens, examine the consequences and the costs involved in their implementation, and establish a policy and implement it with the local authorities.
- 💡 To ensure quality and adequate care and service for the senior citizens within their jurisdiction, **Ashkelon**, **Ma'alot-Tarshiha**, **Arad**, and **Kiryat Bialik** should anchor in agreements with the entities that operate the senior citizens' clubs, all the duties stipulated in the Social Work Regulations concerning the employment of personnel, social care, social activities, and catering that they provide to senior citizens within their jurisdiction.
- 💡 To increase and optimize the accessibility of information on the activities, on the exercise of rights, and the assistance that the local authority can provide to senior citizens, it is recommended that the local authorities carry out proactive information activities, especially in concentrations of senior citizens, to inform them of the channels open to them to exercise their rights. It is also recommended that the local authorities make the websites accessible to senior citizens by centralizing the information and highlighting it on the home pages of their websites.



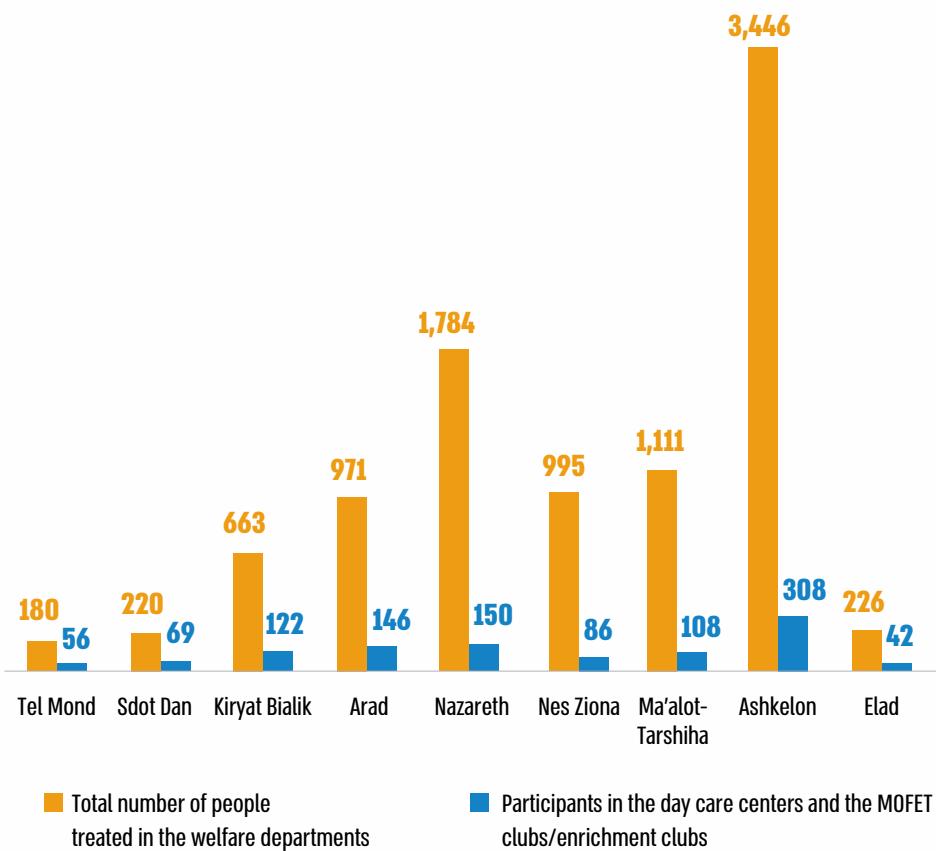
Forecast of the Senior Citizens Rate Among the Total Population, by Age, in Selected Years



According to the CBS data – Israel's population forecast until 2065 (May 2017) was processed by the State Comptroller's Office.



The Participants in Day Centers and MOFET Clubs/Enrichment Clubs in the Examined Local Authorities, Compared to the Number of Senior Citizens Treated in the Welfare Departments, 2022





Summary

The aging of the population is a worldwide phenomenon that poses new challenges to society, welfare, and medicine professionals. In Israel, too, there is an increasing trend in life expectancy, and the local government has a central role in providing services to senior citizens and developing solutions for their various and unique needs. According to the audit findings, the examined local authorities did not conduct needs and satisfaction surveys nor master plans to prepare for the aging of the population. The average number of participants per month in the day centers and MOFET clubs/enrichment clubs in the examined local authorities is low and ranges from 9% to 30% of the senior citizens treated in the welfare departments. Regarding the accessibility of information to the senior citizens and the exercise of their rights, it was found that the information on the local authorities' websites is not prominent and is not easily available for the senior citizens and that not everyone is aware of their rights. It was also found that the Ministry of Welfare did not set the maximum number of senior citizens treated per one social worker for senior citizens position and did not define specific experience and training requirements for these social workers.

According to the senior citizens survey, local authorities should proactively address senior citizens for the provision of information and assistance. It is recommended that the local authorities expand the communication channels with the senior citizens within their jurisdiction and improve their accessibility of information. It is also recommended to map the needs of the senior citizens and prepare master plans with long-term goals and objectives, and to address their needs accordingly, as their proportion in the population is expected to continue to grow in the coming years.



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Social Audit

The Local Authorities' Actions to Improve Educational Achievements



The Local Authorities' Actions to Improve Educational Achievements

Background

Alongside the Ministry of Education, local authorities have become a significant influencing factor on students' achievements in Israel's education system in recent years. Alongside actions the local authority is obligated to carry out, there is a wide range of activities that it is not bound to take but may initiate according to its policies and priorities. This includes the local authority initiating additional educational activities in institutions, such as enrichment and academic reinforcement programs, professional development of the educational staff, school parties, investment in the improvement of infrastructure, and the purchase of equipment. The local authority's decision to allocate its resources and cooperate with external parties to carry out additional educational activities significantly impacts the promotion of the students' academic achievements within its jurisdiction.



Key Figures

**42.9%,
16.6%**

the national average rate of those eligible for a matriculation certificate in five (advanced) units of study in English and Mathematics, respectively, in the 2020–2021 school year¹, compared to 17.1% and 5.3% in **Ofakim**; 87% and 18% in **Gan Rave**; 38.8% and 20.4% in **Kaukab Abu al-Hija**; 73.9% and 30.7% in **Ramat Gan**

**7%
(NIS 1,867)**

the self-financing rate (amount) for the operation of education services out of the total education budget per student in **Ofakim** in 2020; In **Gan Rave**, the rate was 14% (NIS 5,170); In **Kaukab Abu al-Hija**, the rate was 1% (NIS 271); In **Ramat Gan**, the rate was 24% (NIS 6,538)

NIS 11 million

Ofakim's self-financing for external educational programs in the school years 2019–2022; **Gan Rave's** self-financing was NIS 1.3 million; **Kaukab Abu al-Hija's** self-financing was NIS 0; **Ramat Gan's** self-financing was NIS 61 million

397%

the external programs increase in the Ministry of Education's Database after the transition to the Geffen system², from 5,885 programs at the end of 2021 to 23,338 in January 2023. About 65% of them originate from business entities, about 32% originate from the third sector, and about 1% from the Ministry of Education and the public sector

only 16%

the external programs rate on which feedback was given from the educational institutions that operated them, out of the total external programs included in the Ministry of Education Database as of the end of 2021 (948 out of 5,885 programs)

only 9%

the external programs rate evaluated by the examined local authorities, out of the total programs implemented in 2020–2022 (9 out of 98 programs)

1 The school year begins in September and ends in August.

2 The Geffen computerized system (pedagogical-administrative flexibility) is used to implement self-administration in schools.



Audit Actions

 From June to November 2022, the State Comptroller's Office examined the local authorities' actions to improve educational achievements. The examination was carried out at the Ministry of Education and in four Local Authorities – **Ofakim** and **Ramat Gan** Municipalities, the **Kaukab Abu al-Hija** Local Authority, and the **Gan Rave** Regional Council. The audit examined amongst other things, the following: the local authority's involvement in the activities of the schools within its jurisdiction; Formulation of municipal and school work plans in education; External study programs to improve academic achievements; Evaluation of external programs; And support given by the local authorities in additional educational activities to improve educational achievements. Completion examinations were carried out at the Federation of Local Authorities in Israel.

Key Findings



 **The Local Authorities' Participation in Financing Education Services and Their Students' Achievements** – there are disparities between the examined local authorities in the education budget per student and in the self-financing rate to operate education services. In **Kaukab Abu al-Hija**, which is in socio-economic cluster 4, the self-financing rate to operate education services, out of the total education budget in 2020, was about 1% (NIS 271); In **Ofakim**, which is in socio-economic cluster 3, the self-financing rate was about 7% (NIS 1,867); In **Gan Rave**, which is in socio-economic cluster 8, the self-financing rate was about 14% (NIS 5,170); And in **Ramat Gan**, which is in socio-economic cluster 8, the self-financing rate was about 24% (NIS 6,538). The self-financing of external educational programs in the 2020–2022 school year was NIS 0 in **Kaukab Abu al-Hija**, NIS 1.3 million in **Gan Rave**, NIS 11 million in **Ofakim**, and NIS 61 million in **Ramat Gan**. The national average rate of those eligible for a matriculation certificate in five units of study in English and Mathematics in the 2021 school year was 42.9% and 16.6%, respectively, compared to 38.8% and 20.4% in **Kaukab Abu al-Hija**; 17.1% and 5.3% in **Ofakim**; 87% and 18% in **Gan Rave**; 73.9% and 30.7% in **Ramat Gan**.

 **The Education Committee Activities in the Local Authority – Kaukab Abu al-Hija** did not establish an education committee³ whose duties, among other things, are

³ The Municipalities Ordinance [New Version] determined that the city council will elect an education committee. A similar provision was not set in the Local Authorities Ordinance [New Version] nor in the Local Authorities (Regional Councils) Order, 1958. However, a regional council and a local authority may establish an education committee.



to initiate and plan activities in education and to advise the Council in these areas. In the other examined local authorities – **Ofakim**, **Ramat Gan**, and **Gan Rave** – such a committee was established. In 2019 – 2021, the Education Committee in **Ofakim** convened once; And until the audit end in November 2022, the Education Committee did not convene. The documentation of the education committees' meetings in **Ofakim** was partial and did not provide full details of the meetings.



School Accompanying Committee – the Director of the Education Department in the local authority and the General Supervisor of Schools on behalf of the Ministry of Education are jointly responsible for establishing a school accompanying committee (accompanying committee), which will include the school principal (the committee coordinator), the General Supervisor in the Ministry of Education, the Director of the Education Department in the local authority (or his representative), the representative of the local authority treasury, the teachers' representative and the parents' representative. The accompanying committee's tasks, among other things, include advisement, accompaniment, and supporting the formulation and implementation of the pedagogical, administrative, and economic policies for each school that transitioned to self-administration⁴. The accompanying committees of the self-administered elementary schools in **Ofakim** (one school) and **Ramat Gan** (two schools) did not convene at the frequency set in the Ministry of Education guidance. Moreover, **Ofakim** and **Ramat Gan** do not have documents detailing the accompanying committee's participants at the above schools' meetings. At the meeting of the accompanying committee of a school in **Ofakim**, neither an official from the Municipality's education department nor the parents' representative was present, and at the meeting of the accompanying committee of a school in **Kaukab Abu al-Hija**, the parents' representative was not present. From the minutes of the accompanying committee meetings of schools in **Ofakim**, **Ramat Gan**, and **Kaukab Abu al-Hija**, it was raised that the resource-linked work plans, the degree of achievement of the goals and objectives defined in the work plans, the factors that delay and hasten the achievement of goals and objectives, and a detail from which one can conclude as to execution versus planning, were not presented.



The Local Authorities Education Departments' Work Plans – **Gan Rave** has no data about the achievements of its students in high schools; 78% of them attend high school within the jurisdiction of the **Brenner Regional Council**. **Kaukab Abu al-Hija** and **Gan Rave** did not conduct education satisfaction surveys. **Ofakim**, **Ramat Gan**, **Kaukab Abu al-Hija**, and **Gan Rave** did not process the public inquiries received about education to generate comprehensive information. **Kaukab Abu al-Hija** and **Gan Rave**

⁴ Pursuant to Government Resolution 226, "The Plan for Administrative Flexibility in the Education System" (August 1, 2021), in the September 2022 – August 2023 school year all elementary schools in the formal education system as well as the middle schools in the formal education and the recognized non-formal education system were transferred to "self-administration", meaning the introduction of an administrative-educational policy under which powers, resources and responsibilities are transferred to these schools from the Ministry of Education and the local authorities.



do not have detail on the educational preparation for the expected change in the population in the coming years. The Education Department in **Gan Rave** did not formulate work plans for each of the years 2019–2022, nor set perennial or annual goals or tasks for these years. The work plans of the Education Department in **Ramat Gan** did not include the cost of the tasks, their budget item, and detailed indicators for evaluating the performance of the tasks. The work plan of **Ramat Gan's** Education Department for the 2019–2020 school year includes monitoring the execution of the tasks set in the previous work plan for 2018–2019; however, the work plans for 2021 and 2022 do not include monitoring the execution of the tasks set in the work plans for 2020 and 2021, respectively. The Education Department of **Kaukab Abu al-Hija** formulated a work plan for the 2020 school year. Still, it did not include the cost of the tasks specified in the plan, their budget item, and the schedule for starting their implementation, and it did not formulate a work plan for the 2021 and 2022 school years.

 **External Educational Programs** – in 2013, the Ministry of Education established a computerized database of programs (the Database) to regulate and make accessible the variety of programs operated or proposed for operation in the education system. In the 2020–2022 school years, **Ofakim** operated three out of 19 external programs at the initiative of private entities that were not in the Database; **Ramat Gan** operated five out of 31 external programs initiated by private entities that were not in the Database; And **Gan Rave** operated two out of 16 external programs at the initiative of private entities that were not in the Database. However, according to the Ministry of Education's Director General's circulars, it is forbidden to integrate programs and courses that are not registered in the Database into educational institutions. All 32 programs that **Kaukab Abu al-Hija** operated were in the Database.

 **Evaluation of External Educational Programs by the Ministry of Education** – the Ministry of Education's pedagogical examination⁵ of the external programs' suitability before their inclusion in the Database is the only examination it conducts to evaluate programs. I.e., no such examinations are conducted when the programs are running or upon their conclusion. This examination is mainly formal and includes the program's compliance with the prescribed criteria; however, it does not include a substantive examination of its quality and effectiveness.

Evaluation of External Programs Through the Local Authorities and Educational Institutions – the Ministry of Education's Director General's circular from June 2022 did not direct the local authorities and educational institutions to monitor and evaluate the programs they operate. Moreover, it did not set the professional tools to be used by the local authorities and educational institutions for this evaluation, the population examined (teachers, students, etc.), the required manpower, the timing of

⁵ Examination of whether the program meets various criteria, for example the bidder's experience in operating the program during a certain period; The fact that the program developer has a certain degree; Adding the recommendations of those recommending the program as well as adding indicators and evaluation data, if any; Attaching the full curriculum, which includes details regarding the content, skills and values.



the examinations, and the discussion of the findings. **Ofakim** has no systematic plan to monitor and evaluate external programs operated in its educational institutions to determine which programs will be examined, the date of the examination, the frequency of assessment, and the means of evaluation. **Ofakim** invested about NIS 11 million in self-financed external programs in 2020–2022 but did not evaluate 16 out of 19 programs. **Ramat Gan** invested in self-financed external programs about NIS 61 million in 2020–2022 but did not evaluate 25 out of 31 external programs. **Ofakim** and **Ramat Gan** did not forward the findings of the external programs they evaluated to the Ministry of Education for the use of other authorities. **Kaukab Abu al-Hija** did not monitor and control their external programs, except for registering the names of the students who participated in the Math reinforcement course in 2019, funded by an external association. **Gan Rave** invested over NIS 1 million in self-financed external programs but did not perform a documented evaluation of the external programs implemented in their elementary school, did not conduct a survey of the programs' satisfaction level, and did not set success metrics for the programs, even though some of them have been operated for several years.



Gan Rave Involvement in the Regional High School Operation – the students of **Gan Rave** and **Gderot**, are mostly sent to a regional high school of the **Brenner** Regional Council (the regional high school) constituting about half of the students there. Still, they refused to budget these students except for the obligatory payment of the outside student fee, until they will be allowed to participate in the school's administration. On the other hand, **Brenner** Regional Council has taken unilateral steps affecting **Gan Rave** and **Gderot** students, refused to accept their students, and changed the starting and ending times of studies, thus affecting the transportation system. The Ministry of Education and officials at the Federation of Local Authorities tried to settle the issue between the authorities but were unsuccessful.



Receipt of Non-Profit Organizations Donations to Promote Educational Activities – without detracting from the importance of fundraising to promote educational activities, it was found that **Ofakim** approved fundraising from a philanthropic fund at NIS 750,000 for the establishment of learning spaces in 2022 according to the Ministry of Interior's Director General's circular on "Procedure for approving fundraising and acceptance of donations by local authorities" (Donation Procedure). However, its Donations Committee did not examine the receipt of a donation in money equivalent noted in a memorandum of understanding the Municipality signed in 2018 with the same fund at about NIS 6.7 million for three to five years, and did not record the donation in the Municipality's books as required by the Donation Procedure⁶. It was also found that **Kaukab Abu al-Hija** did not establish a committee to examine the receipt of donations and, hence, did not have an opinion as to whether it is possible and appropriate to receive a donation from the association at NIS 1.05 million in 2019 and 2020 – to increase transparency and prevent concern of conflict of interest.

6 In the accounting ledgers or the Authority's asset book.



Moreover, it did not sign a detailed written agreement with the association defining the nature of the donation, its purpose, and conditions, and the donation was not recorded in the Council's books.



Work plans – the education departments and education divisions in **Ofakim, Ramat Gan, Kaukab Abu al-Hija, and Gan Rave** have a vision regarding the education system. The work plans on education in **Ofakim** and **Ramat Gan** included divisional objectives detailing multi-year tasks and detailed indicators; **Ofakim** and **Ramat Gan** monitored the execution of the tasks set in the work plan.

Evaluation of Plans by Local Authorities – the Education Division's Planning Department at **Ramat Gan** evaluated plans and addressed various target audiences; Used multiple tools to collect information and receive feedback; And established quantitative and measurable success indicators.

Key Recommendations

 **Ofakim, Ramat Gan, and Kaukab Abu al-Hija** should ensure discussions are held in the accompanying committees of the self-administered schools once a year; And discuss the issues outlined in the Ministry of Education's Director General's circular, according to its guidelines, and document the discussions. It is recommended that the Ministry of Education ensure that the accompanying committees of the self-administered schools hold discussions according to the Ministry of Education's Director General's circular guidelines and the topics outlined in them. This is to ensure monitoring and control of the self-administered school activities, the striving to achieve their goals and allocating resources according to the school priorities and goals, among others, in academic achievements.

 It is recommended that **Gan Rave** gather data regarding all its students' achievements, including those who study in institutions outside of its jurisdiction. This data is necessary for the decision-making process in education and for setting measures and tasks for the Education Department. It is recommended that **Ofakim, Ramat Gan, Kaukab Abu al-Hija, and Gan Rave** include in their work plans an assessment of their education department, including the handling of public inquiries about education, to generate cross-sectional information. It is recommended that the education departments at **Kaukab Abu al-Hija** and **Gan Rave** formulate annual work plans yearly, including the education department's goals, task schedules, costs, and budget items.

 It is recommended that **Ramat Gan** ensure that its education department monitors the execution of the tasks set in its work plans. It is recommended that the education departments in **Kaukab Abu al-Hija** and **Gan Rave** formulate annual work plans and

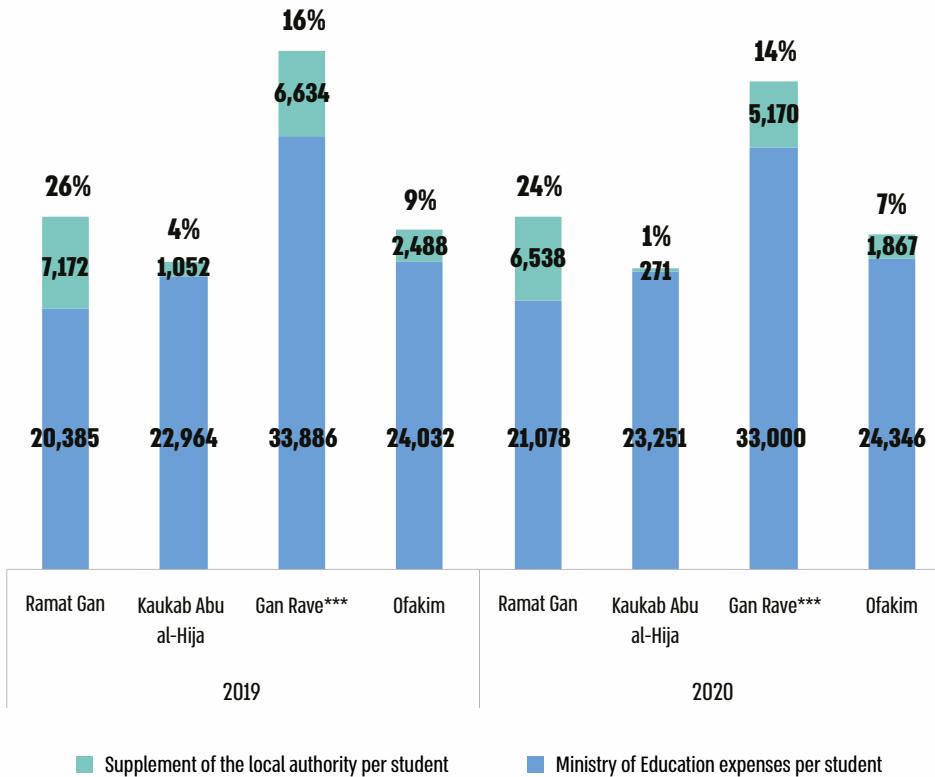


measure and control the work plans they will prepare for the education departments to ensure the efficiency of the work of the education departments and the achievement of their goals.

-  The local authorities, including **Ofakim**, **Ramat Gan**, and **Gan Rave**, should comply with the instructions of the Ministry of Education's Director General's circular and ensure the operation of their schools' external programs are included in the Ministry of Education's Database.
-  The Ministry of Education should evaluate the quality of external programs. It is also recommended that the Ministry of Education receive structured feedback from all the educational institutions where the external programs were implemented. It should also consider detailing the institutions that gave the feedback. This is for more extensive use of high-quality external programs with high satisfaction levels and to make it easier for educational institutions to receive first-hand information from those who have operated the external program within their jurisdiction.
-  It is recommended that **Ofakim** establish a work plan for evaluating all its diverse operated programs to verify their effectiveness and whether their goals are achieved and lead to improved academic achievements. Hence, the decisions to continue or discontinue the operation and expand the programs are intelligently made. It is recommended that **Ramat Gan** control the educational programs according to a systematic work plan that expresses the priorities of its education system. It is recommended that **Kaukab Abu al-Hija** carry out a documented measurement of the external programs' effectiveness to ensure quality and optimal control over the programs. **Gan Rave** should set success measures for the external programs operated in its educational institutions and evaluate the program before deciding to continue it, let alone expand it. It is also recommended that **Ofakim**, **Ramat Gan**, and **Kaukab Abu al-Hija** will pass on the program evaluation findings to the Ministry of Education for the use of other local authorities.
-  The head of the **Brenner** Regional Council should refrain from making announcements on the refusal to accept to the regional high school, within its jurisdiction, students of **Gderot** and **Gan Rave**, which are a significant part of the high school students, according to the Ministry of Education's clarifications that doing so is prohibited. It is appropriate that the heads of the **Gderot** and **Gan Rave** participate in financing the expenses of the **Brenner** Regional Council for the additional activity, benefiting the students who live in **Gan Rave** and **Gderot** as well, and at the same time work with the Ministry of Education to address the issue of management sharing that they have raised.
-  **Ofakim** and the **Kaukab Abu al-Hija** should comply with the Ministry of Interior's Donation Procedure provisions, including establishing a donation committee, examining the donation in the committee, signing a written agreement, and documenting the donation in the authority's books.



The Combined Education Budget* per Student Transferred from the Ministry of Education and the Local Authority in 2019–2020 (in NIS)**



According to the data of the Central Bureau of Statistics and the educational budget from the Ministry of Education, processed by the State Comptroller's Office.

* The rates above the columns express the self-financing rate of the local authority out of the total education budget per student in that authority.

** The data also refers to children in kindergartens.

*** The education budget of the Gan Rave Regional Council does not include direct support for activities at the regional high school.



Summary

The examined local authorities invested resources to promote education within their jurisdiction. However, deficiencies were raised in various aspects relating to their activities in this area. Realizing the goals of improving academic achievements is based on an extensive network of diverse steps and tools. To achieve the above improvement, the local authorities should implement all the measures ensuring the exhaustion of the benefits for their students, evaluate and measure all their educational activities, and comprehensively examine the educational needs in their jurisdiction, including the need to promote diverse programs in the future.

In recent years, the Ministry of Education has regulated the purchase and operation of external programs through a dedicated budget and reporting in a computerized system. The Ministry of Education should follow up on the integration of the new format regarding the implementation of administrative and budgetary flexibility in schools and local authorities in operating external programs and regularly supervise and control, among other things, in cooperation with the local authorities, to ensure the authorities actions to improve educational achievements do achieve their goals.



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Social Audit

**The Veterinary
Service in the Local
Authorities –
Supervision of Meat
and its Products**



The Veterinary Service in the Local Authorities – Supervision of Meat and its Products

Background

Food and nutrition directly impact public health, morbidity, and mortality. Food supervision ensures that the food consumed by the public is safe from microbiological and chemical risk factors. Food of animal origin is one of the most sensitive foods regarding the possible danger inherent to public health. It, therefore, requires supervision at a higher level than that required for other food products. Consuming food not suitable for human consumption can cause serious illness and even death. In recent years, several severe food poisoning cases have made headlines in Israel.

Supervision and control of meat and its products contribute to minimizing the chances of poisoning or illness caused by or transmitted through food. In March 2020, a reform in the supervision of food of animal origin entered into force (the Supervision of Food of Animal Origin Reform or the Reform). The Protection of Public Health (Food) Law, 2015 (the Public Health Law or the Law), enacted in 2015, replaced the Public Health (Food) Ordinance [New Version], 1983. The law regulates the food sector from the production stage through the import and up to the export and marketing stages to ensure the safety and quality of the food and protect public health. The supervision of sites selling meat to the public (butcher shops, marketing chains, neighborhood supermarkets, restaurants, hotels, event halls, institutions, etc.) is performed by the local authorities' veterinarians (the Authority Veterinarians) according to certification from the Director of the Veterinary Unit at the Ministry of Health. An Authority Veterinarian is a veterinarian employed by a local authority or by collaborations between local authorities (such as associations of cities and regional clusters), under the professional guidelines issued by the Director of the Veterinary Unit at the Ministry of Health.



Key Figures

3

residents in a Ministry of Welfare and Social Affairs shelter that died in May 2022. According to the findings of a Ministry of Health sanitary check, abnormal level of bacteria was found in the meat served to the residents¹

1st place

in 2021, Israel led in average chicken consumption per capita – 4-fold the world average (about 65 kg, compared to about 15 kg); Average beef consumption per capita in Israel, about 23 kg, was one of the highest in the world – 1.5-fold the OECD average and 3.5-fold the world average

85,505 kg

meat and its products unfit for human consumption were destroyed by Authority Veterinarians in 2021

less than 10%

Authority Veterinarians checks in 2021 at sale sites of meat and its products (at 5,919 out of about 70,000 sites)

131,530

sale sites of meat and its products are registered in the Ministry of Health information system as of November 2022; however, a partial refinement of the data found that about 70,000 sales sites are registered in the system

173

local authorities did not report to the Ministry of Health on the inspections in the markets in June 2022 (about 67% of the local authorities)

33%

84 of the local authorities did not employ a veterinarian to supervise sale sites of meat and its products or employed an Authority Veterinarian who was not authorized to perform such supervision as of June 2022

0

inspections were carried out by the **Taibeh** Municipality in 2020–2022 and by the **Kiryat Malachi** Municipality in 2020 and 2022 at the sale sites of meat and its products. In 2021, the **Kiryat Malachi** Municipality carried out only two inspections.

¹ In the hearing held at the Knesset's Health Committee from May 2022, medical officials from the Ministry of Health stated that it is not possible to determine unequivocally the cause of the three tenants' death.



Audit Actions

From June to November 2022, the State Comptroller's Office examined several aspects of the veterinary supervision of meat and its products in Israel; The supervision of the Authority Veterinarians in the sale sites of meat and its products; The Ministry of Health regulation of the Authority Veterinarians work; The certification of Authority Veterinarians and the staffing of veterinarian positions in the local authorities; The Ministry of Health information system established for monitoring food of animal origin; And notices to the public about the destruction of meat and its products that endanger public health. The audit was conducted at the Ministry of Health and six local authorities: the **Herzliya** Municipality, the **Taibeh** Municipality, the **Yavneh** Municipality, the **Yehud-Monosson** Municipality, the **Kiryat Malachi** Municipality and the **Zikhron Ya'akov** Local Authority, which receives veterinary services from the Samaria Cities Association Veterinary Services². Completion examinations were done at the Veterinary Supervision Corporation³. Moreover, the audit team accompanied a surprise audit conducted by a veterinarian from the Samaria Cities Association Veterinary Services at sale sites of meat and its products in the **Pardes Hanna-Karkur** Local Authority. The audit team also accompanied the inspections of the Authority Veterinarians of the **Herzliya** and **Yehud-Monosson** Municipalities.

Key Findings



- International Review – Making Information Available to the Public** – unlike New York City and Great Britain, where sanitary inspection results on food sales sites and the rating given to each site are published to the public, in Israel, no information is given to the public about the results of inspections conducted by Authority Veterinarians in the markets' and there is no rating of this type.
- Performing Veterinary Inspections at Sites Selling Meat and its Products** – the number of sales sites in the country that the Authority Veterinarians inspected in 2020–2021 and the first half of 2022 is less than one-tenth the number of sales sites

- 2 The Association was established in 1960 and provides veterinary services to 12 local authorities – Menashe, Alona, Pardes Hanna-Karkur, Jisr az-Zarqa, Binyamina-Givat Ada, Jatt, Baqa al-Gharbiyye, Fureidis, Zikhron Ya'akov, Ar'ara-'Ara, Harish and Or Akiva.
- 3 The Veterinary Supervision Corporation was established pursuant to Chapter VI of the Veterinary Surgeons Law, 1991, and began operating in March 2020. Its main purpose is to employ veterinary supervisors and supervising veterinarians for the supervision, according to the Law, of food of animal origin, as well as for additional veterinary supervision performed at the request of enterprises exporting food of animal origin.



that were included in the shortlist furnished by the Ministry of Health (for example, in 2021, 5,919 inspections were carried out at sites selling meat and its products, out of about 70,000 sites). In 2022, the **Taibeh** Municipality did not staff the position of Authority Veterinarian or perform any veterinary inspections in 2020–2022. The **Yavneh** Municipality carried out 27 inspections in 2021, even though the city had 72 selling sites of meat and its products, and did not perform inspections from June to October 2022. The **Kiryat Malachi** Municipality carried out only two inspections in 2021 and no inspections in 2020 and 2022; The Samaria Cities Association Veterinary Services, which conducts veterinary inspections in the **Zikhron Ya'akov** Local Authority area, inspected only eight butcher shops, even though there are ten more restaurants within the Council's area; The **Yehud-Monosson** Municipality carried out 26 inspections in 2021, even though there were 56 sale sites of meat and its products within its area. Hence, within the jurisdictions of the **Zikhron Ya'akov** Local Authority and the **Yavneh** and **Yehud-Monosson** Municipalities, some sites were not inspected at all in 2021.



The Supervision of Authority Veterinarians in Institutions – although the provisions of the Public Health Law state that the Authority Veterinarians must supervise sale sites of meat products in the local authorities (these sites are also referred to in the Law as "markets") and even though the Law broadly defines "sale" according to which it can be carried out in any way, for no payment or payment, including direct or indirect payment, the Ministry of Health did not distribute among the veterinarians in the local authorities instructions or procedures detailing the types of sites they must supervise, including reference to the supervision of institutions⁴. In 2020–2022, in all the examined authorities – the municipalities of Herzliya, Taibeh, **Yavneh**, **Yehud-Monosson**, and **Kiryat Malachi** and in the **Zikhron Ya'akov** Local Authority – the Authority Veterinarians did not inspect the institutions within the jurisdiction of these authorities. It was also found that the Ministry of Health did not verify whether the local authorities performed veterinary inspections in the institutions. The need to inspect the institutions is highlighted given cases of morbidity due to poor handling of food in institutions in recent years, where in one case, 33 residents fell ill, of which three died. In the discussion held by the Knesset's Health Committee, medical officials from the Ministry of Health stated that it is impossible to determine unequivocally what caused the death of the three tenants.



Veterinary Inspections on the Transport of Meat Products – only about half a percent of the meat transports in 2021 were inspected by the Authority Veterinarians (3,136 inspections were carried out in transport vehicles, although there were 612,341 transports). In the municipalities of **Taibeh**, **Yavneh**, and **Kiryat Malachi** and the **Zikhron Ya'akov** Local Authority (through the Samaria Cities Association Veterinary

⁴ Institutions that operate kitchens where meat and its products are handled and where catering services are provided, such as health institutions, welfare institutions, boarding schools and nursing homes.



Services), no inspections of transport vehicles were carried out by the Authority Veterinarians during the period above.

👎 List of Sites Subject to Supervision of the Authority Veterinarian – in the municipalities of **Taibeh**, **Kiryat Malachi**, and the **Zikhron Ya'akov** Local Authority, the Authority Veterinarians did not have an organized list or mapping of the sites they were required to inspect. Furthermore, the Authority Veterinarians are not informed about the establishment of a new business for the sale of meat and its products within the jurisdiction of their local authority, included in the Ministry of Health information system, to begin supervising it.

👎 The Employment of Veterinarians in the Local Authorities and Their Certification – the Public Health Law, require the certification of the Authority Veterinarians by the Minister of Health and by the Director of the Veterinary Unit in the Ministry of Health. As of June 2022, 39 local authorities did not employ a veterinarian (15% of the authorities), and 45 local authorities employed a veterinarian who was not authorized to supervise sale sites of meat and its products (18% of the authorities) so that in 84 local authorities (33% of the authorities) there was no supervision of sites for the sale of meat and its products as required by the Law. At the beginning of October 2022, the certification given by the Minister of Health to 60 Authority Veterinarians expired, and at the end of September 2022, the certification issued by the Director of the Veterinary Unit to some of the Authority Veterinarians expired, including the certification of the **Herzliya** Municipality Veterinarian and two of the three veterinarians employed by the Samaria Cities Association Veterinary Services. At the end of November 2022, the Director of the Veterinary Unit authorized 122 Authority Veterinarians to perform veterinary inspections in markets, about two months after the previous authorization expired, including the **Herzliya** Municipality Veterinarian and a veterinarian from the Samaria Cities Association Veterinary Services.

👎 Determining the Required Number of Veterinarians in the Local Authorities and the Frequency of Inspections in the Markets – as of the audit completion, the Ministry of Health has not set the required number of certified veterinarians in the markets in all local authorities as required by the Public Health Law. Moreover, the Ministry of Health did not set a frequency for conducting inspections at the sales sites as required by Law. The audit raised variance between the examined local authorities in the scope of employment of an Authority Veterinarian, according to the number of selling sites of meat and its products in each authority. For example, a veterinarian position in the **Herzliya** Municipality is responsible for over twice as many sites for selling meat and its products as a veterinarian in **Yavneh** and **Kiryat Malachi**. The **Taibeh** and **Kiryat Malachi** Municipalities and the **Zikhron Ya'akov** Local Authority did not set a frequency for veterinary inspections at selling sites of meat and its products.

👎 Budget Allocation to the Local Authorities – the Veterinary Supervision Corporation allocates budget to the local authorities for veterinary inspection in the markets, according to the Ministry of Health reports it receives about the employment of



veterinarians certified for market inspection in the local authorities, and the ratio between the authority's population and the population of all authorities that employ a veterinarian certified by the Ministry of Health for market inspection ("Per Capita")⁵, even though the Public Health Law stipulates the payment according to the scope of position set for the local authority ("Per Job"). The Law states that the right to an allocation out of the inspection fees funds is granted if the local authority certifies a veterinarian for veterinary inspections in the markets. Nevertheless, the Veterinary Supervision Corporation allocates budgets to the municipalities of **Taibeh** (about NIS 165,000), **Yavneh** (about NIS 100,000), and **Yehud-Monosson** (about NIS 93,000) even when they did not have a certified veterinarian.



The Reports of the Authority Veterinarians on the Inspections Results – in June 2022, 173 of the local authorities (about 67% of the 257 authorities in the country at that time) did not report to the Ministry of Health on the execution of even one inspection, hence it is unclear whether the inspections were indeed carried out. The Authority Veterinarians of the **Herzliya**, **Yavneh**, and **Yehud-Monosson** Municipalities and the Samaria Cities Association Veterinary Services (which provides veterinary services to the **Zikhron Ya'akov** Local Authority) reported in the Ministry of Health's information system the results of the inspections they conducted at the sale sites of meat products. The **Kiryat Malachi** Municipality did not report the results of the two inspections carried out by the Authority Veterinarian in 2021 in the Ministry of Health's information system.



The Personal Safety of the Authority Veterinarians – Authority Veterinarians are exposed in the course of their work, on a daily level, to threats and physical and verbal abuse. For example, in August 2022, the Authority Veterinarian of the **Yehud-Monosson** Municipality was verbally attacked during an inspection she conducted at a restaurant in the city. In October 2021, during an inspection conducted by the Tel Aviv District Health Bureau of the Ministry of Health at a restaurant in **Herzliya**, the District Veterinarian was attacked. In December 2021, the veterinary department building in the **Beit Shemesh** Municipality was set on fire; And in January 2019, the Authority Veterinarian of the **Tamra** Municipality was shot in the leg. The Ministry of Health did not issue instructions to the local authorities and the Authority Veterinarians about the protection and personal safety of the Authority Veterinarians.



The Ministry of Health's Professional Guidelines and Control over the Authority Veterinarians Work – other than the instructions about publishing the destruction of meat and its products, the Veterinary Unit at the Ministry of Health did not publish professional guidelines for the activities of the Authority Veterinarians as required by Law. The Veterinary Unit does not supervise the reports submitted by the Authority Veterinarians to the Ministry of Health, does not manage and integrate findings arising from the market inspection reports submitted to it by the Authority Veterinarians for

⁵ A Latin term meaning: per person, per head. In this context: per resident.



analyzing their transverse and overall meaning, and does not check the nature of the Authority Veterinarians supervision on sale sites of meat and its products.



Administrative Enforcement Actions – the Public Health Law regulates administrative enforcement (financial sanction) on selling sites of meat and its products, violating its provisions. The financial sanction stipulated in the Public Health Law ranges from NIS 8,000 for an individual to NIS 40,000 for a corporation⁶. The Ministry of Health did not establish regulations for the initiation of administrative enforcement, did not form an enforcement policy procedure for violations of the provisions of the Law, and did not staff four positions assigned to its legal bureau for establishing an administrative enforcement and financial sanctions system. In practice, the Ministry of Health only imposes administrative fines⁷ on sites selling meat and its products of NIS 1,000 per violation.



Publishing the Destruction of Meat and its Products by the Ministry of Health – the Ministry of Health issued a directive according to which the public will be informed about the destruction of 50–100 kg of meat (unless the veterinarian requests that the matter is not published) and about the destruction of 100 kg or more, in any case. The Ministry of Health published on its website 21% of the instances of destruction of 50 kg or more of meat and its products between January and September 2022 (24 destructions out of 113 reported in the Ministry of Health information system). It was also found that the Ministry of Health did not publish the cases of destruction reported to it by the Authority Veterinarians in the examined authorities from January 2021 to September 2022: The Authority Veterinarians in the **Herzliya** Municipality said that they destroyed over 100 kg of meat and its products in three cases, in the **Yehud-Monosson** Municipality one report was made. In the **Zikhron Ya'akov** Local Authority, there was one report of the destruction of 65 kg. The municipalities of **Herzliya, Yehud-Monosson**, and the **Zikhron Ya'akov** Local Authority (in cooperation with the Samaria Cities Association Veterinary Services), where meat and its products were destroyed, did not inform their residents about the destruction and the sites where food of animal origin, unfit for human consumption, was found.



Procedure and Work Plan – the **Herzliya** Municipality formed a work procedure on "Supervision of food of animal origin," a work plan for inspecting sites selling meat and its products, and managed the execution of the inspections through an internal information system.

6 Section 260 of the Public Health Law. The amount of the sanction that can be imposed on a corporation depends on its annual sales turnover in the year preceding the fiscal year in which the violation was committed. If the turnover of a corporation is up to NIS 100 million, the basic amount is NIS 20,000. If the corporation's sales turnover is in excess of NIS 100 million, the basic amount is NIS 40,000.

7 According to the Administrative Offenses Regulations, Administrative Fine – Food Quality 1988.



Frequency of Inspections – the municipalities of **Herzliya, Yavneh, and Yehud-Monosson** have set a frequency for conducting inspections in the markets.

Key Recommendations

- 💡 The municipalities of **Taibeh, Yavneh, Yehud-Monosson, and Kiryat Malachi** and the Samaria Cities Association Veterinary Services (in cooperation with the **Zikhron Ya'akov** Local Authority) must carry out, through an Authority Veterinarian certified for market supervision, inspections of all types of sale sites of meat and its products whose inspection is required by law, including institutions where meat and its products are handled. The Ministry of Health should guide the local authorities and Authority Veterinarians about the need and importance of conducting veterinary inspections in institutions (such as health institutions, welfare institutions, boarding schools, and nursing homes) that operate kitchens where meat and its products are handled.
- 💡 The municipalities of **Taibeh** and **Kiryat Malachi** and the **Zikhron Ya'akov** Local Authority should map the sites where meat and its products are processed within their jurisdiction and prepare an updated list of all the sites, serving as a basis for the supervisory work of the Authority Veterinarian and for examining the completeness of the control performance at all the sites.
- 💡 The Ministry of Health should cooperate with the local authorities where there is no veterinarian to supervise sale sites of meat and its products or where a veterinarian who is not certified to perform said supervision works; Take care of the staffing of the position of the veterinarian and his certification, and if necessary certify a veterinarian from among the Veterinary Supervision Corporation employees to supervise the local authority's markets; Furthermore, the Ministry of Health should set a standard for the number of certified veterinarians required in the local authorities and the frequency of inspections to be done at the sales sites, as required by the Law; It is recommended that the Ministry of Health set the frequency of inspection needed for transport vehicles based on risk analysis and accordingly guide the local authorities.
- 💡 It is recommended that the municipalities of **Taibeh, Yavneh, Yehud-Monosson, and Kiryat Malachi** and the Samaria Cities Association Veterinary Services (in cooperation with the **Zikhron Ya'akov** Local Authority) prepare a work plan including the list of sites that sell meat and its products, the dates of the expected inspections throughout the year and the manpower and inputs required.
- 💡 The Ministry of Health should outline the transition from a "per capita" payment to financing the employment of the Authority Veterinarians certified to carry out veterinary supervision in the markets to a "per job" payment as required by the Law. It is recommended that the Ministry of Health and the Veterinary Supervision Corporation consider stipulating

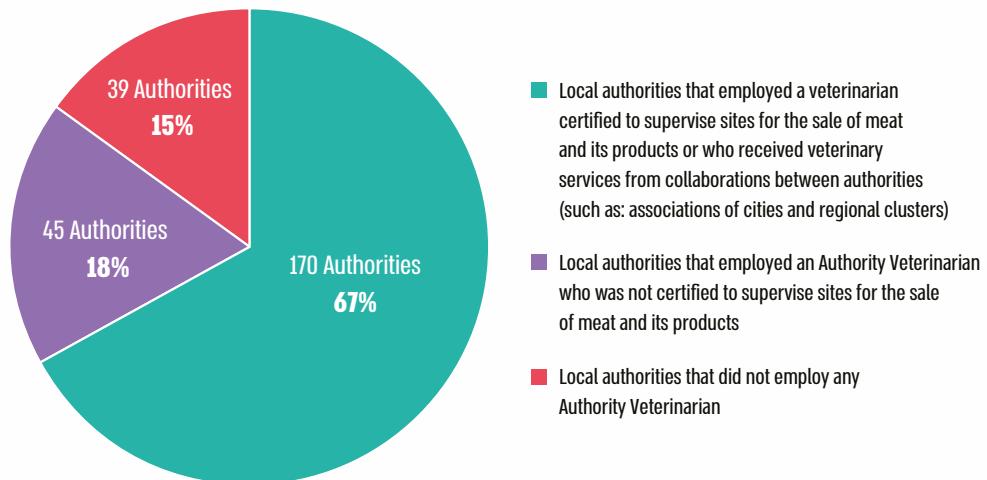


payments to authorities in which a certified veterinarian serves on the inspection operations at sites to sell meat and its products, but such inspections are not performed. It is also recommended that the Ministry of Health and the Veterinary Supervision Corporation consider demanding the return of funds transferred to local authorities for periods when no certified veterinarian was serving.

- 💡 The Ministry of Health is recommended to regulate the management and supervision procedures of the veterinary supervision system in the local authorities. It is also recommended that the information, findings, and deficiencies brought up by the Authority Veterinarians be managed and integrated so an orderly procedure for identifying transverse deficiencies can be carried out and lessons can be drawn. It is also recommended that the **Zikhron Ya'akov** Local Authority examine the overall veterinary inspection activities of the Samaria Cities Association Veterinary Services within its jurisdiction, verify their suitability for its needs, and ensure that it conducts inspections at all sale sites of meat and its products within its jurisdiction.
- 💡 It is recommended that the Ministry of Health set regulations to impose financial sanctions as stipulated in the Law and establish an administrative enforcement system and financial sanctions against entities that violate the provisions of the Law.
- 💡 The Ministry of Health, the Ministry of Interior, the Ministry of National Security, and the local authorities should jointly mitigate the dangers the Authority Veterinarians who perform inspections at sale sites of meat and its products are exposed to and to secure Authority Veterinarians who are threatened during the performance of their duties.
- 💡 In cooperation with the local authorities, it is recommended that the Ministry of Health inspect all the sale sites of meat products registered in the information system and improve the data registered for a complete and reliable list.
- 💡 The Ministry of Health should inform the public about all meat destruction over 100 kg and meat destruction between 50 kg and 100 kg where there was no request from the Authority Veterinarian not to inform, according to the Ministry's procedure.
- 💡 It is recommended that the local authorities consider informing the public within their jurisdiction the detection of meat and its products that are unfit for human consumption.



Employment of Veterinarians in Local Authorities, June 2022



According to the data of the Veterinary Unit at the Ministry of Health, processed by the State Comptroller's Office. The data concerns 254 local authorities out of the 258 in Israel. It should be noted that the 258th local authority was established in June 2022.



Summary

Food and nutrition have a direct impact on public health. Food supervision ensures that the food consumed by the public is safe from microbiological and chemical risk factors. Meat and its products are the most sensitive types of food in the danger they may pose to public health. Poisoning as a result of poor handling of meat and its products can cause severe illness and even death.

The findings of the audit report raise significant deficiencies that may endanger public health or lead to serious harm to it: the Supervision of Food of Animal Origin Reform was only partially implemented, more than two years after the Reform fully entered into force; Deficiencies have arisen in the activities of the Ministry of Health, which is responsible for the supervision of meat and its products and is responsible for ensuring the health of the country's residents, and deficiencies have also arisen in the activities of the local authorities in carrying out veterinary supervision at sites for the sale of meat and its products within their jurisdictions.

Given the deficiencies in the veterinary supervision of meat and its products that endanger public health and the failure to fully comply with the provisions of the Law, the Ministry of Health and the local authorities should rectify the deficiencies raised in the report and ensure that the veterinary supervision by the local authorities will be carried out at all sites for the sale of meat and its products and in the scope to be set, including in institutions, some of which house the helpless. This is according to a risk assessment for the various types of sites and according to the Ministry of Health professional guidelines.



State Comptroller of Israel | Local Government
Audit Report | 2023

Social Audit

Recreational Sports in Local Authorities – Planning and Investment



Recreational sports in Local Authorities – Planning and Investment

Background

Physical activity has a significant positive impact on people, makes people feel good, contributes to the prevention of obesity and various chronic diseases, and improves the physical and mental state of healthy people and those suffering from health problems at any age. Besides its obvious health benefits, physical activity enhances social cohesion, advance education and culture, bridge between populations and between different ethnic groups, and reduces social gaps.

Recreational sports are defined as residents' physical activity in their spare time, not in an organized framework as defined by law. These include independent sports activities, guided sports activities in classes or groups, and various events, such as marches, races, swimming, various competitions, festivals, navigations, and bicycle trips. Recreational Sports is the largest sports branch in Israel and worldwide – both in the number of people engaging in it and the variety of sports included therein.



Key Figures

**USD 27
billion**

the annual global economic cost estimate of medical care for people due to lack of sufficient physical activity, according to the World Health Organization

**150–300
minutes**

the recommended weekly duration of moderate-intensity aerobic activity for adults, according to the World Health Organization

about 50%

of Israeli adults engaged in regular physical activity (at least twice a week, regularly, and no less than 30 minutes continuously) in 2021, according to the Israel Recreational Sports Association survey

66%

the average rate of the examined local authorities' residents who claimed to be engaged in sports at least once a week

**only
22%**

the examined authorities' residents rate who believed that their local authority encourages them to engage in physical activity to a large extent

**only NIS
1.2–9.7**

the average annual support per resident for recreational sport activities within the support for the examined local authorities in 2018–2021

**only
7%–30%**

the rate of base support for the local authorities' recreational sports and the initiatives within it out of the recreational sports expenditures in 2021

0.07

the average number of sports halls per 1,000 people in non-Jewish local authorities (noted in the Authorities' Questionnaire), compared to 0.21 in Jewish local authorities



Audit Actions

 From May to November 2022, the State Comptroller's Office examined various aspects of the local authorities promoting recreational sports within their jurisdiction in 2018 – 2022. Among other things, the audit examined the bodies involved in the promotion of recreational sports in Israel; Master and strategic planning for the promotion of recreational sports; The local authorities' investments in recreational sports; Use of the sports infrastructures in the local authorities and the adaption of these infrastructures to the needs of the residents. The examination was carried out in seven local authorities: the **Beit Shemesh, Hadera, Tirat Carmel, and Kiryat Yam** Municipalities, the **Kafr Qara** and **Pardes Hanna-Karkur** Local Authorities and the **Lower Galilee** Regional Council (the authorities examined). Since many recreational sports activities in the examined authorities are carried out through community centers or municipal associations, they were audited for this report.

The audit included a State Comptroller's Office questionnaire sent to 50 additional local authorities (the Authorities' Questionnaire) to analyze the organizational structure of their sports departments, the patterns of recreational sports activities, and how the local authority keeps in contact with the public. Completion examinations were conducted at the Ministry of Culture and Sports, Ministry of Health, Ministry of Education, and Planning Administration at the Ministry of Interior and the Center for Local Government. Furthermore, a public participation process was carried out among a sample of the residents of the examined local authorities to map their attitudes and their degree of satisfaction with recreational sports in the local authorities (the Residents' Attitudes Survey).

Key Findings



 **Promoting Recreational Sports by the Sports Administration at the Ministry of Culture and Sports** – in the strategic plan for sports prepared by the Sports Administration in April 2021, no responsible party was determined to develop and promote recreational sports in Israel. It was further found that the only area (out of four main areas of concern) with a direct impact on recreational sports was sport facilities, including a goal of providing an adapted response in recreational sports facilities for all populations as well as success metrics on the degree of dispersion of the sport facilities in the country. The strategic plan contained no action plans, goals, or success metrics for promoting recreational sports.



 **The Support to the Local Authorities' Recreational Sports out of the Total Supports of the Sports Administration** –

it was found that the total support budget allocated by the Sports Administration in 2019–2021 increased by about 29% (from about NIS 389.5 million to about NIS 504 million), while the budget for the Local Authorities' Recreational Sports, which is the Sports Administration's main budgetary support for recreational sports activities in the local authorities, increased in those years at only about 9.5% (from about NIS 52.8 million to about NIS 57.8 million). It was also found that the Local Authorities' Recreational Sports share of the Sports Administration's total support decreased from 13.6% in 2019 to 11.5% in 2021.

 **The "Efshari Bari" (Healthy Possible) Program** – as part of the national program

for promoting an active and healthy lifestyle approved by the government in November 2011 (under the brand name "Efshari Bari"), the Ministry of Health issued a call to local authorities to join the program and receive support for carrying out plans and activities for the promotion of health within the program. It was found that among the examined authorities, the **Hadera** and **Kiryat Yam** Municipalities, the **Pardes Hanna-Karkur** Local Authority, and the **Lower Galilee** Regional Council are not program members. It was also found that about 70% of the local authorities had not joined the program by the audit completion.

 **"Healthy Cities" Network at the Center for Local Government** – it was raised that

47% of the local authorities that responded to the Authorities' Questionnaire (23 out of 49) are not members of the "Healthy Cities" network and that 23% of them (11 local authorities) are not aware of the network's activities. Among the examined authorities, the **Hadera** and **Kiryat Yam** Municipalities, the **Kafr Qara** and **Pardes Hanna-Karkur** Local Authorities, and the **Lower Galilee** Regional Council are not members of the "Healthy Cities" network.

 **The Frequency of Engaging in Sports Activities in the Examined Local Authorities** – the analysis of the Residents' Attitudes Survey raised that 66% of all

respondents in the examined local authorities attested that they engage in sports activities at least once a week and that the most common sports activity was walking; 21% answered that they engage in sports less frequently; And 12% responded that they do not engage in sports activities at all. Differences were found in the frequency of engaging in sports activities between the authorities: while in **Pardes Hanna-Karkur**, 76% of the respondents stated that they engage in sports activities at least once a week, and only 7% answered that they do not engage in sports activities at all, in **Kafr Qara** only 45% of the respondents stated that they engage in sports at least once a week, and 30% of them do not engage in sports activities at all.

 **The Local Authorities as an Encouraging Factor for Engaging in Recreational Sports** – a considerable gap was found between the local authorities' perception of

themselves as promoting the practice of recreational sports (meaning that the authorities



rated themselves in the Authorities' Questionnaire with a score of 4 or higher out of 5, in response to a question about their viewpoint of these issues), and the perspective of the residents in the examined local authorities who believed that the authorities do not encourage and organize recreational sports activities: 78% of the respondents estimated that their local authority's efforts to encourage the residents to engage in physical activity as moderate (39%) and minor (39%), and 22% of the respondents estimated that their local authority encourages its residents to engage in physical activity to a great extent. It was found that 41% were not very satisfied with the range of sports activities organized by the local authority, 27% were moderately satisfied, and only 12% were greatly satisfied with the range of sports activities organized by their local authorities. The residents' satisfaction with the range of organized activities offered was meager, especially in the **Beit Shemesh** and **Tirat Carmel** Municipalities and the **Pardes Hanna-Karkur** Local Authority.

👎 Master Plans for Sports in the Examined Local Authorities – it was raised that the **Kiryat Yam** Municipality prepared a draft master plan for sports but did not complete it and that the **Kafr Qara** Local Authority did not have a master plan for sports. In the master plans for sports of the examined authorities – **Beit Shemesh, Lower Galilee, Hadera, Tirat Carmel, Pardes Hanna-Karkur, and Kiryat Yam** – goals were set for the promotion of recreational sports and the development of sports facilities. However, objectives derived from goals for promoting recreational sports were only partially described in the master plans for sports of the **Hadera** Municipality, the **Pardes Hanna-Karkur** Local Authority, and the **Lower Galilee** Regional Council. In addition, the **Tirat Carmel** and **Kiryat Yam** Municipalities did not define in their master plans objectives derived from goals for developing sports facilities.

👎 The Outline Plans of the Examined Authorities – it was raised that the guidelines of the Planning Administration for public space design do not include clear instructions on recreational sports and maintaining a healthy lifestyle. Moreover, the **Kafr Qara** and **Pardes Hanna-Karkur** Local Authorities and the **Lower Galilee** Regional Council have no detailed planning guidelines for creating a space to engage in recreational sports and maintain a healthy lifestyle.

👎 The Support for the Recreational Sports in the Examined Local Authorities – it was raised that the Sports Administration's average annual support per resident through the components of the local authorities' recreational sports in 2018 – 2021 in the examined authorities ranges from NIS 1.2 to NIS 9.7 per resident. The support per resident in the **Beit Shemesh** Municipality (whose socio-economic cluster is 2) was NIS 1.2; In the **Pardes Hanna-Karkur** Local Authority (whose socio-economic cluster is 7) – NIS 1.7; And in the **Lower Galilee** Regional Council (whose socio-economic cluster is 7) the support per resident was NIS 9.7. Hence, there is no correlation between the budget per resident in a local authority and the authority's socio-economic index, and the criteria for distributing support funds within the local authorities' recreational sports do not reduce the gaps between the local authorities. Moreover, the rate of support



provided via the base support or the local authorities recreational sport and the initiatives within it is low. It ranges from 7% in the **Hadera, Lower Galilee, and Pardes Hanna-Karkur** Local Authorities to 30% in **Beit Shemesh**. In practice, the main budgetary source for financing recreational sports activities and initiatives in it is the local authority and the other bodies operating within its jurisdiction. Given the above, there is concern that a local authority whose budget does not allow budgeting for non-obligated areas determined by law will be unable to provide its residents with recreational sports activities and events.



Distribution of Recreational Sports Infrastructure in the Local Authorities – the mapping conducted in the local authorities of **Beit Shemesh, Hadera, Kafr Qara, and Kiryat Yam** as part of the audit indicates the difference in the number, variety, and layout of the sports facilities in the local authorities and the lack of facilities in some of them. In **Beit Shemesh**, considerable gaps were found between the old neighborhoods in the north of the city and the new neighborhoods in the south of the city, where three basketball courts were located for about 67,000 people. The examination also raised that the number of sports halls in the city is a third of the number recommended in the Guide for Allocating Areas for Public Purposes (0.06 halls on average per 1,000 people compared to 0.18) and that the number of sports fields is about half the number recommended (0.16 sports fields on average per 1,000 people compared to 0.32). The number of swimming pools in the city is a quarter of the number recommended (0.01 pools on average per 1,000 people compared to 0.04); A lack of sports halls was found in **Hadera**, where currently the average number of sports halls in the city is about half the number recommended in the guide (0.13 halls on average per 1,000 people compared to 0.22). There is also a lack of swimming pools in the city; In **Kafr Qara**, there is a general lack of sports halls and sports fields. The number of sports fields in **Kafr Qara** is 0.30 per 1,000 people – about 55% of their recommended number (0.55 fields per 1,000 people).



Establishment of Sports Facilities and Use Thereof – it was raised that there are barriers to the realization of support received by local authorities for establishing sports facilities. For example, in calls for bids for the establishment of sports facilities, the support does not include development, planning, and supervision costs, nor does it include the annual maintenance cost once the facility has been established. Moreover, the **Beit Shemesh, Tirat Carmel, and Kiryat Yam** Municipalities, the **Kafr Qara** Local Authority, and the **Lower Galilee** Regional Council have not established a procedure for their residents' use of their sports halls and facilities.



Existence of Policy and Planning Documents – the State Comptroller's Office commends their policy and planning documents, such as the documents prepared by the **Tirat Carmel** and **Kiryat Yam** Municipalities, providing them with policy and



implementation tools and enabling the development of public spaces that promote and maintain a healthy lifestyle.

The Development of Sports Infrastructure in Kiryat Yam – the State Comptroller's Office commends the **Kiryat Yam** Municipality for its efforts in developing the sports infrastructure within its jurisdiction, thus encouraging its residents to engage in physical activity and maintain a healthy lifestyle.

Key Recommendations

-  It is recommended that the Ministry of Culture and Sports integrate action plans, goals, and success metrics into the strategic plan for sports, which strives to achieve the national goal of promoting a culture of recreational sports and physical activity among all residents of the country, along with the promotion of competitive sports.
-  It is recommended that the Ministry of Culture and Sports examine the budgeting of various sports to encourage the advancement of the national goals it has set for itself, including increasing the number of people engaging in recreational sports. It is also recommended that the Ministry of Culture and Sports, whose national goals include promoting a culture of physical activity as an essential component of a healthy lifestyle among the residents of Israel, examine the budgeting of the support to local authorities' recreational sports to assist local authorities requiring such help to a greater extent.
-  It is recommended that all the local authorities that do not participate in the "Efshari Bari" (Healthy Possible) program – including **Lower Galilee**, **Hadera**, **Pardes Hanna-Karkur**, and **Kiryat Yam** – meet the conditions for their participation so that they can join it. It is also recommended that the above authorities and the **Kafr Qara** Local Authority cooperate with the "Healthy Cities" network to promote a healthy lifestyle and encourage physical activity among their residents.
-  It is recommended that **Kiryat Yam** Municipality complete the draft master plan for sports and publish it and that the **Kafr Qara** Local Authority prepare and publish a master plan for sports.
-  It is recommended that the **Kafr Qara** Local Authority and the **Lower Galilee** Regional Council include in their future outline plans instructions ensuring the needs of the public in recreational sports to create public spaces that promotes the practice of recreational sports and the maintenance of a healthy lifestyle – all according to the guidelines of the Planning and Building Law.
-  It is recommended that the **Beit Shemesh** and **Hadera** Municipalities and the **Kafr Qara** Local Authority conduct a comprehensive review of the sports facilities within their jurisdiction and fulfill the needs of the existing and future population in the local authority



by including sports facilities and appropriate infrastructures in new outline plans and urban renewal plans, according to the recommendations of the Guide for Allocating Areas for Public Purposes.



It is recommended that the **Beit Shemesh**, **Tirat Carmel**, and **Kiryat Yam** Municipalities, the **Kafr Qara** Local Authority, and the **Lower Galilee** Regional Council establish a procedure for the use of sports halls or any other sports facilities that they rent out or allow free use of. It is recommended that this procedure includes equitable criteria that will define the process and the manner of use and rental of the sports facilities and that the local authorities publish the procedure to their residents.

The Residents' Perceiving of the Local Authority as Encouraging and Organizing Sports Activities



What is the extent of satisfaction from the range of recreational sports activities organized by the local authority?

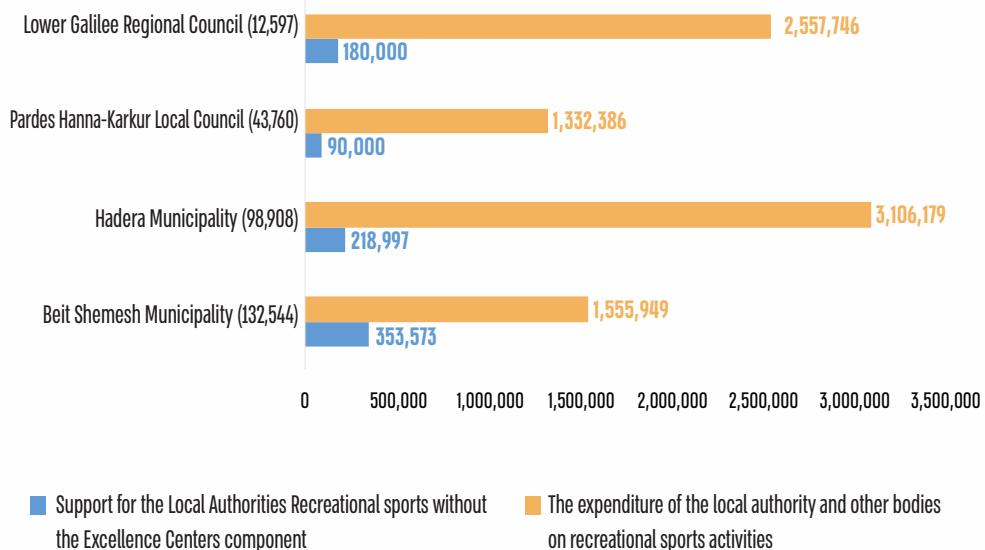
To what extent does the local authority encourage the residents to engage in physical activity?

■ Slightly ■ To a moderate extent ■ To a great extent

Source: Residents' Attitudes Survey, 2022.



The Rate of the Base Support for Local Authorities' Recreational Sport, Initiatives and Expenditures 2021 (in NIS)



According to information from the local authorities of Beit Shemesh, Lower Galilee, Hadera, and Pardes Hanna-Karkur, from the additional bodies that were examined in the said authorities and from the Ministry of Culture and Sports data, processed by the State Comptroller's Office.



Summary

The local authorities can considerably influence the health of their residents in terms of physical activity and maintaining a healthy lifestyle, both through planning the public space within their jurisdiction and through investment in and organization of recreational sports activities. The audit findings raise that although government ministries and other bodies have initiated programs and provided support for the promotion of recreational sports in the local authorities, there is no integrating body responsible for regulating it at the national level, with the power to instruct the local authorities on how they should act, according to a long-term strategic plan, with clear standards and measurable goals. As a result, the local authorities promote recreational sports according to their economic capabilities and the priorities they set for themselves, even though they consider this a matter of great importance for the benefit of the residents.

It is recommended that the relevant parties – including the Ministry of Culture and Sports, the Ministry of Health, the Ministry of Education, and representatives of the local authorities – consider establishing a coordinating or central body that will formulate a comprehensive and long-term national policy for the promotion of recreational sports among the residents of Israel, to increase the number of residents active in sports and for their health and well-being. It is further recommended that in the absence of a national policy and strategy for the promotion of recreational sports, the local authorities use their planning tools to encourage an active and healthy lifestyle among their residents, examine the needs and desires of the residents to make optimal decisions in the organization of recreational sports activities and investment in sports facilities according to orderly plans they will adopt. It is further recommended that the local authorities publish information about the sports facilities in their area to their residents and allow them to use these facilities equitably and according to precise criteria.



State Comptroller of Israel | Local Government Audit
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Chapter Three

Planning, Building, and Infrastructure



State Comptroller of Israel | Local Government
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Planning, Building, and Infrastructure

Management of Real Estate Property by Local Authorities



Management of Real Estate Property by Local Authorities

Background

The local authorities in Israel hold real estate property (property, land, or assets) to realize public goals and provide services to the public. Sometimes, they also have income-generating properties, i.e., properties that the authority rents out and receives rent for. Real estate property is among the most important and expensive of the local authorities' assets and is a limited resource that is sometimes in short supply. As public trustees, the local authorities should manage these assets carefully, according to the public's needs and principles of efficiency, savings, and good governance. Hence, it is essential to have an effective asset management mechanism ensuring the integrity of the assets and intelligent use thereof. This is all the more important given the government's estimates of the expected increase in the population and the need to provide services to more residents, increasing the number of assets to manage.



Key Figures

293 square kilometers

the cumulative local authorities' land for public and community needs. According to the government's estimates, by 2040, adding about 70 square kilometers for these needs will be necessary

**23%
(60)**

the local authorities' rate that have income-generating assets. In 2019, the rent in respect thereof was NIS 140 million, about 0.4% of the total Own Income

**88%
(579)**

of the local authorities' applications to the Minister of Interior for the approval of proprietary actions in real estate in 2018–2021 for real estate rentals and allocations

2,560

real estate property cases in the **Jerusalem** Municipality's Land Registry that do not appear in the Municipality's Registries of Rights. About 6,800 cases in the Municipal Registries are not listed in the Land Registry

7

of the examined eight municipalities did not prepare property management work plans for 2019–2020

7

of the examined eight municipalities have about 3,600 real estate properties with buildings on them (built-up properties), with no property's supervisors

**70%
(291)**

the expropriation rate procedures in **Jerusalem** that began in 2000–2021 were not completed. About a fifth of them started over 17 years ago

**25
years**

the average time between the approval date of a plan designating land for expropriation and its beginning procedures in **Be'er Ya'akov** and **Rehovot** in eight cases that began in 2019–2021



Audit Actions

 From June to December 2022, the State Comptroller's Office examined the management of real estate property in the **Be'er Ya'akov, Bat Yam, Tirat Carmel, Yavneh, Jerusalem, Kafr Qasim, Modi'in-Maccabim-Re'ut (Modi'in)** and **Rehovot** municipalities. Completion examinations were carried out at the Ministry of Interior and the Ministry of Justice.

The audit included the asset management mechanism, the management of information on the assets, their supervision and the maintaining of their integrity and safety, the integration of economic considerations in their management, the planning of public needs (preparation of programs), the monitoring of expropriation procedures and the transparency of information on the local authority's assets to the public.

Key Findings



 **Regulation of the Property Management Mechanism in the Local Authorities** – the local authorities in Israel hold real estate property of about 293 square kilometers. The Ministry of Interior did not formulate or publish a property management doctrine or guidelines and principles for the desired mode of management of the properties in the local authorities to optimize the management and did not establish guidelines for the desired management mechanisms, except for the job description of the Property Unit Manager in a local authority.

 **Appointing a Property Registrar and keeping Land Rights Registries** – the number of built-up properties in the examined eight municipalities is about 6,500. The **Bat Yam, Jerusalem, Modi'in, and Rehovot** municipalities have appointed a property registrar, and the **Be'er Ya'akov, Tirat Carmel, Yavneh, and Kafr Qasim** municipalities have not appointed a property registrar. It was also found that the **Be'er Ya'akov, Bat Yam, Yavneh, Jerusalem, Modi'in, and Rehovot** municipalities have a land rights registry, and the **Kafr Qasim** and **Tirat Carmel** municipalities do not.

 **The Information Update of in the Land Rights Registries of the Examined Municipalities** – the **Be'er Ya'akov, Modi'in, Yavne, and Rehovot** municipalities only survey the properties, and the **Jerusalem** Municipality only survey the built-up properties. However, the **Modi'in** Municipality conducted a survey about nine years ago, the **Yavne** Municipality about 13 years ago, and the **Rehovot** Municipality about 14 years ago; The **Be'er Ya'akov** and **Jerusalem** municipalities surveyed in the past five



years. The **Bat Yam**, **Tirat Carmel**, and **Kafr Qasim** municipalities are preparing a property survey in various stages. Moreover, in the **Bat Yam**, **Jerusalem**, **Modi'in**, and **Rehovot** municipalities that were examined in this regard, discrepancies were found between the registration of the properties in the Land Registry and between the entries in the Land Rights Registry; In the **Jerusalem** Municipality, out of 9,654 plots registered in the Land Registry under the municipality's name, 2,560 plots were found that are not registered in the Municipality's Land Rights Registry. In the **Modi'in** Municipality, out of 1,679 plots registered in the Land Registry under the municipality's name, 1,409 plots not registered in the Municipality's Land Rights Registry were found. Discrepancies may result in legal difficulties in protecting the municipality's rights in its assets and challenges in managing the assets and monitoring them.

 **Supervision of the Assets Condition and Their Integrity** – initiated inspection visits ensure the appropriate use of the assets and assist in the supervision of the fulfillment of the obligations towards the local authority stipulated in the contracts entered into by the authority for the transfer of rights in the assets to parties outside the local authority. The visits enable the collection of basic and updated information on the property's condition. It was raised that in the **Jerusalem** Municipality, one manager and three dedicated inspectors work in the Property Supervision Department. At the same time, there are no inspectors in the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Kafr Qasim**, **Modi'in**, and **Rehovot** municipalities. It was also found that the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Kafr Qasim**, and **Modi'in** municipalities did not conduct inspection visits of the properties' condition. The **Rehovot** Municipality did not conduct visits consistently: in 2019, it did not conduct visits at all; in 2020, it conducted 116 visits; and in 2021, it conducted eight visits, while it has 1,333 built-up properties. In 2019–2021, the **Jerusalem** Municipality visited 4,570 properties out of 8,724 active properties in the system – about a third of which are built-up properties, while the rest are infrastructure or open spaces.

 **Analysis of Public Needs and Formulation of a Program for Public Areas** – the Ministry of Interior has not set the frequency of updating the program and its format. It was found that the **Jerusalem**, **Kafr Qasim**, and **Modi'in** municipalities do not have city-wide programs. However, **Jerusalem** has local programs for 80 of the 88 neighborhoods and complexes it has defined, and **Modi'in** has programs prepared as part of the planning procedures for three new neighborhoods. It was found that the examined municipalities do not publish the programs for public areas on their websites.

 **Information on the Properties' Safety Condition, Their Accessibility, and Their Maintenance State** – the local authorities have no guidelines or guiding principles to monitor the safety condition of public buildings that are not educational institutions, even though they are used by a broad audience that also includes children, teenagers, and senior citizens. It was found that the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Jerusalem**, **Kafr Qasim**, and **Modi'in** municipalities did not conduct safety surveys of public buildings other than educational buildings. It should be noted that the **Modi'in**



Municipality inspected electrical safety, firefighting, and elevators, and in 2021, the **Rehovot** Municipality also began routine inspections in properties that are not public buildings. The **Be'er Ya'akov, Bat Yam, Tirat Carmel, Yavneh, Jerusalem, Kafir Qasim**, and **Modi'in** municipalities did not conduct maintenance surveys of their properties or prepare work plans for their maintenance. The **Rehovot** Municipality surveyed only the educational institutions within its jurisdiction. It was also found that the **Tirat Carmel** Municipality did not prepare a survey on the accessibility of its real estate property. Without such a survey, the authority cannot make the buildings accessible under the law. It should be noted that the **Yavneh** and **Modi'in** municipalities stated in the audit that they maintain the properties on an ongoing basis and as needed.

Condition of Selected Built-up Properties – during visits to selected properties in the **Bat Yam, Jerusalem, Modi'in**, and **Rehovot** municipalities, deficiencies were found in the accessibility of buildings, such as inaccessible areas or accessible toilets used as storage. Regarding maintenance, it was found that in **Bat Yam** and **Jerusalem**, the state of maintenance of the inspected buildings is reasonable. Buildings with different maintenance levels were found in **Rehovot** – in two, the maintenance state was moderate, and in three, reasonable; And in **Modi'in**, the maintenance state was good. Regarding safety, deficiencies were found in the four examined municipalities, such as water facilities and cabinets that are not affixed, doors without means of protection against pinching, objects stored at height, and cleaning materials accessible to all.

Economic Considerations in Asset Management – the Ministry of Interior has not set a professional guide and guidelines for integrating economic considerations in the local authorities' management of the assets and the increase of economic potential inherent therein. It was found that none of the examined municipalities – **Be'er Ya'akov, Bat Yam, Tirat Carmel, Yavneh, Jerusalem, Kafir Qasim, Modi'in**, and **Rehovot** – has a strategic plan for maximizing the economic potential of the municipalities' assets and optimizing their use. However, the **Bat Yam, Jerusalem, Kfar Qasem, Modi'in**, and **Rehovot** municipalities have taken individual actions to maximize the economic potential of the real estate property in their possession, for example – mapping their assets to increase the economic potential.

Rent Charges in the Examined Municipalities – it was raised that the rent charges in the examined municipalities with income-generating properties in 2019 ranged from about NIS 1.2 million (in **Rehovot**) to NIS 11.8 million (in **Jerusalem**) and amounted to about NIS 22 million; Its share out of the Own Income ranges from 0.17% (in **Rehovot**) to about 1.1% (in **Modi'in**). Hence, the share of income from property rental was low compared to the authorities' Own Income, and in all the examined municipalities, it reached about 1% at most.

Setting Property Insurance Sums – the **Tirat Carmel** Municipality does not have information on their buildings' area size, while the **Bat Yam, Jerusalem, Modi'in**, and **Rehovot** municipalities have partial information. The rate of records missing the figure on the building's area size in the **Bat Yam** Municipality (52%) and the **Jerusalem**



Municipality (42%) is particularly notable. Furthermore, none of the examined municipalities presented a calculation according to which the insurance sums were determined, which ranged from NIS 140 million to NIS 4.8 billion. Without a calculation, knowing if the insurance sums reflect the municipality's needs is impossible. Thus, the local authorities may be paying higher or lower insurance premiums than required.



Expropriation Procedures – it was found that none of the eight municipalities examined, except for **Rehovot**, have centralized data on the expropriation realization date – the public need for the expropriation – and no follow-up is conducted after the expropriations were completed, whether their goals were realized. Moreover, in the municipalities that had information about the expropriation procedures, 413 expropriation procedures that began in **Jerusalem**, 291 (70%) were not completed, i.e., **Jerusalem** did not register its rights in the Land Registry; Of the 601 expropriation procedures that began in **Rehovot**, 234 (38%) were not completed. It was also found that 53 out of 291 (18%) of the expropriations published in **Jerusalem** and were not completed began over 17 years ago; In the **Rehovot** Municipality, 28 out of 234 (12%) of the expropriations published over 17 years ago have not been completed. Furthermore, the rate of expropriations that began between 2000 and 2015 and were not completed was 38% (110 out of 291) in **Jerusalem** and 64% (150 out of 234) in **Rehovot**. It was also found that in **Jerusalem** and **Modi'in**, an average of over ten years passed between the approval date of the plan and the beginning of the expropriation procedures, and that in **Be'er Ya'akov** and **Rehovot**, an average of 25 years passed. These are long periods in which land was designated for expropriation, but no initial actions were taken. On the other hand, in the expropriation procedures in **Yavneh**, about three years passed on average – a short period compared to the other municipalities.



Publication of Information on Websites – the **Tirat Carmel**, **Yavneh**, and **Kafr Qasim** municipalities do not publish information about its assets on the municipal website. The **Bat Yam** Municipality publishes little information – on its website, there are only general contact details and three minutes of the Allocations Committee meetings in 2021–2022. The **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavne**, **Kafr Qasim**, **Modi'in**, and **Rehovot** municipalities do not publish their Land Rights Registries on their website.



The Information Format on the Possibility of Submitting Land Allocation Applications – it was raised that the **Be'er Ya'akov**, **Modi'in**, and **Rehovot** municipalities informed the possibility of submitting land allocation applications on the municipal website. There is no such information on the website of the **Jerusalem** Municipality at the audit time, but it was found that the municipality usually informs when it is relevant. It was also raised that the municipalities' information is not uniform; they are loaded with text, including technical details and professional terms, with which the general public is not necessarily familiar. The property's location may also be difficult to understand because there is no visual information clarifying it, such as maps or



photographs, and the **Be'er Ya'akov** and **Modi'in** municipalities information is not clear about the allocation duration. This raises doubts as to the information's effectiveness.



Work Plans – the work plans of the **Bat Yam** Municipality include a variety of domains, such as property improvement, registering properties in the Land Registry Office, the sale and renting of properties, allocations and expropriations, eviction of squatters, renewing contracts with property owners and updating the property survey. The plans included measurable goals and precise schedules, and the entities entrusted with executing the plans were also determined.

Publication of the Land Rights Registry on the Website – the **Jerusalem** Municipality publishes on its website the information on the properties from the Land Rights Registry, for example, on their use and their address, and it is possible to perform a basic search in the database according to some of the property characteristics.

Key Recommendations



The **Bat Yam**, **Jerusalem**, **Modi'in**, and **Rehovot** municipalities should verify, for example, through surveys and data cross-checking, the reliability of the registrations of the land assets in their Land Rights Registries and their completeness, against the registration in the Land Registry, and ensure that all their properties are registered in both the Land Registry and the Land Rights Registries. It is recommended that the **Bat Yam**, **Tirat Carmel**, and **Kafr Qasim** municipalities prepare and complete a property survey. It is recommended that the **Jerusalem** Municipality complete the property survey for the open spaces and infrastructures. The **Yavneh**, **Modi'in**, and **Rehovot** municipalities should update the property survey, as over five years have passed since it was prepared, to ensure that all the information in their Land Rights Registries is complete and updated.



It is recommended that the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Kafr Qasim**, **Modi'in**, and **Rehovot** municipalities appoint inspectors for the municipality's real estate property; These inspectors can also be from among the general municipal inspectors after being trained to that end and after goals have been set for them. It is also recommended that they conduct proactive and ongoing inspection visits of their properties according to the provisions of the law to detect trespassers, ensure adequate use of the properties, and collect essential information on the condition of the properties.



It is recommended that the Ministry of Interior set the desired frequency of updating the program and its format, considering the demographic changes that have occurred and those to come, the population mix, and other trends in urban development. The **Kafr Qasim** and **Modi'in** municipalities should prepare a city-wide program for public needs. It



is also recommended that the **Jerusalem** Municipality formulate a city-wide program, considering the city's size and complexity.



The **Bat Yam**, **Jerusalem**, **Modi'in**, and **Rehovot** municipalities should address the safety deficiencies. It is recommended that they prepare a plan to improve the appearance of the buildings that were found to be unkempt and their surroundings, improve their maintenance state, and make accessible the buildings that have not yet been made so. Furthermore, it is recommended that all examined municipalities examine from time to time the maintenance state of buildings and their accessibility, both in buildings under their responsibility and in buildings built by external parties or in buildings assigned to these parties and maintained by them.



It is recommended that the Ministry of Interior formulate a professional guide and guidelines for the financial management of real estate property. It is further recommended that the **Bat Yam**, **Jerusalem**, **Kafr Qasim**, **Modi'in**, and **Rehovot** municipalities continue to maximize the economic potential of their assets from an overall outlook anchored in a strategic plan for maximizing the potential of the assets in their possession. It is appropriate that the **Be'er Ya'akov**, **Tirat Carmel**, and **Yavneh** municipalities formulate such a plan.



It is recommended that the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Jerusalem**, **Kafr Qasim**, and **Modi'in** municipalities gather data and monitor the realization of the goals for which expropriations were carried out and their deadlines. It is further recommended that the **Be'er Ya'akov**, **Jerusalem**, and **Rehovot** municipalities examine all cases where there is no documentation of the completion of the expropriation procedure, clarify the circumstances under which the expropriation was not completed, and, if necessary, examine the necessity of completing the expropriation or canceling it according to the tests established in case law.



The **Bat Yam**, **Tirat Carmel**, **Yavneh**, and **Kafr Qasim** municipalities should inform the public on the municipal website about the assets and the activities carried out on the land. It is recommended that the **Be'er Ya'akov**, **Bat Yam**, **Tirat Carmel**, **Yavneh**, **Kafr Qasim**, **Modi'in**, and **Rehovot** municipalities publish their land rights registries on their websites.



Safety and Maintenance Deficiencies in Built-up Assets

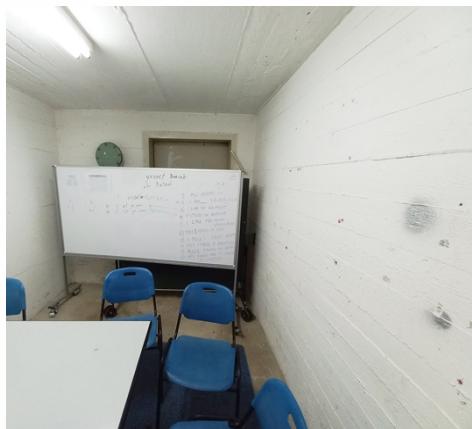
Broken building parts in a community center in **Jerusalem**



Sawn bars and the danger of falling they pose in a community center in **Bat Yam**



A protected room door blocked by objects in a youth advancement club in **Rehovot**



An improvised electrical cable for outdoor lighting at a club for the elderly in **Modi'in**



The audit team took all photographs in November 2022.



Summary

Real estate property is among the most critical and expensive local authorities' assets. Hence, it is essential to manage them according to efficiency, savings and good governance principles. Population growth is expected to expand the scope of the properties the authorities will manage, and to prepare for it, it is essential to establish an updated management concept addressing the quality of the information used for management, the required management mechanism, the integration of economic considerations in the management of the properties and the improvement of service to the public use of the properties.

Regulation is lacking, and the Ministry of Interior did not instruct the local authorities to optimally manage the properties according to desired principles while incorporating economic considerations into their management. Deficiencies were found in the examined municipalities, indicating that the management of the assets is not optimal when sometimes there is no basic infrastructure for management, such as complete and updated information and work plans, and no monitoring of the assets' state and supervision of their integrity. It was further found that asset management does not include a strategic plan for maximizing the economic potential of the local authority's assets and optimizing the use thereof.

It is recommended that the Ministry of Interior formulate a professional guide for the management of local authority's real estate properties, emphasizing the authorities that manage multiple properties or are in the process of accelerated development. It is recommended that the local authorities formulate a policy for managing the assets and include a maintenance plan and plan for maximizing the assets' economic potential. It is further recommended that the local authorities improve their information on the properties, supervise their proprietary rights, monitor their condition, and inform about the properties and their allocation on the websites.



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Planning, Building, and Infrastructure

Specific Planning in Local Authorities



Specific Planning in Local Authorities

Background

The planning logic that governs the planning system in Israel is based on the assumption that planning should be carried out with a broad view of all needs and interests and according to consistent and transparent principles. Planning with an overall perspective, from the general to the specific, should consider all the existing interests and examine all their effects, not only at the level of a single lot but also at a broad planning complex. Thus, planning is led by the needs and purposes and not by a collection of specific plans. Despite the importance of planning from a broad perspective, Israeli law allows for planning "from the bottom up," that is, approving plans that apply only to a part of the planning expanse and change the comprehensive planning, as long as the relationship of subordination between the plans is maintained (specific planning and specific plans).

Despite the frequent use made in the planning-professional discourse of the term "specific plan" or "specific planning," the law does not define what a specific plan is or what specific planning is. Within the framework of the discourse above, these terms exceed the boundaries of the single lot. This report defines a specific plan as one that applies to an area that does not exceed 5,000 sqm.



Key Figures

60%
(15,075)

the rate (number) of the detailed specific plans under which a building permit can be issued by the planning institutions in Israel from 2016 (out of the total of 25,121 plans received during that period)

84%
(86,277)

the rate (number) of the additional housing units which proposed 6,442 detailed specific plans under local or district authority compared to the 103,019 units in the previous approval

82%
(12,504)

the rate (number) of the specific plans received from private entrepreneurs out of the total specific plans, compared to 43% (4,260) of other (non-specific) plans received from private entrepreneurs out of the total other plans received

49%
(7,428)

the rate (number) of the specific plans that proposed a significant change – an increase of over 20% to the number of housing units or an increase of over 50% to the scope of building rights

375 and
552

days are required on average for the planning process of specific plans under local and district authority, respectively

421 and
552

days are required on average for the planning process of specific plans that propose a significant change in local and district committees, respectively

only 42

comprehensive plans were approved in 2016–2022 for 20 municipalities (out of 79), 19 local authorities (out of 122), and three additional communities

only 11%
(15 out of
131)

the rate (number) of the local committees that, as of January 2023, were authorized as independent committees, two of them – as special independent communities



Audit Actions

 From June to November 2022, the State Comptroller's Office audited the specific planning. The audit was carried out in local planning and building committees (local committees), district planning and building committees (district committees), and the Planning Administration. Using reports and data held by the Planning Administration, some topics were examined in all 131 local committees in the country. In six local committees: **Be'er Sheva, Bat Yam, Givat Alonim** (the **Shfar'am** city planning expanse), **Hod HaSharon, Netanya**, and **Rishon LeZion** (the local planning expanses examined), an in-depth audit was carried out.

The audit incorporated a data analysis of all six district committees in the country based on data from the Planning Administration, and a completion audit was carried out in the **South, Haifa, Jerusalem, Center**, and **North** district committees. Furthermore, data was analyzed using a geographic information system (GIS) to audit the development of specific planning in the examined local planning expanses.

Key Findings



 **Specific Planning in Israel in Figures** – from 2016, 15,276 specific plans (of which 15,075 are detailed), which was high out of all plans (about 60.8%), were received by the planning institutions in Israel. Although the planning institutions are obliged to allocate resources to advance both specific and other plans, the contribution of the specific plans to the housing sector is much smaller than the contribution of the other plans (6,442 detailed specific plans proposed an addition of 86,277 housing units, while 2,828 other plans proposed an addition of 958,222 housing units). In all the local committees, the average time required for the planning process of the specific plans that propose a significant change is about 60 days longer than the average time needed for the planning process of plans that do not propose a significant change (about 421 compared to about 361 days). Although the part of detailed specific plans that are under local or district authority that proposed additional housing units is about 69.5% of all the detailed plans at both levels of authority that propose such an increase, the increase in housing units they proposed is only about 8.3% of the total increase proposed by detailed plans of this type. This may result in a considerable burden on the work of the planning institutions, thereby affecting the efficiency of the local and district committees and their ability to advance a more extensive and comprehensive planning process with an integrating outlook. The duration of the planning procedures and the workload in the



planning institutions may also expose them to pressure from various stakeholders to speed up the processes and consequently lead to irregularities.

👎 A Multiplicity of Specific Plans in the Planning Expanses Examined and the Planning Response – by July 2022, 37 specific plans with a significant change were approved in the Old City and Neighborhood C in **Be'er Sheva**, about 43% of all the specific plans proposed a considerable change and were approved for the entire city (37 out of 86 plans), thus reinforcing the need for comprehensive planning for these areas;

In December 2022, the South District Committee decided to submit a plan for the Old City, and in August of that year, the **Be'er Sheva** Local Committee approved a policy document for Neighborhood C, which is required under the comprehensive plan for **Be'er Sheva** as a condition for advancing detailed plans in the neighborhood. Until July 2022, in the **Bat Yam** planning expanse, 60 specific plans have been approved, of which 32 (about 53%) are specific plans that propose significant change when, at the same time, a comprehensive plan for the city is not advanced. By July 2022, 28 specific plans proposing significant change had been approved in the **Netanya** city center area, and about 39% of all the specific plans proposing significant change were approved in the city as a whole (28 out of 72), and despite this fact, as of February 2023, the Local Committee has not completed the policy documents for the city center, required for advancing detailed plans. In the **Rishon LeZion** city center, until July 2022, 29 specific plans with a significant change were approved, about 76% (29 out of 38) of all plans of this type approved in the Local Committee's planning expanse. However, by November 2022, the **Rishon LeZion** Local Committee approved policy documents for five aggregates covering most of the city center area and published them on the municipal website. Policy documents for two additional aggregates that include additional parts of the city center were discussed at the Local Committee in November 2021 and updated in November 2022. Still, as of the audit completion, their final version had not yet been published. In **Shfar'am**, until July 2022, 115 specific plans were approved, of which 74 (about 64%) were specific plans that proposed a significant change. However, as of the audit completion, the **Shfar'am** Municipality had not prepared detailed plans for the complexes stipulated in the city's comprehensive plan.

👎 Advancing of Specific Plans in the Local and District Planning Institutions –

despite the importance of the comprehensive plan as the most significant plan for the planning expanse, determining the scope of development, the nature of the construction, and land use in a city-wide layout and adapting them to the capacity of the planned infrastructures, roads and public areas, 16 out of 42 specific plans proposing a significant change sampled in the **Be'er Sheva**, **Givat Alonim** (in the **Shfar'am** city planning expanse), **Hod HaSharon** and **Netanya** local planning expanses were advanced by the planning institutions in deviation from comprehensive plans being prepared, from plans for which a deposit or approval decision was made or from deposited or approved comprehensive plans. This, sometimes, without the planning institutions considering the cumulative effect of the addition of housing units and building rights on the required



public areas and the impact on the traffic and the infrastructures in the area to which the specific plans apply. The State Comptroller's Office, concerning some of the specific plans, was presented with planning considerations for their advancement despite the deviation, among other things, due to the continuation of the planning procedures for the comprehensive plans. Still, these were not documented in the minutes of the discussions made available to the public. Five out of nine specific plans proposing significant change sampled in the **Bat Yam** local planning expanse were advanced by the **Bat Yam** Local Committee in the absence of comprehensive planning or in deviation from an approved planning policy.

👎 Principled Discussions in the Local and District Committees on Specific Planning – the local committees of **Be'er Sheva, Bat Yam, Hod HaSharon, Netanya, Rishon LeZion, and Givat Alonim** about **Shfar'am**, did not hold principled discussions in 2016–2022 on specific planning within their jurisdiction, such as periodic reporting and monitoring of the number of specific plans being advanced, and their status and possible impact on their environment. The examined district committees – **South, Haifa, Jerusalem, North, and Center** – did not hold principled discussions on the scope of the specific plans submitted to the district and how to provide comprehensive planning solutions. Moreover, the National Planning and Building Council did not initiate periodic discussions about all the specific plans advanced in the planning institutions.

👎 Planning Administration Data Completeness Regarding the Processing Times for the Specific Plans – in the Planning Administration's data files, there are many missing dates about the processing stages of the specific plans being advanced in the local committees – concerning the dates of some of the stages (the publication of the deposit in the newspaper, the end of the deposit and the publication of the approval in the newspapers), over 90% of the dates were missing, and in the stages "discussion for deposit" and "decision to approve" almost no dates were recorded at all.

👎 Policy Documents, Their Status and Use Thereof in Advancing Specific Plans – despite the use by the national, district, and local planning institutions of policy documents whose status and format are not regulated by law, and despite the statutory requirement for the preparation of policy documents as a condition for advancing detailed and specific plans sometimes found in comprehensive plans, the Planning Administration has not set guidelines for the preparation, advancement, approval, and publication of policy documents by the various planning institutions, including the local committees. Furthermore, the Planning Administration does not supervise the policy documents' advancement manner, approved and published by the local committees.

👎 The Activity of "Lobbyists" – the Planning Administration did not set guidelines regarding the receipt of service from the planning institutions through agents and limitations that should be applied to the employees of the planning institutions when working with agents to prevent preferences, bias, and inequality in the provision and receipt of the service, nor did it instruct the committees to set and publish guidelines on the subject. The **Be'er Sheva, Bat Yam, Netanya, and Rishon LeZion** Local



Committees and the **Shfar'am** Municipality have not set mechanisms to prevent the phenomenon of lobbyists. Only the **Hod HaSharon** Local Committee of the examined committees set an internal guideline in 2016 defining the parties that can receive information directly from the engineering departments; however, this guideline was not made public.



Publication of Planning Information on the Internet – the **Bat Yam, Givat Alonim, Hod HaSharon, Netanya, and Rishon LeZion** Local Committees, which published on the committees' websites the "Planning and Building Notices," as required by law, did not enable a search according to all the variables suggested by the Internet Guideline published by the Planning Administration. As of the examination date in November 2022, on the **Givat Alonim** Local Committee website about the planning expanse of the **Shfar'am** Municipality, no plan that was accepted in 2022 and which met the threshold conditions and was not deposited was published. One plan out of four was missing on the **Hod HaSharon** Local Committee website. On the **Bat Yam, Givat Alonim, and Rishon LeZion** Local Committees' websites, locating plans according to their deposit and approval dates is impossible. None of the websites examined enables users to locate plans according to area size.



Use of Geographic Information Systems to Make Planning Information Accessible in Local Committees – in the layers of information originating from geographic information systems (GIS) of the **Be'er Sheva, Bat Yam, Hod HaSharon, and Netanya** Local Committees, one or more of the following information details is missing: the plan name, its planning status, its approval date, its area size and a link to its documents. Moreover, the layers of the plans in the geographic information systems of all the examined local committees were given different names that were not uniform and whose meanings were unclear to the general public. None of the examined committees explained the meaning of the names of the different layers in the GIS, the type of information presented in them, and the links or differences between them. The local committees that published policy documents – **Be'er Sheva, Bat Yam, Hod HaSharon, Netanya, and Rishon LeZion** – did not present a layer of policy documents in the GIS. In the GIS systems of all the examined local committees, it is impossible to locate the plans presented in the layer originating in the Available Planning System, managed by the Planning Administration, according to the area size variable.



Work Guidelines in District Committees Regarding Specific Plans – in the examined district committees – **South, Haifa, Jerusalem, North, and Center** – there are no work guidelines for advancing specific planning within the district.



Sub-Committee for Specific Plans – the **Jerusalem, Center, and North** district committees established dedicated sub-committees to discuss between 75.2% (in the **Center**) and 98.4% (in **Jerusalem**) of specific plans received by the committees. These district committees set criteria for assigning the plans to the sub-committees, but it was found that there is no uniformity in the criteria formulation. At the plenary session of the



Tel Aviv District Committee, which did not establish such a sub-committee, about 91% of the specific plans were discussed, and the longest average time measured between the submission of specific plans for decision and their approval was in this committee (about 435 days, about 14.3 months).



Advancement of Specific Plans in the Local and District Planning Institutions – in examining the advancement procedures of 11 specific plans in **Rishon LeZion**, no deficiencies were raised.

The Multiplicity of Specific Plans in the Examined Planning Expanses and the Planning Response – the **Hod HaSharon** Local Committee found comprehensive solutions for the city and the Gil Amal neighborhood, including through the approval of policy documents, to ensure informed and orderly planning even before the advancement of the statutory solutions.

Publication of Planning Information on the Internet – on the websites of all the examined local committees, plans can be found according to the identification variables, and plans can be located according to their processing status. As of the date of the examination in November 2022, on the websites of the **Be'er Sheva**, **Bat Yam**, **Netanya**, and **Rishon LeZion** Local Committees, all the specific plans received in 2022, which met the threshold conditions and were not deposited, were published. On the home pages of the websites of the **Bat Yam**, **Givat Alonim**, **Hod HaSharon**, **Netanya**, and **Rishon LeZion** Local Committees, a dedicated section for announcements on planning and building matters, as required by law, was published.

The Time Between the Submission of the Plan for Decision and Their Approval – the average time between the submission of the specific plans for decision and their approval in all the district committees does not exceed the maximum time set by law – 18 months – about 400 days (about 13.2 months).

Key Recommendations



It is recommended that the Planning Administration, in cooperation with the district and local planning institutions, examine the scope of the specific plans received by the planning institutions, and in particular of the specific plans that propose significant change, and of their effects on the functioning of the planning institutions in the burden they impose on the committees. This examination will allow the Planning Administration to initiate processes to streamline the processing of these plans in the planning institutions and help the district and local committees to shorten the time required for the planning process of the other plans submitted to them, focus on their examination and their quality, and devote



further inputs to lead and advance plans and projects that propose extensive, strategic and significant change in various areas, both at the local and district levels.



It is recommended that the **Be'er Sheva** Local Committee advance the comprehensive plan for the Old City. It is recommended that the Planning Administration, the **Tel Aviv** District Committee, and the **Bat Yam** Local Committee advance the preparation and approval of a comprehensive plan for the city of **Bat Yam** to create a long-term statutory planning foundation with a city-wide vision. It is recommended that the **Center** District Committee and the **Netanya** Local Committee complete the preparation and approval of the comprehensive plan and the policy documents required to formulate a comprehensive planning solution for the city center area. It is recommended that the **Rishon LeZion** Local Committee complete the preparation of the policy documents for the additional parts of the city center and all the aggregates stipulated in the comprehensive plan. It is recommended that the **Shfar'am** Municipality advance detailed plans and complete the preparation of policy documents for the planning complexes established in the comprehensive plan for the city.



It is recommended that the **Givat Alonim** Local Committee and the **North** District Committee consider advancing the specific plans in **Shfar'am** and their approval concerning the approved comprehensive plan. It is recommended that the **Be'er Sheva** Local Committee promote specific plans based on a transparent and uniform planning policy and consider advancing specific plans not based on an approved comprehensive plan, considering their cumulative effect on the planning expanse and the existing public infrastructures. It is recommended that the **Hod HaSharon** Local Committee approve specific plans according to higher-level plans that have been submitted, especially a comprehensive plan for the municipality; take extra care in approving specific plans that are not according to the comprehensive plan and its provisions and ensure the detailing of the reasoning for deviations regarding the requirements of the comprehensive plan. It is recommended that the **Netanya** Local Committee make its decisions according to the decisions made by the District Committee concerning the comprehensive plan for the city and address in its decisions the effect the additions proposed in the specific plans will have on their surroundings. It is recommended that the **Bat Yam** Local Committee address in its deliberations the adaptation of the proposed plans to the current planning policy and the program and infrastructural needs required for the addition of the proposed housing units and that it examine the effects of the specific plans on the planning expanse and their adaptation to it. In the absence of a comprehensive plan and in cases of multiple planning initiatives, the **Bat Yam** Local Committee should formulate a comprehensive planning solution and provide a satisfactory response, even if temporary, to the plans submitted to it.



It is recommended that the **Be'er Sheva**, **Givat Alonim**, **Hod HaSharon**, and **Netanya** Local Committees and the **South**, **Center**, and **North** District Committees address in their decisions the deviations proposed in the specific plans concerning the determination of the comprehensive plans applicable to the planning expanse where the specific plans are



advanced and that they reason and document their decisions in the minutes of the discussion made available to the public about said deviations, to increase transparency to the public.



It is recommended that the Planning Administration set in a guideline a comprehensive and uniform framework for the preparation of policy documents and their approval, including determining the dates of their publication, the manner of their publication, the manner of receiving public comments on these documents and the timetables for their advancement. It is further recommended to consider regulating the status of policy documents by law. Moreover, it is recommended that the Planning Administration consider shortening the processing times for comprehensive plans and instruct the local and district committees to complete the policy documents required in the comprehensive plans advanced as a condition for advancing detailed plans, simultaneously with the advancement of said comprehensive plans. It is recommended that the Planning Administration consider periodic examinations of the comprehensive plans compared to the latest planning trends and implement a mechanism allowing updating the comprehensive plans according to these trends.



It is recommended that the local committees, and in particular those examined – **Be'er Sheva, Bat Yam, Hod HaSharon, Givat Alonim, Netanya** and **Rishon LeZion**, discuss from time to time the state of the specific planning in their jurisdictions, including the scope, goals and geographical distribution of the specific plans, to examine the allocation of planning resources and whether the inputs invested in the specific plans yield the best benefits for the public. It is also recommended that the planning bureaus in the **South, Haifa, Jerusalem, North, and Central** District Committees periodically report to the District Committee Plenum on their initiative on the extent of the specific plans submitted in the district. Furthermore, it is recommended that the Planning Administration instruct the district committees to discuss the specific planning and report the decisions made during these discussions. Moreover, it is recommended that the National Planning and Building Council periodically discuss the scope of specific planning and its trends for their consideration within the framework of fulfilling its duties, and mainly within the framework of providing counsel to the government and the minister in charge of implementing the law and the advancement of plans.



It is recommended that the Planning Administration, in cooperation with the local committees, set guidelines for receiving services from the planning institutions, such as guidelines for handling requests for information and guidelines for advancing various procedures through agents. It is also recommended that planning institutions be instructed to set rules for making the subject available to the public and regulate the registration of agents, if necessary, in a monitored and transparent database. It is recommended that the **Bat Yam, Netanya, and Rishon LeZion** Local Committees and the **Shfar'am** Municipality establish mechanisms to prevent the phenomenon of lobbyists.



It is recommended that the **Bat Yam, Givat Alonim, Hod HaSharon, Netanya, and Rishon LeZion** Local Committees follow the recommendation of the Planning

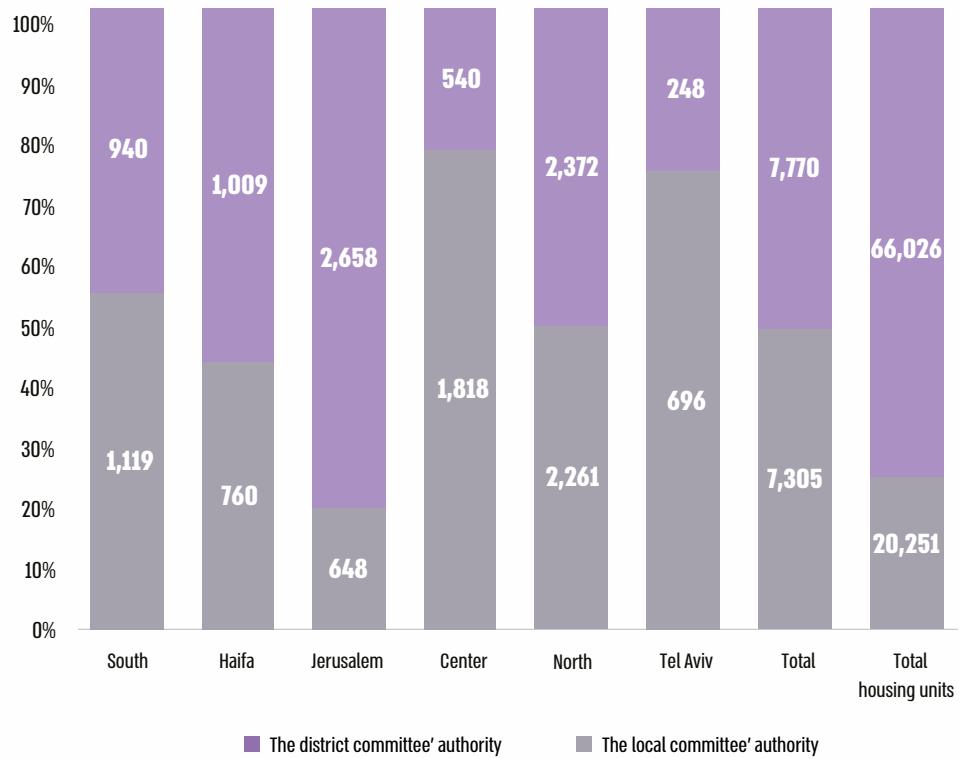


Administration's Internet Guideline to enable the search of planning and building notices according to all the variables proposed therein, thus making the information accessible to the public. It is also recommended that the **Givat Alonim** and **Hod HaSharon** Local Committees present all the plans submitted on their websites even before discussing their deposit. Furthermore, it is recommended that the examined local committees allow users of their websites to locate programs according to the area size of the complex to which they apply. It is further recommended that the **Bat Yam**, **Givat Alonim**, and **Rishon LeZion**, Local Committees allow locating plans according to the dates of their deposit and approval.

- 💡 It is recommended that the Planning Administration work in collaboration with the local committees to ensure uniformity in the structure of the GIS (geographic information system) and the names of the layers displayed and make the professional terminology accessible to the general public. It is recommended that the examined local committees provide explanations in the GIS systems for the names of the layers displayed and their content. It is also recommended that the **Be'er Sheva**, **Bat Yam**, **Hod HaSharon**, and **Netanya** Local Committees present complete information in the GIS layers originating from the committees' information systems, including, at least, the essential details for the user, such as the name of the plan, its planning status, the date of its approval, the area size to which it applies and a link to its documents. It is also recommended that the **Be'er Sheva**, **Bat Yam**, **Hod HaSharon**, **Netanya**, and **Rishon LeZion** Local Committees create a separate layer for policy documents in the GIS so that all planning information is concentrated on the geographic system.
- 💡 It is recommended that the **South**, **Haifa**, **Jerusalem**, **North**, and **Center** District Committees prepare working guidelines for advancing specific plans within their jurisdiction and make them available to the public.
- 💡 It is recommended that the Planning Administration examine the differences between the district committees in how they process specific plans and, based on its findings, consider establishing guidelines for how the district committees process specific plans and their scheduling for discussion of the deposit. It is further recommended that the Planning Administration balance the need to reduce the burden imposed on the committee's plenary or shorten the duration of the processing of the specific plans and the need to ensure that the most complex plans, which have a pervasive environmental impact, will be discussed in a forum with a maximum number of members for the presentation of positions and the contemplation of diverse considerations, as much as possible. All this while considering the unique characteristics of the planning expanse of each district. It is recommended that the **Tel Aviv** District Committee consider the establishment of a sub-committee to handle specific plans. It is further recommended that the Planning Administration examine the differences between the district committees' criteria for scheduling plans for discussion in the sub-committees for specific plans. Based on the findings of this examination, it is recommended that the Administration consider formulating a uniform overall framework to determine the criteria to serve as a basis for authorizing the committee to process these plans.



Specific Plans Received from January 2016 to July 2022, According to the Approving Body and the District



According to the Planning Administration data processed by the State Comptroller's Office.



Summary

Planning significantly impacts the standard of living and its quality on people, animals, and plants, and the design of the urban environment, even beyond the defined boundaries of the area to which the plan applies. Sometimes, specific planning is advanced due to the current planning reality and the prolongation of planning procedures, and it serves as a limited, flexible, and fast tool for statutory planning. Since the size of the area of a plan does not necessarily indicate its simplicity and the proposed changes in a specific plan for a small area can be significant and have a significant impact on the space, it is essential to ensure that when using the specific planning tool, all the resulting implications to the expanse are examined. The high rate of specific plans imposes a considerable burden on the work of the committees at both levels – the local and the district, which may harm the efficiency of the committees' functioning and their ability to provide quality service to the public and advance more extensive and inclusive planning processes, and indirectly even increase the exposure of the planning institutions to unnecessary pressures or inquiries from stakeholders, since any plan of this kind is required to go through the entire planning procedure. The processing of specific plans that propose significant change prolongs the planning procedures, especially in the local committees.

The use of specific planning tools is common in Israel and sometimes even required, given the characteristics of the planning system to ensure planning flexibility. However, it is appropriate that the tool be used sparingly, based on a broad and long-term planning vision. It is recommended that the specific planning be advanced while examining its results, the planning precedents that may be created in it, and its cumulative effects on the nature of the district and the capacity of the infrastructures, the roads, and public areas in the planning expanse. It is recommended that local and district committees make decisions about the advancement of specific plans according to the comprehensive plans approved or with advanced plans, and in cases of deviation from these plans, that they will reason and document their decisions in the minutes of the discussion published concerning these deviations, to increase transparency to the public. In the absence of such a plan, it is recommended that the decisions about specific plans be based on a broad planning vision and maintain a planning framework that was examined and approved ahead of time by the planning institutions. This also highlights the need to initiate comprehensive plans and policy documents and update them according to the updated planning reality.



State Comptroller of Israel | Local Government
Audit Report | 2023

Planning, Building, and Infrastructure

Road Maintenance by Local Authorities



Road Maintenance by Local Authorities

Background

Local authorities' laws determine their duty and powers to develop, pave, and maintain the public roads within its jurisdiction. A paved road is subjected to physical pressures from traffic loads and is affected by the weather. The method of road maintenance should be determined based on indicators that reflect the nature of the roads and the level of service required from them. These indicators reflect the scope of damages caused to the roads over the years, the type of damages, and their severity. Effective road maintenance requires ongoing routine maintenance, not just intervention when detecting a malfunction. The fundamental principle behind investing in maintenance is that financial expenditure on maintenance in the present saves more significant expenses in the future. As the condition of the property deteriorates, the cost of the work required to restore it to its original condition increases.

In recent years, local authorities in Israel have been dealing with sinkhole damage on the roads. In 2022–2023, sinkholes formed in several cities in the center of Israel: Tel Aviv, Ramat Gan, Holon, Hod HaSharon, and Ra'anana. Ongoing monitoring of municipal infrastructures in general and road segments that have undergone preventive maintenance in particular – may contribute to the early identification of areas prone to damage, to the maintenance of the infrastructures ahead of time, and to the prevention of failures and damage that lead, among other things, to urban sinkholes.



Key Figures

57%

of all public roads in Israel (11,523 km out of 20,239 km of the road network in Israel) are under the local authorities' jurisdiction and responsibility

34,180

roads condition complaints received in 2019–2021 at the call centers of **Givatayim, Holon, Zikhron Ya'akov, and Lev HaSharon** municipalities. **Kafr Bara** has no municipal call center and no documented information about complaints received

2.7% to 20.7%

of the funds transferred from development funds to invest in road maintenance projects in 2019–2021. In the **Givatayim, Holon, Zikhron Ya'akov, and Lev HaSharon** local authorities (in descending order). In **Kafr Bara** – none

89% to 100%

of the road maintenance projects were self-financed in 2019–2021. In the **Lev HaSharon, Holon, Givatayim, and Zikhron Ya'akov** local authorities (in descending order). In **Kafr Bara** – the entire project was financed by the Ministry of Interior

only about 16 out of about 695 km

of the examined authorities' roads went through scrubbing and stratification in 2019–2021. At 0%–6% (depending on the various local Authorities) compared to the rate required according to the Transportation Projects Procedure¹ – 30%.

0.04% to 0.31%

of the average total current budget allocated for road maintenance in 2019–2020. In **Kafr Bara** (0.31%; NIS 104,600), **Givatayim** (0.28%; NIS 1,207,500), **Holon** (0.12%; NIS 1,806,000), **Zikhron Ya'akov** (0.12%; NIS 207,500) and **Lev HaSharon** (0.04%; NIS 92,500)

NIS 6–540 thousand

the average total investment in maintenance and rehabilitation of urban roads in 2019–2021, per 1 km of road. In the **Givatayim, Holon, Kafr Bara, Zikhron Ya'akov, and Lev HaSharon** local authorities (in descending order)

NIS 63–520

the average total investment in maintenance and rehabilitation of urban roads in 2019–2021 per resident. In the **Givatayim, Holon, Kafr Bara, Zikhron Ya'akov, and Lev HaSharon** local authorities (in descending order)

¹ The Transportation Projects Procedure (PRAT Procedure) was published by the Ministry of Finance and the Ministry of Transport at the beginning of 1997, and its latest version was published in 2021. The procedure provides tools to check the viability of transportation projects and guidance in this regard. The procedure classifies carriageways into four groups according to the traffic load, and determines for each group the frequency required for scrubbing and stratification of the carriageway and the thickness of the stratification.



Audit Actions

 From June to December 2022, the State Comptroller's Office audited the maintenance of public roads in 2019–2021 under the jurisdiction of the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council (the authorities examined). The audit used professional consulting services to examine 14 road maintenance projects carried out by the examined local authorities. Completion examinations were conducted at the Ministry of Interior, Transport and Road Safety, and National Transportation Infrastructure Company Ltd.

Key Findings



 **The Regulation of Road Maintenance in the Local Authorities** – although urban roads are over half of the roads in Israel, no government body regulates and supervises local authorities' road maintenance. The local authorities are obligated by law to maintain the roads within their jurisdiction; however, in the absence of planning and management norms, each of the local authorities determines for itself the manner of road maintenance within its jurisdiction and the scope of maintenance without any supervision and control and without transversal standards.

 **Carrying Out a Carriageways Survey and Managing the Roads Condition Database** – the **Givatayim** and **Holon** municipalities and the **Zikhron Ya'akov** and **Kafr Bara** local authorities did not conduct a carriageways survey of all their roads in the last decade. In the **Givatayim** and **Holon** municipalities, in the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and in the **Lev HaSharon** regional council, there is no database on their road condition based on a carriageways survey; no information on the development and road maintenance works that have been carried out; and on complaints and lawsuits filed against the local authority.

 **Use of Technological Tools to Collect and Manage Information** – in the **Givatayim** and **Holon** municipalities, in the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council, there is no carriageways management system, nor a computerized system for managing the roads condition database; The GIS systems found in the **Givatayim** municipality, in the **Zikhron Ya'akov** and **Kafr Bara** local authorities and the **Lev HaSharon** regional council are not used for road maintenance; A Customer Relationship Management System (CRM) is being used in the municipal call centers in the **Givatayim** and **Holon** municipalities, in



the **Zikhron Ya'akov** local authority and the **Lev HaSharon** regional council, however, the CRM system is not linked to other systems such as the GIS system, and the road maintenance work plans are not based on the information contained therein. As for the **Kafr Bara** local authority, it does not have a CRM system.

👎 Long-Term Planning and an Annual Plan – the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council did not establish or regulate a work plan, as defined by the Ministry of Interior, for the maintenance of their roads. The priorities for carrying out the works were not determined based on the analysis of the engineering condition of the carriageways and sidewalks. The **Holon** municipality did not prepare a work plan that defines the segments where maintenance works are planned; The **Givatayim** municipality planned to carry out works on segments of seven streets in 2020–2021, but of these, it carried out only four, and works were also carried out on two segments for which works were not planned under the work plan. The prioritization of the works carried out in the **Givatayim** municipality was mainly based on the work plans of other infrastructures, such as water and sewage infrastructures; The **Zikhron Ya'akov** local authority planned to carry out road maintenance in segments of four roads in 2019–2021, but the works were carried out in segments of seven other roads.

👎 Handling Complaints Received at the Municipal Call Center – the **Givatayim** municipality – despite the existence of a service level agreement, the Infrastructure Division does not comply with the standard of handling of malfunctions for which it is responsible and does not document their handling. However, in 2021, an improvement was noted in the municipality's compliance with the standard times compared to the previous two years: the compliance rate of its Transportation and Infrastructure Development Department with the standard times was less than 1% in 2019–2020 and about 31% in 2021. The **Holon** municipality – the compliance rate of the Roads Department was about 87%. The file of inquiries to the call center, does not indicate how the Roads Department handled each malfunction. The **Zikhron Ya'akov** local authority – its inquiries file has no basic details on how malfunctions are handled, the duration of the handling and the status of the handling. In the absence of a service level agreement that defines standard times, verifying the rates of compliance with the standard is impossible. The **Kafr Bara** local authority – has no municipal call center. The **Lev HaSharon** regional council – its service level agreement does not address the standard times for handling complaints, and it is impossible to generate a report detailing the duration of handling inquiries about road maintenance in the inquiries system.

👎 Scope of Preventive Maintenance Works – the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council performed in 2019–2021 scrubbing and stratification works on only about 16 km out of a total of 695 km of the roads under their jurisdiction (at 0%–6% of the length of the roads therein), compared to the required rate – 30% (under



the requirement in the Transportation Projects Procedure to carry out such works at least once every ten years).

👎 Quality and Proper Execution of the Works – the examination of the quality and proper execution of the scrubbing and stratification of carriageways or of paving of sidewalks in 14 road maintenance projects in the examined authorities in 2019–2021, raised the following findings: in the **Givatayim** municipality – deficiencies were found in two of the three projects examined; In the **Holon** municipality – deficiencies were found in one of the five projects that were examined; In the **Zikhron Ya'akov** local authority – the works in the three projects that were examined were not carried out according to the provisions of the law about accessibility for persons with disabilities; In the **Kafr Bara** local authority – deficiencies were found in specific repairs on two roads; on some roads, it used non-standard plastic speed bumps; The **Lev HaSharon** regional council – performed scrubbing and stratification in only two segments with a total length of 881 meters out of all the roads in the authority, a length of 236,000 meters; In one of them, work was carried out only on one side of the carriageway and the sidewalk.

👎 The Authorities' Expenditures on Road Maintenance – investment differences in road maintenance in 2019–2021 were found in the scope of hundreds to thousands of percent per 1 km of road between the examined authorities, in descending order: **Givatayim** – average investment of NIS 540 thousand; **Holon** – NIS 222 thousand; **Kafr Bara** – NIS 131 thousand; **Zikhron Ya'akov** – NIS 46 thousand and **Lev HaSharon** – NIS 9 thousand.

👎 Reporting Within the Framework of the Current Budget – in the examined local authorities, the scope of budgeting for road maintenance out of the total current budget is marginal to nil. In 2019–2021, the average scope of budgeting did not reach a third of a percent of the current budget, and in descending order: **Kafr Bara** – 0.31% of the current budget was invested in road maintenance (an average expenses of NIS 104.6 thousand out of an average annual budget of NIS 33,330 thousand); **Givatayim** – 0.28% (NIS 1,207.5 thousand out of NIS 433,848 thousand); **Holon** – 0.12% (NIS 1,806 thousand out of NIS 1,453,977 thousand); **Zikhron Ya'akov** – 0.12% (NIS 207.5 thousand out of NIS 167,952 thousand), and **Lev HaSharon** – 0.04% (NIS 92.5 thousand out of NIS 228,082 thousand).

👎 The Funding Sources in the Non-Current Budget – according to the transfer of the examined authorities' development funds in the audited years – including a Road Construction Fund, Sidewalk Fund, and Betterment Levy Receipts Fund – the average rate of investment in road maintenance projects out of the total transferred funds in 2019–2021 ranges from no investment to about a fifth of the total transferred funds, in descending order: **Givatayim** – 20.68% of the transferred funds out of the development funds were invested in projects (NIS 38,865,278 out of NIS 187,961,953); **Holon** – 16.43% (NIS 64,881,755 out of NIS 394,956,665); **Zikhron Ya'akov** – 11.24% (NIS 5,357,000 out of NIS 47,664,527); **Lev HaSharon** – 2.66% (NIS 1,217,000 out of NIS



45,794,349); In **Kafr Bara** – no development funds were invested in projects in those years.



Carrying Out Work as Part of the Preparations for the Opening of the School Year – the audit team tours on the roads adjacent to various educational institutions in the jurisdictions of the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities and the **Lev HaSharon** regional council raised that there is a safety circle around the educational institutions in the jurisdictions of all the authorities, to contend with the safety hazards on the way to and from the educational institution. Thus, among other things, crossings were marked at intersections and on wide roads in the vicinity of educational institutions; Parking bays were marked for dropping off and picking up students near the educational institutions; There are safety railings near the entrance to the educational institutions and at the bus stops or shuttle sheds near them; There are traffic moderation arrangements and speed reduction road signs for drivers; And there is road safety signage, intended for students.

Key Recommendations

-  It is recommended that the Ministry of Transport establish a knowledge center on the local authorities' road maintenance pooling the standards and guidelines and serve as a regulating and guiding factor for the local authorities on the subject. It is further recommended that the Ministry of Transport assist the Ministry of Interior, as necessary, in establishing such a knowledge center and in disseminating the knowledge.
-  To get a complete situation report of the state of the carriageways under their jurisdiction, it is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council carry out a comprehensive carriageways survey of all their roads. Moreover, they should use dedicated equipment and, based on professional, uniform, and accepted indicators, determine the actions required for the maintenance and restoration works and the priority for their execution. Furthermore, it is recommended that the Ministry of Transport examine the road maintenance methods of National Transportation Infrastructure Company Ltd. and determine indicators for road maintenance in the local authorities.
-  It is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council consider using a carriageways management system for collecting and managing data on the condition of their roads to optimally prioritize the work required to rehabilitate the roads and prevent their deteriorating. Furthermore, it is recommended that they use the Geographic Information System (GIS) to map all the information about the roads, for example, on the

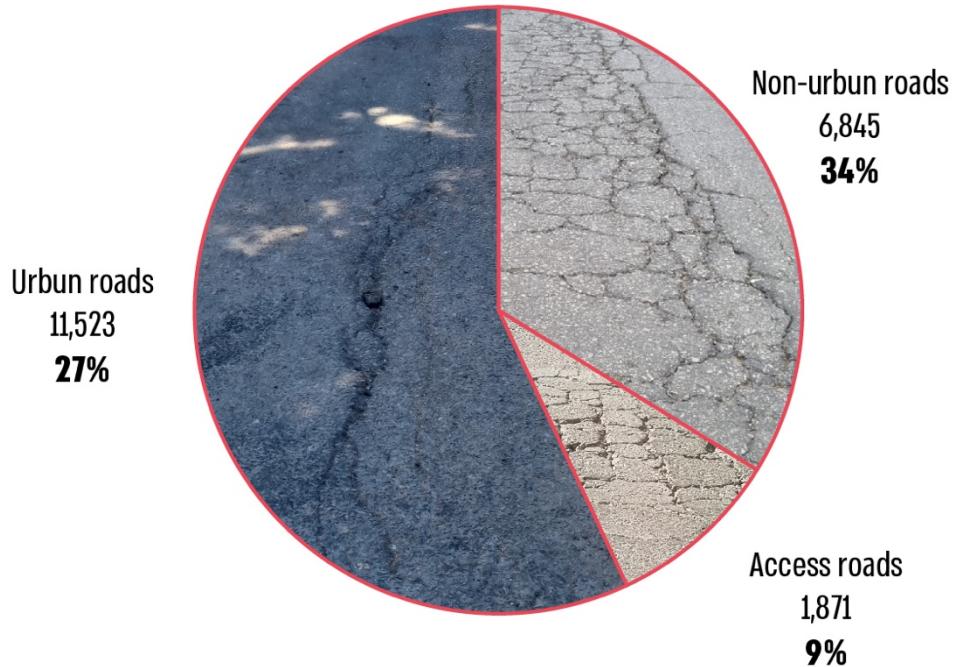


maintenance and infrastructure works carried out thereon, and adapt the Customer Relationship Management System (CRM) to work with the GIS system. After mapping the information above, it is recommended to make the information accessible, according to permissions, so that the employees of the local authority, the execution contractors, and the general public can use or view it.

-  It is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council formulate a multi-year work plan for the maintenance and restoration of their carriageways and sidewalks, according to the Ministry of Interior instructions. It is further recommended to base this work plan on the state of the roads' current data and to prioritize based on this data. Moreover, it should address the upgrade plans of the water corporation and other infrastructure entities. It is further recommended that the local authorities conduct maintenance according to their work plan, and if it is necessary to change them, it is recommended that they document and justify the reasons for the changes.
-  To prevent a carriageway deterioration, it is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council carry out scrubbing and stratification of at least 10% of the length of their roads each year, as per the guidelines of the Transportation Projects Procedure, according to the number of vehicles passing on the roads per day.
-  The **Givatayim** and **Holon** municipalities and the **Zikhron Ya'akov** and **Kafr Bara** local authority should monitor the execution quality of the road maintenance works and ensure that they comply with the plans and estimates prepared, and if changes are required, they should document the reasons for the change; The **Holon** municipality and the **Zikhron Ya'akov** local authority should ensure compliance with the instructions of the accessibility of crosswalks, sidewalks, and public transportation stations; The **Kafr Bara** local authority should use standard materials for road maintenance; It is recommended that the examined authorities when working on a specific road section, work on all components of the road that require maintenance, especially components that may endanger the public.
-  Given the low level of the examined local authorities' current budget on road maintenance, and considering all the aspects related to their current activities and their activities in maintenance and development, it is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities and the **Lev HaSharon** regional council examine the allocated budget out of their non-current budgets compared to the needs required for periodic works and projects, to maintain an optimal level of maintenance of the roads within their jurisdiction.



The Length of Paved Roads in Israel in 2020 (in km), Broken Down by Types



According to the CBS data processed by the State Comptroller's Office.



The Total Investment in Road Maintenance, Compared to the Length of the Paved Roads in the Examined Authorities, 2019–2021

The local authority	Implementation in practice (in NIS thousands)			The length of the paved roads in the authority (in km) *	Average investment per 1 km of road (in NIS thousands)
	Current budget	Non-Current budgets	Total investment		
The Givatayim Municipality	2,829	28,943	31,772	58.8	540
The Holon Municipality	5,251	59,609	64,860	292.7	222
The Zikhron Ya'akov Local Authority	609	3,935	4,544	99.5	46
The Kafr Bara Local Authority	417	618	1,035	7.9	131
The Lev HaSharon Regional Council	308	1,798	2,106	236	9



Summary

Ongoing maintenance of roads is fundamental to maintain the resilience and quality of the roads and the safety and quality of road users' lives, as well as ensuring low costs in the long term. The local authorities must maintain the public roads under their jurisdiction regularly. The **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council should carry out fracture maintenance urgent maintenance of discovered malfunctions – but the scope of the preventive maintenance works they conduct is very low. In 2019–2021, the examined authorities performed maintenance work on about 16 out of 695 km of roads within their jurisdiction (2.3%), with a financial scope of NIS 103,711 thousand. The **Kafr Bara** local authority does not perform any preventive maintenance. The examined authorities do not perform regular preventative maintenance based on the engineering condition of the carriageways, sidewalks, and maintenance needs.

It is recommended that the **Givatayim** and **Holon** municipalities, the **Zikhron Ya'akov** and **Kafr Bara** local authorities, and the **Lev HaSharon** regional council periodically conduct a carriageways survey of all the roads under their jurisdiction and update the database about the maintenance work performed. An updated database regarding the state of the roads based on a road survey, documenting the development works and the road maintenance works that have been carried out, and on complaints and lawsuits filed against the local authority, will enable the authorities to prepare a long-term investment plan for road maintenance and to prioritize the execution of the works, thereby maximizing the benefits of performing preventive maintenance and saving costs for the long term.

It is recommended that the Ministry of Interior and the Ministry of Transport jointly regulate the local authorities' road maintenance, formulate detailed procedures for maintaining the public roads under the jurisdiction of the local authorities, and supervise said maintenance work.



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Planning, Building, and Infrastructure

**Maintenance and
Safety of Educational
Institutions –
Secondary Schools**



Maintenance and Safety of Educational Institutions – Secondary Schools

Background

Under the Compulsory Education Law 1949, a local authority is the local education authority regarding its jurisdiction and is responsible for having schools within its area. Hence, the authority is responsible for the ongoing maintenance of the schools and their safety conditions. Maintenance work in educational institutions is divided into two main types. Routine maintenance is carried out throughout the school year, and large-scale maintenance work or renovations are carried out during the summer vacation as part of the preparation of the educational institutions for the start of the school year in September of every year (summer renovations). The Ministry of Education issued special circulars detailing safety procedures and safety guidelines for schools, including the measures the local education authority must take to prevent safety hazards and protect children's safety.



Key Figures

about NIS 860,000

the total budget allocation for maintenance not transferred to the schools by three of the six examined local authorities in 2019–June 2022 (from 12% to 33%), out of the total allocations of the above three authorities, about NIS 4.4 million

2

of the examined local authorities (**Tamra** and **Ma'ale Iron**) have no municipal call center for public inquiries, including from the principals of educational institutions about maintenance and safety

about NIS 193,000

the Ministry of Education's total financial aid for summer renovations in 2022 in 20 inspected schools in the six examined local authorities

about NIS 3 million

the total direct expenditure of the six examined local authorities in 2022 for summer renovations in the 20 inspected schools

65% (13 out of 20)

the inspected schools' rate found to have maintenance deficiencies such as leaking roofs and damped walls

65% (13 out of 20)

the inspected schools' rate found to have recurring safety deficiencies in doors, cabinets, or drinking facilities in 2019–2022

5

of the examined local authorities did not enter the findings of the safety inspections into a dedicated computerized system to monitor their rectification

7

laboratories in five of the 20 inspected schools were closed down due to safety deficiencies for one to two years



Audit Actions

From May to November 2022, the State Comptroller's Office audited the local authorities' handling of the maintenance and safety of secondary schools (middle and high schools). The audit was conducted in the six local authorities of **Gilboa, Tamra, Ma'ale Iron, Netanya, Kiryat Ata, and Shoham** (the examined local authorities), which were selected while addressing various characteristics and data: The Ministry of Interior administrative districts where the authorities are located; Their municipal status; Their socio-economic cluster; The sector to which their residents belong; And the number of residents within their jurisdiction.

Completion examinations were carried out at the Ministry of Education in the Senior Division for Security, Emergency, and Environmental Safety and in the districts to which the examined local authorities are associated – Haifa, North, Center, and Tel Aviv.

Furthermore, the audit team toured 20 secondary schools in the examined local authorities (the inspected schools), met their principals, and conducted a visual inspection of the level of maintenance and compliance with the safety conditions.

Key Findings



Officials Involved in the Maintenance and Safety of Educational Institutions – in one of the two schools inspected in the jurisdiction of the **Shoham** local authority, a safety committee was not appointed as required.

Periodic Allocations to the Schools for Maintenance – the **Gilboa** regional council, the **Ma'ale Iron** local authority and the **Tamra** municipality did not transfer all their allocations to the inspected schools in 2019 – June 2022: The **Gilboa** regional council did not transfer NIS 55,000 to School A, about 12% of all the budget allocated; The **Ma'ale Iron** local authority did not transfer to the five inspected schools NIS 279,000, about 33% of all the budget allocated; And the **Tamra** municipality did not transfer to the four inspected schools NIS 525,504, about 17% of all the budget allocated.

Periodic Allocations to the Schools for Maintenance – the **Ma'ale Iron** and **Netanya** local authorities allocated a uniform monthly budget of NIS 5,000 and NIS 4,200, respectively, to all secondary schools, regardless of their physical condition, the year of their establishment, and the number of students studying therein, or the actual needs.



 **Summer Renovations** – the Ministry of Education total transfers for summer renovations in 2022 in the 20 inspected schools were about NIS 193,000, which was low compared to the actual needs of those institutions. The direct expenditure of the **Tamra** municipality and the **Ma'ale Iron** local authority, in a low social-economic cluster (3 and 2, respectively), for the summer renovations that year in the inspected schools, apart from the amounts that the Ministry of Education transferred to them, was only NIS 4,800 in **Tamra** and NIS 20,000 in **Ma'ale Iron**, respectively. On the other hand, the direct expenditure for the summer renovations of the **Netanya** and **Kiryat Ata** municipalities and of the **Shoham** local authority in a high socio-economic cluster (6, 6, and 9, respectively), and of the **Gilboa** regional council, in a medium socio-economic cluster (5), was high, about NIS 1,676,000, NIS 370,000, NIS 793,000 and NIS 109,000, respectively.

 **Secondary Schools' Maintenance Procedure** – the **Gilboa** regional council, the **Tamra** municipality, and the **Ma'ale Iron** local authority had no written procedures for the maintenance of educational institutions, defining, among other things, the division of responsibility for carrying out maintenance work between the local authority and the educational institution, and the work interfaces with the various relevant units in the local authority.

 **The Municipal Call Center's Handling Educational Institutions Inquiries** – in two of the examined local authorities, **Tamra** and **Ma'ale Iron**, there is no municipal call center for handling public inquiries, including inquiries from the principals of the educational institutions regarding their maintenance.

 **On-Going Maintenance in the Educational Institutions** – the main deficiencies in the inspected schools were within the four examined authorities: **Tamra**, **Ma'ale Iron**, **Netanya**, and **Kiryat Ata**. The critical deficiencies included leaks and dampness, neglected toilets, and malfunctioning air conditioners. Individual deficiencies, such as electrical and lighting faults, lack of shaded areas, old desks and chairs and lack of learning spaces, were also raised. Below are photos for illustrative purposes:



On the Right are Signs of a Fire in a Classroom at School F in Ma'ale Iron, and on the Left are Moisture Deficiencies at School N in Netanya



The audit team took the photos on June 14, 2022, and August 16, 2022.

👎 Safety Management in the Schools – recurring deficiencies that appeared in the annual safety inspections were found in most of the inspected schools: in 13 out of the 20 schools, doors that are not protected as required (**Tamra, Ma'ale Iron, Netanya, Kiryat Ata, Shoham**) and cabinets or drinking facilities that are not affixed to the wall (**Tamra, Ma'ale Iron, Netanya, Kiryat Ata**) were found. Furthermore, there were recurring deficiencies in 20% to 30% of the schools, which included electrical outlets or electrical cabinet hazards (**Tamra, Ma'ale Iron**), low windows without opening limiters (**Tamra, Ma'ale Iron, Netanya, Kiryat Ata**) and lighting fixtures without coverage (**Tamra, Ma'ale Iron, Kiryat Ata**), which indicates that the authorities did not follow up and did not rectify the deficiencies immediately, as stipulated in the control list.

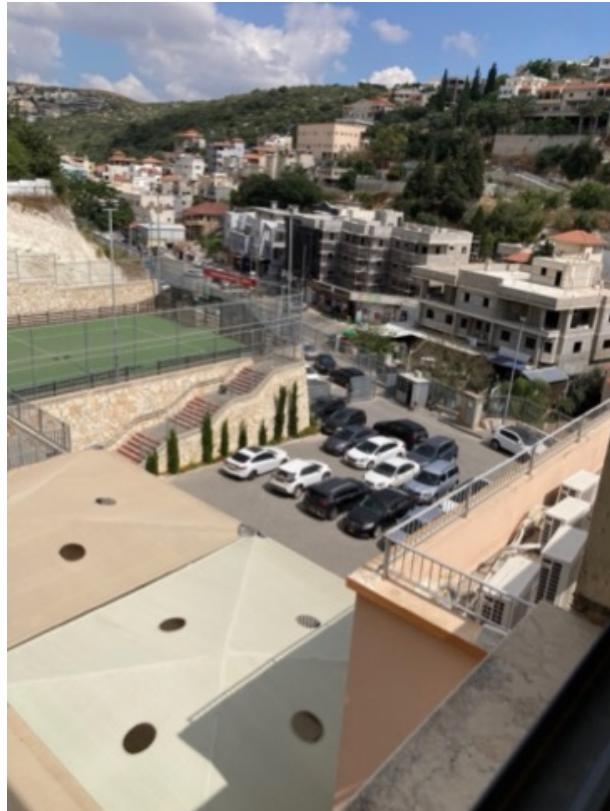
👎 Periodic Inspection Approvals – three of the local authorities – the **Tamra** and **Kiryat Ata** municipalities and the **Ma'ale Iron** local authority – did not ensure the conducting of all the periodic inspections required for the receipt of the approvals from the professional bodies, such as the approval of an engineer or structural engineer, an electrician and an agronomist, and with the frequency required for the buildings and facilities in the educational institutions within their jurisdiction.



 **Access Roads to Schools** – in two of the examined local authorities, **Tamra** and **Ma'ale Iron**, schools were found with unsafe access roads, as they are adjacent to a slope from which stones may fall and endanger those passing by.

 **Parking on the School Premises** – at School H in **Ma'ale Iron**, part of the schoolyard is used as a parking lot for teachers and visitors, thus creating a safety hazard that has been going on for years. This is the area between the entrance gate to the school and the entrance to the building itself, and it is used as a passage for students. Below is a photo for illustrative purposes.

Parking in the School Yard H in Ma'ale Iron

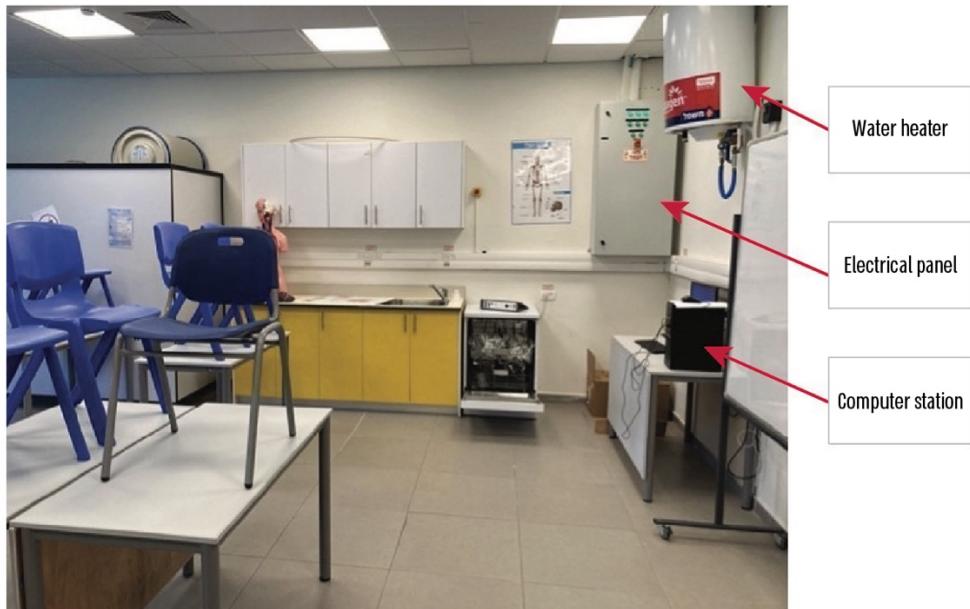


The audit team took the photo on June 14, 2022.



 **Safety in Laboratories** – in the safety inspections conducted by the local authorities and safety consultants on behalf of the Ministry of Education in 2019–2022 in five of the examined authorities (**Tamra**, **Ma'ale Iron**, **Netanya**, **Kiryat Ata**, and **Shoham**), safety deficiencies in the laboratories were found. In two of the examined local authorities (**Tamra** and **Ma'ale Iron**), seven of the laboratories in the inspected schools were closed for one to two years due to safety deficiencies. Below is a photo for illustrative purposes:

The Laboratory at School L in Netanya – the Water Heater Near the Electrical Panel



The audit team took the photo on August 17, 2022.



Periodic Budget Allocations for Schools Maintenance – the **Netanya** and **Kiryat Ata** municipalities and the **Shoham** local authority regularly transfer the allocated budget to the secondary schools in their area.

A Dedicated App for Safety Management in Educational Institutions – the **Shoham** local authority has, since December 2020, a dedicated app for safety management in educational institutions, through which it manages the handling of safety deficiencies and supervises and controls them.



Key Recommendations

- 💡 It is recommended that the **Gilboa** regional council, the **Ma'ale Iron** local authority, and the **Tamra** municipality regularly transfer their total budget allocations to the schools within their jurisdiction. It is also recommended that the **Ma'ale Iron** and **Netanya** local authorities examine the allocations to the schools considering their needs and set relevant criteria for their budgeting according to the schools' physical condition, the year they were established, the number of students therein, and their actual needs.
- 💡 It is recommended that the Ministry of Education form strategic work on the needs of the summer renovations and examine the format of allocations for the schools while prioritizing authorities in a low socio-economic cluster, considering the supplementary budgets that authorities, in particular in high socio-economic cluster, allocate from their sources for this purpose.
- 💡 It is recommended that the **Ma'ale Iron**, **Tamra**, **Kiryat Ata**, and **Netanya** local authorities ensure proper and ongoing maintenance of all educational institutions within their jurisdiction and rectify the maintenance deficiencies found therein while prioritizing deficiencies that could damage the structure.
- 💡 Five of the examined local authorities – **Tamra**, **Ma'ale Iron**, **Netanya**, **Kiryat Ata**, and **Shoham** – should rectify Priority 1 Deficiencies, which are safety hazards that require immediate addressing. Furthermore, they should follow up on rectifying the safety deficiencies to prevent safety hazards and protect the safety of the students and those staying in the educational institutions. It is recommended that the Ministry of Education instruct the local authorities to control common safety deficiencies closely, thus implementing its instructions regarding the priority of treating the various deficiencies.
- 💡 The **Tamra** municipality and the **Ma'ale Iron** local authority should immediately treat all safety deficiencies in the high school laboratories within their jurisdiction to open and use them safely and securely. The **Netanya** and **Kiryat Ata** municipalities and the **Shoham** local authority should immediately treat all the safety deficiencies found in the laboratories to remove the safety hazards that could endanger lives and prepare the laboratories for safe use.
- 💡 It is recommended that the Ministry of Education refine its guidelines on the use of laboratories for all local authorities and their educational institutions, and the authorities should ensure that all laboratories are in order, according to the rules.



Recurring Safety Deficiencies not Rectified (Priority 1) in the Inspected Schools, 2019–2022

The local authority	The school	Doors	Cabinets/ drinking water facilities	Electricity	Windows	Yards, paths, and sports fields	Gate	Railing	Lighting fixture
Gilboa	School A	V	V	V	V	V	V	V	V
Tamra	School B	X	X	X	V	V	X	V	V
	School C	X	X	X	V	V	V	X	V
	School D	X	X	X	X	V	V	V	X
	School E	X	X	X	X	V	V	X	V
Ma'ale Iron	School F	X	X	X	V	X	V	V	V
	School G	X	V	V	X	V	V	V	X
	School H	X	X	V	X	V	V	V	V
	School I	V	V	V	V	V	V	V	V
	School J	X	X	X	V	X	V	V	V
Netanya	School K	X	X	V	X	V	V	X	V
	School L	V	X	V	V	V	V	V	V
	School M	X	X	V	V	V	X	V	V
	School N	V	X	V	V	V	V	V	V
	School O	V	V	V	V	V	V	V	V
Kiryat Ata	School P	X	X	V	X	V	V	V	X
	School Q	V	X	V	V	V	V	V	X
	School R	X	V	V	V	V	V	V	V
Shoham	School S	V	V	V	V	V	V	V	V



The local authority	The school	Doors	Cabinets/ drinking water facilities	Electricity	Windows	Yards, paths, and sports fields	Gate	Railing	Lighting fixture
	School T	X	V	V	V	V	V	V	V
Total Safety Deficiencies recurring in subsequent years		13	13	6	6	2	2	3	4

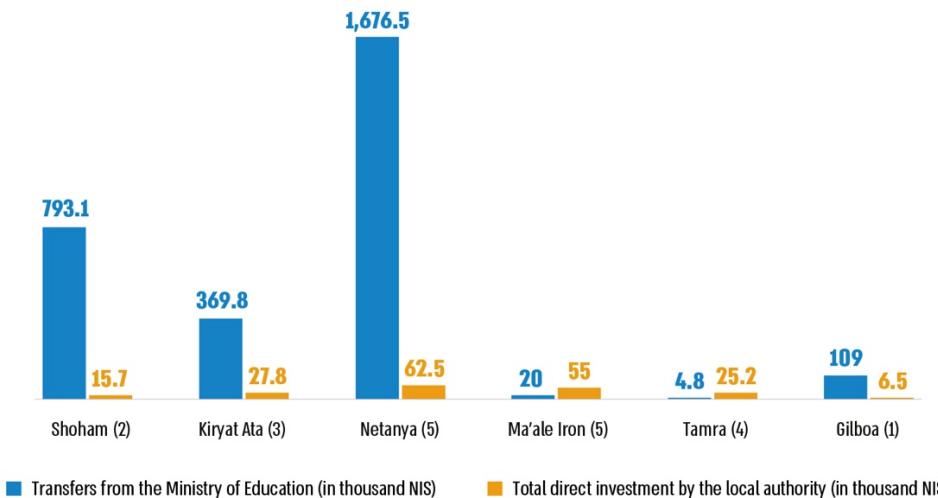
Legend:

X – The deficiency was raised in two consecutive annual safety inspections.

V – No recurring deficiency in two consecutive annual safety inspections.

According to the data of the annual safety inspections between 2019–2022 in the schools inspected, processed by the State Comptroller's Office.

Summer Renovations – Direct Expenditures of the Examined Local Authorities * and Transfers from the Ministry of Education, 2022 (in thousand NIS)



According to the data of the local authorities, processed by the State Comptroller's Office.

* In parentheses – the number of schools inspected in each local authority.



Summary

Education is considered a fundamental right in the State of Israel and worldwide. Therefore, there is great importance in establishing an education system and supporting it as part of the service to citizens. International studies show a positive link between the maintenance and care of the schools, the quality of the teaching and the achievements of the students therein, and therefore, a recommendation was made to invest funds in improving the condition of the school buildings. According to the Ministry of Education guidelines in the Director's circulars, the local authorities should ensure adequate physical conditions for learning and playing in the educational institutions within their jurisdiction. Therefore, investing in optimal maintenance of the educational institutions, locating and dealing with safety hazards within them, are conditions that the local authorities should maintain to protect the safety of all those passing through the gates of the institutions and ensure an adequate learning environment, thus striving to improve student achievements.

In the examined local authorities, various deficiencies pertaining to school maintenance were raised, including leaks and dampness, neglected toilets and malfunctioning air conditioners, electrical and lighting faults, a lack of shaded areas, old desks and chairs, and a lack of learning spaces. Safety deficiencies were also found in the inspected schools, including recurring safety deficiencies in the annual inspections, failure to ensure that the required periodic inspections are conducted in full and with the frequency needed for buildings and facilities, and ongoing deficiencies related to electricity, in the schools' access roads, and safety deficiencies in the laboratories.

The State Comptroller's Office recommends that the examined local authorities improve and increase their educational institutions' maintenance and handling of safety hazards to ensure an optimal and safe learning environment for their students. The local authorities should set working procedures defining the interrelationships and the division of responsibilities between the relevant parties; control and supervise the handling of maintenance and safety inquiries by the schools; Conduct all periodic safety inspections and ensure the receipt of all professional safety approvals according to the Ministry of Education's guidelines. The examined local authorities should address the ongoing hazards and safety deficiencies found in the electrical systems of the schools within their jurisdiction, access roads, and laboratories and remove them as soon as possible.



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Chapter Four

Follow-up Audit



State Comptroller of Israel | Local Government
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Follow-up Audit

The Local Authority Auditor – Role and Conduct – Follow-up Audit



The Local Authority Auditor – Role and Conduct – Follow-up Audit

Background

The internal audit is a local authority auditor's main function – examining the authority's activities and submitting an annual report on the audit he carried out. The position of the authority's auditor is complex. On the one hand, he is an employee of the controlled body and is subject to the hierarchical principle that requires him to obey the instructions of his superiors. On the other hand, fulfilling his role properly is affected by his ability to act autonomously, neutrally, and independently of any party. Given the local authorities' significant influence on the residents' lives and the extensive government assistance provided to them, it is essential to strengthen the external and internal audit mechanisms, including the ongoing therein, to ensure their proper functioning.



Key Figures

28 (about 11%)

of the 257 local authorities have no auditor serving as of September 2022

in 53 (about 23%)

of the 229 local authorities, a woman staffed the position of auditor as of September 2022

40 (about 57%)

of the 70 municipalities that provided information on the subject did not employ audit workers as of September 2022

19 (about 28%)

of the 67 municipalities that provided information on the subject did not employ audit workers as of September 2022 nor allocated the minimum budget required by law for the auditor's office in 2021

138 (about 67%)

of the 206 local authorities whose auditor prepared an audit report for 2020 did not publish it on their website as of June 2022

in 72 (about 28%)

of the 257 local authorities' audit committee did not convene in 2020

in 30 (about 19%)

of the 156 local authorities that provided information on the subject, the audit report submitted in 2021 was not discussed in its council or its audit committee as of September 2022

in 63 (about 53%)

of the 119 municipalities and local authorities that provided information on the subject, the audit report submitted in 2021 was not discussed by the deficiency rectification team as of September 2022



Audit Actions

 In 2020, the State Comptroller's Office published an audit report about "The Internal Auditor, Treasurer and Legal Advisor in Local Authorities – Their Role and Conduct" (the previous audit)¹. From April to September 2022, the State Comptroller's Office followed up on the Ministry of Interior, its districts and the local authorities actions to rectify the main deficiencies noted in the previous audit regarding the role and conduct of the local authority auditor, and the work interface between the authority's management and the internal audit mechanisms (the follow-up audit).

Key Findings



 **Integrative Management of Data to Examine the Audit Usefulness** – the follow-up audit raised that the Ministry of Interior's data on the local authorities' auditors, including the scope of their duties and the resources allocated to them, are not adequately managed, organized and analyzed: (a) The data is collected simultaneously by different departments at the Ministry of Interior headquarters, and by its districts, for various needs; (b) The data is collected manually, is not regularly updated, and there are apparent disparities between the data held by each of the various parties – for example, in a comparison between the Audit Division data and the Ministry of Interior's North District data, disparities were found in the names of seven auditors and the scope of employment of three additional auditors; (c) The rapid rate of turnover of auditors in certain authorities makes it even more challenging to keep the data updated; (d) Raw data that is held by one department, but is also needed by other departments to generate insights and make more informed decisions, is not aggregated and is not routinely transferred to the other departments of the Ministry or to its districts.

 **Appointment of Local Authorities' Auditors** – the previous audit raised that no auditor served for at least four years in the **Baqa al-Gharbiyye** municipality, the **Julis**, **Deir Hanna**, **Yarka**, and **Kafr Manda** local authorities, and the **Mevo'ot HaHermon** regional council, in contravention of the law requirements. Furthermore, despite a long time without appointing an auditor, the supervisors of the Ministry of Interior districts did not exercise their power to appoint an auditor. The follow-up audit found that the deficiency has been rectified to a great extent: in the **Baqa al-Gharbiyye** municipality, in the **Deir Hanna** and **Yarka** local authorities, and the **Mevo'ot HaHermon** regional

¹ State Comptroller, **Annual Report 71A** (2020), "The Internal Auditor, Treasurer and Legal Advisor in Local Authorities – Their Role and Conduct", 365–417.



council, the auditor position was staffed, but in the **Kafr Manda** local authority, the auditor position was not staffed, and in the **Julis** local authority, an auditor has been appointed since the previous audit, but has left his position, and at the follow-up audit completion, no auditor serves in it. It was also found that at the follow-up audit completion in the **Fassouta** local authority, the auditor position had not been staffed for 14 years. Moreover, the supervisors of the Ministry of Interior's districts still refrain from exercising their authority by law to appoint an auditor in the local authorities that have been operating without an auditor for years.

 **Gender Diversity in the Staffing of the Local Authority Auditor Position** – it was found that the women rate serving as auditors in local authorities (about 23%) is lower than their rate in the general population and that in non-Jewish local authorities, this rate is even lower (about 6%). Furthermore, according to the Salary Commissioner data for 2020, the salary of female auditors in local authorities is about 10% lower than that of men in this position.

 **Submission of Annual Audit Reports** – the previous audit raised that in 2015–2017, on average each year, in about 9% of the local authorities (22 authorities) their auditors did not submit audit reports, and in 14 local authorities, their auditors did not submit audit reports as required by law in one or more of the years 2015–2017. The follow-up audit found that the deficiency was largely rectified: in 2020, about 8% of the local authorities (20 authorities) had an auditor but did not submit an audit report for said year. From among the local authorities whose auditor did not submit audit reports as required by law in one or more of 2015–2017 or submitted biennial audit reports in these years, it was found that in five local authorities, its auditor did not submit an audit report in one or more of 2019–2021 (audit reports for 2018–2020) or submitted biennial audit reports in these years. In three local authorities – the **Beitar Illit** municipality and the **Efrat** and **Segev Shalom** local authorities – its auditor submitted a biennial audit report, i.e., he did not submit a report every year as required by law. It was also found that the **Gush Etzion** regional council auditor did not submit a report in 2019 (a report for 2018). In the **Beit Jann** local authority, it was found that the authority's auditor did not submit an audit report consecutively in 2015–2021.

 **The Audit Reports' Quality and Scope** – the previous audit raised that some local authorities' auditors submitted reports with little content, few findings, ineffective recommendations, and trivial issues that do not express a strategic view of the audit work based on priorities and risk assessment. Although the follow-up audit found an improvement in the proportion of high-quality annual audit reports out of the 143 audited reports examined², ten audit reports were lacking in content or findings, short in scope, repeated audits that were carried out in previous years or repeated audits done through the external auditors, did not deal in areas exposed to risks, or audits that were not of

² It was not possible to include in the examination audit reports that the audit team did not have access to since copies thereof were not forwarded to the Ministry of Interior and were not published on the internet either.



great value to the authority. Thus, for example, it was found that in a local authority in socio-economic cluster 1, which also according to the previous audit submitted reports with little content and few findings, its auditor, according to the recommendation of the Ministry of Interior, formed an audit report on a municipal corporation, whose findings did not reflect the significant financial scope of the municipality's engagements with it in the audit year (nearly 50% of the municipality's budget), and even though deficiencies were found in the review of the authority's internal control by the external auditors, in the recording of expenses in the authority's engagements with the municipal corporation, the audit did not address this risk area. In another local authority, it was found that its auditor audited the establishment of the council's committees and their functioning – even though the external auditors audited this subject yearly. In a third local authority, with a recovery plan and an accompanying accountant, its auditor audited the handling of discounts requests on the municipal property tax and the contract with a collection company without including any findings or recommendations about the municipal property tax collection rate for the balance of arrears in the audit year, which constitute about 97% of the authority's budget.

 **Working According to Professional Standards** – the previous audit recommended that the Ministry of Interior consider directing the local authority's auditors to adopt worldwide auditing standards. The Ministry of Interior stated at the time that it would positively consider it. The follow-up audit found that the Ministry of Interior's work plan for 2020–2021 included the examination of the local authorities' internal audit usefulness and the publishing of audits recommendations in the core areas; however, it did not instruct the local authorities' auditors to adopt the audit standards used around the world nor refer them to the work principles and professional guidelines of the Auditors' Association.

 **Publication of Audit Findings** – the previous audit questionnaires raised that in 2015–2017, on average per year, about 62% of the local authorities whose auditor prepared an audit report published the audit reports through their website. Moreover, about 28% of the authorities did not publish the report on their website in 2015–2017. The follow-up audit found that according to the data in effect in June 2022, about 42% of the local authorities that operated a website (108 out of 256) did not publish audit reports on their website at all. Furthermore, about 67% of the local authorities whose auditor prepared an audit report for 2020 (138 out of 206) did not publish the audit report for said year on their website. It was also found that about 20% of the local authorities published minutes of the audit committee meetings on their website, though, there is no legal obligation to publish them; Still only two of them (about 4%) published minutes on their website in the last six months preceding the date of the examination (June 2022).

 **Discussing the Audit Report and Follow-up of the Deficiencies Rectifications** – the previous audit raised that a significant proportion of the local authorities' audit findings were not appropriately handled (in about a quarter of the local authorities, the audit report was not discussed in the local authority council or the audit committee, and



in almost half of the municipalities and local authorities the deficiency rectification team did not discuss the audit report). The follow-up audit found that the deficiency was not rectified: the local authorities' rate that did not address the audit findings adequately remained the same. In about a fifth of the local authorities, the audit report for 2020 was not discussed in the council nor the audit committee, and in about half of the municipalities and local authorities, the deficiency rectification team did not discuss the audit report for this year. Furthermore, it was found that among the local authorities whose audit committee did not convene or convened less frequently than legally mandated in each of 2018–2020; in the **Tira, Nazareth and Qalansawe** municipalities and the **Abu Snan, Elyakhin, I'billin, Buq'ata, Jisr az-Zarqa, Yesud HaMa'ala, Majdal Shams, Mashhad, Ein Mahil** and **Ar'ara** local authorities, their audit reports were not discussed in any of the years above by the audit committee or the local authority plenary.



The Difference in the Laws that Apply to Different Types of Local Authorities

– the previous audit raised that provisions in the law ensuring the auditor's status and the audit's usefulness were only applied to certain types of local authorities. Among other things, minimum standards and budgets were set for the office of the local authority's auditor in the municipalities but not in local authorities or regional councils; hence, about 70% of the local authorities (180 of them) are not obligated to hire workers and allocate a minimal budget to the local authority's auditor office. A mandatory minimum frequency for convening the audit committee and the obligation to establish a deficiency rectification team in municipalities and local authorities was also established. Still, these do not apply to regional councils. Furthermore, previous provisions in the Local Authorities Order on the same subjects but with specific differences were not repealed, among other things, regarding the scope of the auditor's duties, and they continue to apply simultaneously, resulting in legal uncertainty regarding the applicable normative arrangement. The follow-up audit found that the deficiency was not rectified: 15 years after the amendment of the Local Authorities Ordinance, the Order for Establishment was not amended, and the Ministry of Interior refrained from clarifying the normative arrangement that applies to local authorities. It was also found that the Ministry of Interior did not unify the legal regulation of the internal audit mechanisms, considering the different characteristics of the local authorities.



The Ministry of Interior's Follow-up over the Submission of Audit Reports and Their Quality – the follow-up audit raised that the Ministry of Interior instituted a computerized mechanism to improve the transfer of copies of the local authorities' auditors' audit reports and established rules to increase the scope of an auditor's position without a tender. Moreover, the Ministry of Interior began to examine the content of the audit reports.



Publication of the Audit Findings – the Ministry of Interior has begun to promote control procedures for the publication of the local authorities' auditors' audit reports on the websites through external auditors.

Key Recommendations

-  It is recommended that the Ministry of Interior establish a computerized mechanism for the integrated and ongoing management of the data on the appointment of the local authorities' auditors, the scope of their employment and the duration of their tenure, and the roles of the other internal audit mechanisms, and that this information be made available to all departments of the Ministry of Interior, to the supervisors of the Ministry of Interior's districts and the other relevant entities. It is further recommended that the database include information on the employment of audit workers in the auditor's office and the budget allocated for the control work on implementing regulations, standards and budget. Additionally, it is recommended that the establishment of the data collection mechanism and its management and the division of responsibility over it between the departments of the Ministry of Interior and its districts reflect its policy regarding the responsibility division to monitor the function of the internal audit mechanisms in the local authorities between its departments themselves and between them and the Ministry of Interior districts.
-  The **Julis, Kafr Manda, and Fassouta** local authorities should staff the auditor position as required. Given the Ministry of Interior's standpoint, by which the existing legal arrangement does not respond when the non-staffing of the auditor's position lasts for an extended time, it is recommended that it set an alternative and enforceable mechanism, considering the division of responsibility regarding the operation of the mechanism between it and its districts.
-  Given the importance of gender diversity, particularly in internal audit, it is recommended that the Ministry of Interior promote the implementation of all the recommendations of the policy team it established on the matter of scouting, recruitment, and promotion of women to senior positions, and, among other things, to instruct the local authorities regarding their legal obligation to promote adequate representation of women, particularly in staffing the position of the local authority's auditor, and set goals in this regard and monitor compliance in addition to that.
-  The local authorities' auditors, including the **Beitar Illit** municipality, the **Efrat, Beit Jann, and Segev Shalom** local authorities, and the **Gush Etzion** regional council, should submit audit reports as required.
-  It is recommended that, the local authority's auditor choose the audit topics based on a risk survey, address issues that are at the core of the local authority's activities from the financial and public aspects, and focus on factors that expose the authority's proper



conduct to significant risks – and be sure to examine the added value of the audit throughout the entire audit process to ensure the quality and usefulness of the audit in locating and identifye deficiencies and recommending their rectification, and its contribution to improve the functioning of the local authority. It is further recommended that the Ministry of Interior regulate a uniform and binding basis for the audit work.

- 💡 Upon the submission of audit reports by the local authorities' auditors, including the **Tira**, **Nazareth** and **Qalansawe** municipalities and of the **Abu Snan**, **Elyakhin**, **I'billin**, **Buq'ata**, **Jisr az-Zarqa**, **Yesud HaMa'ala**, **Majdal Shams**, **Mashhad**, **Ein Mahil** and **Ar'ara** local authorities, they should ensure that they are discussed both in the audit committee and in the local authority's plenum according to the law provisions. Hence, the deficiencies are rectified as the law requires, and the authority's internal audit mechanism can fulfill its role. Similarly, all local authorities should convene the deficiency rectification team as often as the law requires to rectify the deficiencies properly. Furthermore, it is recommended that the Ministry of Interior examine the other key barriers hindering the audit committee from convening, consider solutions and incentives to minimize them, and increase the commitment of all the relevant parties to the proper operation of the committee.
- 💡 It is recommended that all local authorities publish the latest audit reports on their website and the minutes of the audit committee discussions on them. It is further recommended that the Ministry of Interior complete the examination of other mechanisms for publicizing the audit findings and implement them. For example, considering the findings of the external auditors regarding the publishing of the local auditors' reports on the local authorities' websites, as part of the Ministry of Interior criteria to decide on the decentralization of powers for those authorities.
- 💡 The Ministry of Interior, should clarify the legal situation of the normative arrangement that applies to local authorities. It is further recommended that the Ministry of Interior unify the regulation of all the issues of the internal audit mechanisms of all local authorities, considering their different characteristics.



The Local Authorities Whose Auditor's Position has not been Filled for at Least Four Years from 2015 Until the Audit End in September 2021

Total years in which no auditor served consecutively in the local authority*	Date of completion of the audit	Rate of staffed auditor's position of the authority's budget						Balancing grant	Local authority	
		2015	2016	2017	2018	2019	2020			
6	✗	✗	✗	✗	✗	✗	✗	13%	732	Baq al-Gharbiyye
4	✗	✗	✗	✗	✗	✗	✗	11%	1,320	Beit Shean
5	✓	✓	✗	✗	✗	✗	✗	27%	1,323	Basma
5	✗	✗	✗	✗	✗	✓	✓	23%	1,482	Julis
4	✓	✓	✓	✓	✗	✗	✗	7%	371	Gdera
5	✓	✓	✓	✓	✗	✗	✗	19%	1,213	Deir Hanna
4	✓	✓	✓	✓	✓	✗	✗	25%	1,331	Zarzir
7	✗	✗	✗	✗	✗	✗	✗	23%	1,852	Yanuh-Jat
6	✓	✓	✗	✗	✗	✗	✗	21%	1,148	Yarka
12	✗	✗	✗	✗	✗	✗	✗	16%	1,064	Kafr Manda
4	✓	✓	✓	✓	✗	✗	✗	15%	1,570	Mevo'ot HaHermon
6	✓	✓	✗	✗	✗	✗	✗	15%	1,364	Merom HaGalil
8	✗	✗	✗	✗	✗	✗	✗	25%	2,209	Ghajar
14	✗	✗	✗	✗	✗	✗	✓	35%	2,420	Fassuta

✗ The position of auditor was not staffed

✓ The position of auditor was staffed

► Local Authorities not mentioned in this sub-chapter in the previous audit

According to the external auditors' findings and data from the Ministry of Interior on the staffing of the authority's auditor position at the end of the follow-up audit, processed by the State Comptroller's Office.

* Regarding local authorities where no auditor served even before 2015 – the data refers to the cumulative period during which no auditor served in the authority.



The Extent the Key Deficiencies Noted in the Previous Report Were Rectified

The Audit Chapter	The Audited Body	The Deficiency in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
The difference in the laws that apply to different types of local authorities	The Ministry of Interior	Provisions in the law ensuring the auditor's status and the audit's usefulness were applied only to certain types of authorities. Furthermore, previous provisions in the Local Authorities Order on the same subjects but with specific differences have not been repealed, and they continue to apply simultaneously, resulting in legal uncertainty regarding the applicable normative arrangement.				
Appointment of auditors in local authorities	Baqa al-Gharbiyye, Julis, Deir Hanna, Yarka, Kafr Manda and Mevo'ot HaHermon	No auditor has served for at least four years in contravention of the law requirements.			→	



The Audit Chapter	The Audited Body	The Deficiency in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Appointment of auditors in local authorities	The Ministry of Interior and its districts	The supervisors of the Ministry of Interior districts refrain from exercising their authority by law to appoint an auditor in local authorities that have been operating without an auditor for several years.				
The scope of the local authority's auditor position	The Ministry of Interior	The divisions in charge of the Ministry of Interior have no information about local authorities that received the Minister of Interior's approval to employ a part-time auditor.				
The scope of the local authority's auditor position	The Ministry of Interior	The Ministry of Interior did not compile data on the scope of the auditors' position in the local authorities.				
Submission of annual audit reports	Ofakim, Or Akiva, Azor, Efrat, Beit Jann, Basmat Tab'un, Givatayim, Zarzir, Hurfeish, Mazra'a, Immanuel, Segev Shalom, Shfar'am	The authority's auditor did not submit audit reports as required by law in one or more of 2015–2017.				



The Audit Chapter	The Audited Body	The Deficiency in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
The quality of the audit reports and their scope	Certain local authorities	Some local authority auditors submitted reports with little content and few findings, reports with ineffective recommendations, and reports dealing with trivial issues that do not express a strategic view of the audit work based on priorities and risk assessment.				
The Ministry of Interior's monitoring of the submission of audit reports and their quality	The Ministry of Interior and its districts	About half of the local authorities did not send a copy of their reports to the Senior Division of Local Government Audit.				
The Ministry of Interior's monitoring of the submission of audit reports and their quality	The Ministry of Interior and its districts	The Ministry of Interior did not verify the reasons for not submitting an audit report, and no sanction was imposed on an auditor who did not submit reports without a satisfying explanation.				



The Audit Chapter	The Audited Body	The Deficiency in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
The Ministry of Interior's monitoring of the submission of audit reports and their quality	The Ministry of Interior	Failure to prepare audit reports or reports with little content and few findings was not considered in the Ministry of Interior's decision in giving individual permission to expand the position of an auditor without a tender.				
Discussion of the audit report and monitoring of the rectifying of deficiencies	Certain local authorities	In a significant rate of the local authorities, the audit findings were not appropriately handled (in about a quarter of the local authorities, the audit report was not discussed in the local authority council or the audit committee, and in almost half of the authorities, the deficiency rectification team in the audit report did not discuss the audit report).				



Summary

The internal audit mechanisms in the local authorities, headed by the authority's auditor, are the first line of defense against harm to the proper functioning of the local authorities. Therefore, it is of utmost importance that the authorities themselves ensure these mechanisms' proper functioning and usefulness. Furthermore, to reduce the need to exercise the powers of intervention given to it, which sometimes involves interfering with the local democracy mechanism, it is recommended that the Ministry of Interior use all its tools to strengthen the usefulness of these mechanisms and ensure their proper functioning. This is all the more so, for small, peripheral, and non-resilient authorities, where the government aid provided to them (about 78% of their income), including the balance grants awarded to them, is higher and where there is a higher rate of deficiencies in the functioning of the internal audit mechanisms.



State Comptroller of Israel | Local Government
Audit Report | 2023

Follow-up Audit

**The Local Authorities'
Handling of Sexual
Harassment and its
Prevention – Follow-
up Audit**



The Local Authorities' Handling of Sexual Harassment and its Prevention – Follow-up Audit

Background

Sexual harassment affects human dignity, freedom, privacy, and the right to equality. It harms the self-esteem and social dignity of the harassed. It may adversely affect the victims' health and mental strength and their ability to study and earn a living, trust others, form interpersonal relationships, and function properly within the family and social framework. In 1998, the Knesset enacted the Prevention of Sexual Harassment Law, 1998, in which it was established that "A person may not sexually harass another or subject him to prejudicial treatment." The Minister of Justice was entrusted with implementing the law, and under his authority, the Prevention of Sexual Harassment Regulations (Employer's Obligations), 1998, were enacted.

In Israel, 258 local authorities employ about 190,000 of their own and many employees of workforce companies and other service providers. As in any work environment, here, too, there are often hierarchical and dependent relationships between different employees, and many of the local authorities' employees also have direct and frequent contact with the public, among other things, through office hours and by providing various services to the residents. Hence, the local authority should ensure a work environment free of sexual harassment – both among the employees of the local authority and between them and the public.



Key Figures

**about
173,000**

were sexually harassed in 2021, according to the Ministry of National Security and the CBS Personal Safety survey for 2021

**about
9,500**

the number of sexual harassment inquiries received at the Assistance Centers for Victims of Sexual Assault in 2021

51%

of the examined local authorities' employees, noted in the public participation process that they do not know if there is or who is the prevention of sexual harassment officer in the local authority

14%

of the examined local authorities' employees noted in the public participation process that they were sexually harassed or knew someone else who was sexually harassed within their work at the local authority in the last three years

22%

of the examined local authorities' employees noted in the public participation process that their workplace in the local authority is unsafe or moderately safe from sexual harassment (190 out of 866)

only 3

of the 12 examined, local authorities published the regulations for the prevention of sexual harassment on their websites

38

local authorities have appointed a prevention of sexual harassment officer, out of the 43 authorities noted in the previous audit not to have appointed this officer or did not answer the question on the subject

only 18

sexual harassment complaints were filed cumulatively in the 12 examined local authorities from the previous audit completion (October 2018 to August 2022)



Audit Actions

 In 2019, the State Comptroller's Office published a report on "The Local Authorities' Handling of Sexual Harassment and its Prevention" (the previous report or audit). From June to September 2022, the State Comptroller's Office examined several local authorities and the Ministry of Interior measures to rectify the main deficiencies raised in the previous report regarding the regulation of handling sexual harassment in the local authorities; Regarding the appointment of prevention of sexual harassment officers in the local authorities (Officer); Regarding the local authorities' actions to prevent sexual harassment; And regarding handling sexual harassment complaints (the follow-up audit). The follow-up audit was carried out at the Ministry of Interior at the **Umm Al-Fahm, Or Akiva, Elad, Be'er Ya'akov, Hadera, Tiberias, Tirat Carmel, Migdal HaEmek, Nazareth, and Nesher** municipalities, at the **Rekhasim** local authority, and the **Hof HaCarmel** regional council. Completion examinations were carried out at the Authority for the Advancement of the Status of Women and Gender Equality in the Ministry for Social Equality.

As part of the follow-up audit, 77 local authorities, which the previous audit found to have not appointed an Officer or to have not established regulations for the prevention of sexual harassment, were also examined. Relevant questions were sent to 62 of these local authorities (the follow-up questions), and regarding the remaining 15 authorities, their reports about rectifying the deficiencies raised in the previous report were examined.

Given the scope of sexual harassment on the public agenda affecting a large part of the population and the importance of its eradication, the State Comptroller's Office added to the customary audit tools a public participation process. In this context, a survey was sent to 7,552 employees in the 12 local authorities to obtain first-hand information about their sense of security and safeguarding against sexual harassment, including the degree of familiarity of the employees with the Officers and with the regulations; The extent to which they perceive the workplace in the local authority as safe from sexual harassment; The scope of employees who have experienced sexual harassment or who know of someone else who, according to them, has experienced sexual harassment within their work in the local authority (public participation process). A total of 866 employees answered all the questions in the questionnaire¹.

¹ In total, the data of the answers of 866 respondents, which constitute 13% of the total number of employees of local authorities examined to whom the questionnaire was sent, were analyzed. Below is the response rate and the number of respondents in each of the local authorities examined: **Umm al-Fahm** – 169 employees (12%); **Or Akiva** – 13 employees (9%); **Elad** – 77 employees (24%); **Be'er Ya'akov** – 81 employees (13%); **Hadera** – 134 employees (7%); **Hof HaCarmel** – 50 employees (13%); **Tiberias** – 60 employees (9%); **Tirat Carmel** – 86 employees (11%); **Migdal HaEmek** – 63 employees (16%); **Nazareth** – 45 employees (12%); **Nesher** – 64 employees (16%) and **Rekhasim** – 24 employees (14%). The sampling error is 3.4%.



Key Findings



The Sexual Harassment Scope of Complaints – in the previous audit, the analysis of the answers of 241 local authorities raised that from January 2015 to July 2018, 372 sexual harassment complaints were filed, according to the following breakdown: in 152 local authorities, no complaints were filed, in 43 local authorities one or two complaints were filed, and in 46 local authorities three or more complaints were filed. The follow-up audit found that in the 12 examined local authorities, only 18 sexual harassment complaints had been filed since the previous audit's completion (from October 2018 to August 2022). The relative scarcity of complaints filed in the local authorities, in the previous audit as well as in the follow-up audit, may indicate, among other things, no sexual harassment in the authority, but may also stem from the victims' fear of complaining, the lack of awareness of the existence of an Officer, lack of familiarity with the law, and a distrust in the local authority ability to handle the complaint properly.



A Sense of Security and Safeguarding from Sexual Harassment – the findings of the State Comptroller's Office public participation process indicate that one out of seven employees (14%) who responded to the survey had been harassed or knew of someone else who, according to them, was sexually harassed in the past three years within their work at the local authority. 22% of all respondents stated that they define the workplace at the local authority as unsafe or moderately safe from sexual harassment. In the **Nazareth, Elad, and Umm al-Fahm** municipalities, the employees' rates who answered that their local authority is unsafe or moderately safe from sexual harassment were the highest (42%, 31%, and 30%, respectively).



Appointment of a Prevention of Sexual Harassment Officer (Officer) and Setting Regulations – the previous audit raised that the **Basmat Tab'un** and **Yanuh-Jat** local authorities did not appoint an Officer, and the **Basmat Tab'un, Zarzir, Lakiya, Ma'ale Iron** and **Sajur** local authorities did not set regulations for the prevention of sexual harassment. The follow-up audit found that the above authorities did not rectify the deficiency, neither appointed an Officer nor set regulations.



Familiarity with the Officer and Accessibility to Training Materials – the public participation process raised that 51% of the respondents do not know the identity of the Officer or think there is none in the local authority. The local authorities with the highest employee rate who do not know the identity of Officer were **Umm al-Fahm** and **Nazareth** (65%), **Rekhasim** (64%), and **Hadera** (62%). In the **Umm al-Fahm** and **Nazareth** local authorities, the employees' rate who stated that they were exposed to training and informational materials on the subject was low – 24% and 31%, respectively.



- Receipt of Information, Supervision, and Control** – the previous audit raised that the Ministry of Interior did not obligate the local authorities to report, as part of personnel headcount reports, on the appointment of an Officer, and that the Ministry does not have information on the local authorities' preventive actions; On the number of complaints they received; On their handling of complaints and the results of the investigation; And the actions taken following the complaints. The follow-up audit found that the deficiency was rectified to a small extent: The Ministry of Interior did not obligate the local authorities to report on the appointment of an Officer as part of personnel headcount reports, and does know the number of Officers in the local authorities. However, the external auditors on behalf of the Ministry of Interior were asked to check, as part of the audit reports they conduct in the local authorities, if the local authority appointed such an Officer.
- Training of Managers and Employees in the Prevention of Sexual Harassment** – the previous audit raised that the local authorities of **Or Akiva**, **Nazareth**, and **Rekhasim** did not train their employees to prevent sexual harassment. The follow-up audit found that the deficiency was rectified to a small extent: since the previous audit completion in October 2018, the **Rekhasim** local authority has carried out one training session in 2020 for municipal employees only; In the **Nazareth** municipality, with over 1,400 employees, only about 30 employees were trained; The **Or Akiva** municipality has not trained their employees since the previous audit completion.
- The Arab Local Authorities' Handling of Sexual Harassment and its Prevention** – the previous audit recommended that the Ministry of Interior, in coordination with all the relevant parties, including the Authority for the Advancement of the Status of Women, review the Arab local authorities' actions to prevent sexual harassment and handle them. Accordingly, they should formulate as soon as possible an action plan to combat sexual harassment suited to the unique characteristics of Arab society. The follow-up audit found that the deficiency was not rectified and that the Ministry of Interior did not formulate an action plan to combat sexual harassment in local authorities in Arab society and did not monitor the appointment of Officers in these authorities. It was further found that even though from the previous audit completion in the examined Arab local authorities, **Umm al-Fahm** and **Nazareth**, and until the follow-up audit completion, six sexual harassment complaints were filed cumulatively by an employee in the above two local authorities, only one complaint was documented. Therefore, the official number of complaints does not reflect the actual number. The analysis of the answers to the follow-up public participation process found that the two local authorities with no Officers and the five local authorities that did not set regulations were Arab local authorities.
- Setting Guidelines and Procedures** – the previous audit raised that even though 20 years have passed since the Prevention of Sexual Harassment Law was enacted, the Ministry of Interior did not set guidelines and procedures for the local authorities handling of sexual harassment and did not supervise the implementation of the Law, including not



setting guidelines regarding situations in which the Officer is in a conflict of interest and in particular regarding cases where senior employees are involved in the complaint; Regarding the process of informing the victim about the stages of the handling of the complaint; And regarding protecting the privacy of those involved in investigating the complaint. The follow-up audit found that the deficiency was not rectified and that the Ministry of Interior did not formulate relevant guidelines and procedures or guidelines for preventive actions that the local authorities must carry out.



Appointing an Officer – according to the answers to the questionnaire distributed in the previous audit to all 257 local authorities, 40 authorities did not appoint an Officer, and three authorities did not respond to the question in this regard. The follow-up audit, found that the deficiency was rectified to a large extent: 38 of the 40 local authorities that did not appoint an Officer and the three local authorities that did not answer the question on the subject in the questionnaire – appointed an Officer.

Defining the Role of the Officer and Financial Remuneration – the previous audit raised that the Ministry of Interior did not define the role and responsibilities of the Officer in the local authority and did not set threshold conditions for the position. The follow-up audit found that the deficiency was fully rectified: in November 2019, the Ministry of Interior published a job definition for the Officer position, determining his areas of responsibility and detailing the required performance and main tasks in the position, as well as the prerequisites for appointment. Moreover, in March 2020, the Senior Division of Control of Human Capital in the Local Authorities in the Ministry of Interior and the Salary and Labor Agreements Division in the Ministry of Finance decided on financial remuneration for those holding the position of Officer.

Training of Officers – the previous audit raised that the law and regulations did not establish mandatory training for local authorities Officers and that every authority acted as it saw fit. It was also found that the **Or Akiva, Elad, and Nesher** municipalities and the **Rekhasim** local authority did not train the officers to serve in his capacity. The follow-up audit found that the deficiency was fully rectified: The Ministry of Interior job definition published in November 2019 determined that the Officer must receive a minimum of 30 hours of training before their appointment. It was also found that the officers in the **Or Akiva, Elad, and Nesher** municipalities and the **Rekhasim** local authority underwent dedicated training for the position.

Establishment of Regulations for the Prevention of Sexual Harassment – according to the questionnaire distributed in the previous audit to all 257 local authorities, 59 local authorities did not set regulations, and five local authorities did not respond. The follow-up audit found that the deficiency has been rectified to a large



extent: 59 of the 64 local authorities that did not set regulations or answer the question in the previous audit rectified the deficiency and established regulations.

Training Managers and Employees in Preventing Sexual Harassment – the previous audit raised that the **Elad** municipality did not train their employees. The follow-up audit found that the Municipality rectified the deficiency, and from November 2019, it requires the municipality's employees to study courseware on the subject. It monitors and controls the number of employees who took the courseware and sends reminders to the employees if necessary. Every new employee at the municipality receives the regulations as part of the onboarding documents. Except for the **Elad** municipality, the **Hadera** and **Nesher** municipalities also distributed courseware to employees. They monitored the response to the courseware by the employees, and the **Hadera** and **Hof HaCarmel** local authorities raised awareness of sexual harassment and created a work environment that is free of sexual harassment and safe, held dedicated training for employees, and published relevant informational materials. The public participation process found that in the **Elad**, **Tiberias**, and **Nesher** municipalities, over 70% of the respondents stated that they were exposed to training materials and were familiar with the regulations for preventing sexual harassment.

The Actions of the Authority for the Advancement of Women's Status – the previous audit raised that the Authority for the Advancement of the Status of Women previously contacted the local authorities, gathered details about the appointment of an Officer, and sent them reminders on the subject. However, the Director of the Authority for the Advancement of the Status of Women at the time stated that in the absence of legal powers, it did not follow up on the appointment of the above Officers nor after implementing other legal provisions in the local authorities and other organizations. The follow-up audit found that in 2022, the Authority for the Advancement of the Status of Women increased its involvement in the local authorities' actions to prevent sexual harassment. It turned to the Ministry of Interior to execute a survey among the local authorities to collect data on implementing the provisions of the Prevention of Sexual Harassment Law and the number of complaints received.



Key Recommendations

-  The local authorities should increase the employees' sense of protection against sexual harassment and influence the organizational atmosphere to promote a work environment free from sexual harassment. The Ministry of Interior, in coordination with the Ministry of Justice, should regulate the matter and ensure that the local authorities have the appropriate tools to deal with the phenomenon and increase the sense of security of their employees.
-  It is recommended that the Ministry of Interior require the local authorities to report to it on the appointment of an Officer as part of the personnel headcount reports each year and set guidelines for obtaining additional information about their actions to prevent and handle incidents of sexual harassment. Given the issue's importance, it is recommended that the Ministry of Interior make this data available to the public.
-  It is recommended that the Ministry of Interior publish, in coordination with the Ministry of Justice: instructions to the local authorities if complaints are filed against senior officials in the local authority; or if the Officers is in a possible conflict of interest preventing them from investigating; and instructions to protect the privacy of those involved in investigating the complaint.
-  It is recommended that the Ministry of Interior informs all local authorities about its decision on financial remuneration for Officers and that even an Officer appointed without a tender before the publication of the decision, when there was still no obligation to hold a tender for the position, is entitled to receive the compensation.
-  It is recommended that the Ministry of Interior and the Authority for the Advancement of the Status of Women promote the Authority's involvement in sexual harassment prevention among local authorities and consider setting an arrangement similar to the existing one regarding advisers for the advancement of the status of women in the local authorities also regarding those responsible for preventing sexual harassment in the necessary changes. For example, the Officers will be required to report every year on their preventive actions and the number of complaints filed at that local authority, and these data will be published and accessible to the public.
-  The **Basmat Tab'un** and **Yanuh-Jat** local authorities should appoint an Officer; The **Basmat Tab'un**, **Zarzir**, **Lakiya**, and **Ma'ale Iron** local authorities should set regulations for the prevention of sexual harassment, publish them, and bring them to the attention of their employees.
-  It is recommended that the **Or Akiva** municipality train their employees to raise their awareness of preventing sexual harassment; It is also recommended that the **Nazareth** municipality train more significant number of employees; And that the **Rekhasim** local



authority also train its (male) employees to expand their familiarity with the subject. It is recommended that the other examined local authorities continue to train their employees, particularly the local authorities for which over half of the respondents, according to the public participation process (51%), reported that they did not know the identity of the Officer – **Umm al-Fahm, Nazareth, Rekhasim, Hadera, Tirat Carmel** and **Migdal HaEmek** and in the **Umm al-Fahm, Nazareth, Tirat Carmel** and **Rekhasim** local authorities, where even over half of the respondents reported that they were not exposed to training and informational materials on the subject.

- 💡 It is recommended that all local authorities publish their regulations for the prevention of sexual harassment and the contact details of their Officers on their websites.
- 💡 It is recommended that the Ministry of Interior, in cooperation with the Arab local authorities, formulate an action plan to combat sexual harassment in local authorities in Arab society, which will suit the unique characteristics of this society.



The Local Authorities' Appointing of a Prevention of Sexual Harassment Officer (Officer) and Setting Regulations Following the Previous Audit

Setting Regulations in Local Authorities

In the previous audit

The number of local authorities that did not appoint an Officer

59



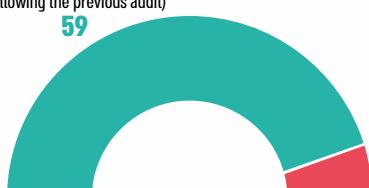
The number of local authorities that did not respond

5

In the follow-up audit

The number of local authorities that set regulations (following the previous audit)

59



The number of local authorities that did not set regulations

5

Appointing a Prevention of Sexual Harassment Officer

In the previous audit

The number of local authorities that did not appoint an Officer

40



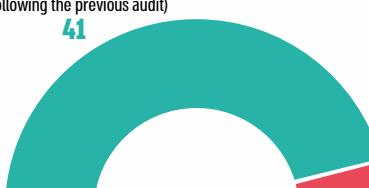
The number of local authorities that did not respond

3

In the follow-up audit

The number of local authorities that appointed an Officer (following the previous audit)

41



The number of local authorities that did not appoint an Officer

2



The Extent the Key Deficiencies Noted in the Previous Report were Rectified

The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Setting guidelines and procedures	The Ministry of Interior	Did not set guidelines and procedures for the local authorities' handling of sexual harassment or supervise the implementation of the Law therein.				
Receipt of information, supervision, and control	The Ministry of Interior	Did not require the local authorities to report as part of the workforce headcount reports on the appointment of an Officer and does not have information on the local authorities' preventive actions, the number of complaints they received, their handling of complaints and the results of the investigation.				



The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Appointing a prevention of sexual harassment officer	43 local authorities from the previous audit	Forty local authorities did not appoint an Officer, and three local authorities did not answer the questions in the questionnaire.				
Letter of appointment for the prevention of sexual harassment officer	The Hadera , Tirat Carmel , Nazareth , and Rekhlasim local authorities	No official appointment letter for the Officer was found.				
Notice to employees about the appointment of the prevention of sexual harassment officer	The Elad and Rekhlasim local authorities	Did not inform their employees of the identity of the Officer that was appointed.				
The prevention of sexual harassment officers – definition of their role	The Ministry of Interior	Did not define the role and responsibilities of the Officer in the local authority and did not set threshold conditions for the position.				



The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Investigation of complaints against senior officials	The Ministry of Interior	Did not publish instructions for handling sexual harassment complaints against senior officials in the local authorities and regarding the degree of involvement of the Officials handling such complaints.				
Training of the officers in charge and their professional support	The Ministry of Interior	No training obligation was established for the Officers.				
Regulations for the prevention of sexual harassment – establishment and publication	64 of the local authorities from the previous audit	Fifty-nine local authorities did not set regulations, and five local authorities did not answer the subject in the questionnaire.				
Update of the regulations	The Or Akiva, Be'er Ya'akov, and Hadera municipalities and the Hof HaCarmel regional council	Did not update their regulations after the amendment to the Law, even four years and more after the amendment.				
	The Elad municipality					



The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Training managers and employees in preventing sexual harassment	The Nazareth, Rekhaim local authorities	Did not train their employees on preventing sexual harassment.				
	The Or Akiva municipality					
Informing the victim about the stages of handling the complaint	The Ministry of Interior	There is no procedure for notifying victims and their right to appeal in disciplinary proceedings following sexual harassment complaints handled by the local authorities.				
Protection of the privacy of those involved in investigating the complaint	The Ministry of Interior	Did not set clear guidelines for the conduct of the local authorities regarding the protection of the privacy of those involved in cases of sexual harassment.				
	Hadera	Did not protect the privacy of those involved in investigating sexual harassment complaints.				



Summary

Sexual harassment affects the person's human dignity, freedom, privacy, and right to equality. Sexual harassment in working relationships has a negative impact on the entire work environment. The findings of the previous audit raised that essential aspects concerning the implementation of the provisions of the Law and the regulations for the prevention of sexual harassment in the local government, including the manner of handling complaints, were not regulated.

The follow-up audit found real progress in the Ministry of Interior's actions to appoint an Officer in local the authorities: The Ministry published a job description for the Officer position, set financial remuneration for the performance of the job, and instructed to review the appointment of an Officer as part of the audit reports of the external auditors on its behalf. However, other deficiencies have not yet been rectified. Thus, for example, the Ministry of Interior does not collect information on the local authorities' number of complaints received and their handling; It has not set guidelines regarding situations in which the Officers is in a conflict of interest and in particular regarding cases where senior employees are involved in the complaint, regarding the informing of the victim of the handling stages of the complaint and regarding the protection of the privacy of those involved. Moreover, many local authorities rectified the deficiencies noted in the previous report: Following the previous audit, 41 authorities appointed Officers, and 59 authorities set regulations for preventing sexual harassment; The Officers in the **Or Akiva, Elad, and Nesher** municipalities and the **Rekhlasim** local authority underwent dedicated training; The **Elad, Hadera** and **Nesher** municipalities distributed courseware to their employees; And other local authorities raised the awareness of their employees and conducted relevant trainings. However, it was found that almost no complaints were filed in the examined local authorities (18 complaints cumulatively since the completion of the previous audit), which may indicate that the phenomenon's scope is still unclear enough and that it is not enough to fulfill the legal obligations.

The public participation process raised serious findings such as: over half of the respondents stated that they did not know if there is an Officer in the local authority or think that there is none; 22% of the respondents indicated that their workplace at the local authority is unsafe or moderately safe from sexual harassment (and in the **Nazareth, Umm al-Fahm** and **Elad** municipalities, 30% or more of the respondents); One out of seven employees responded that they had been harassed or knew of someone who had been harassed in the last three years in the framework of their work at the local authority; And about a quarter of the employees answered that they would not contact the Officer if they had experienced sexual harassment.

All local authorities should increase the employees' sense of protection against sexual harassment and influence the organizational atmosphere to promote a work environment free from sexual harassment. The Ministry of Interior, in coordination with the Ministry of Justice,



should regulate the issue and ensure that the local authorities have the appropriate tools to deal with the phenomenon and increase the sense of security of employees in the local authorities.



State Comptroller of Israel | Local Government
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Follow-up Audit

**Employment of
External Consultants
by Local Authorities –
Follow-up Audit**



Employment of External Consultants by Local Authorities – Follow-up Audit

Background

Local authorities usually engage with consultants without tendering to perform their duties (external consultants). The consultation services address architecture, engineering, organizational consulting, public relations, accounting, financial consulting, and more. The local authorities are obliged to comply with the provisions of the law and the directives of the Ministry of Interior, among other things regarding these engagements, while ensuring transparency, equality, proper administration, efficiency, and preservation of public funds.



Key Figures

1,121

the six examined local authorities' total engagements with external consultants in 2019–2021: in **Ashdod** (508), **Be'er Tuvia** (54), **Binyamina-Givat ada** (125), **Givatayim** (258), **Herzliya** (148), **Kiryat Bialik** (28)

NIS 9.5 million

Be'er Tuvia regional council paid its consultants in 2019–2021

NIS 2.7 million

Herzliya municipality Paid its consultants in 2019–2021

63%

the **Herzliya** municipality payment share in 2021 to the five consultants with the highest earnings out of the total payments to its consultants

67%

the **Be'er Tuvia** regional council payment share in 2021 to the five consultants with the highest earnings out of the total payments to its consultants

67%

the **Be'er Tuvia** regional council engagements share with external consultants in 2019–2021, with no insurance appendix, out of 54 engagements

65%

the **Be'er Tuvia** regional council engagements share with external consultants in 2019–2021, in which a questionnaire for identifying conflicts of interest was not filled out or found, out of 54 engagements

NIS 2.09 million

the **Be'er Tuvia** regional council engagements sum with external consultants in 2019–2021 through work orders with no obligations and rights details nor signed agreements



Audit Actions

 From June to August 2022, the State Comptroller's Office conducted a follow-up audit on the rectifications of the key deficiencies noted in the previous report (the previous audit)¹ including the employment of external consultants by local authorities² (the follow-up audit), and the implementation of the "Directive for engagements for the performance of professional work requiring special knowledge and expertise or special trust relationships exempt from tendering" (the Ministry of Interior Directive or the Directive) that was published in the Ministry of Interior's Director General Circular after the publication of the previous report, to regulate the authorities' engagements with external consultants³. Additional topics not included in the previous report, such as documentation of the engagements with consultants, payment to consultants, and the costs of hiring the consultants, were also audited. The follow-up audit was carried out in the **Herzliya** municipality, the **Be'er Tuvia** regional council, and the Ministry of Interior, and a questionnaire was sent to the **Ashdod**, **Givatayim** and **Kiryat Bialik** municipalities and the **Binyamina-Givat Ada** local authorities which were examined in the previous audit as well.

Key Findings



 **The Ministry of Interior's Control Over the Local Authorities' Engagements with External Consultants** – from 2018 to the audit date, the Ministry of Interior did not audit and monitor the local authorities' engagements with external consultants. It did not verify whether the authorities applied the provisions of the directive it set. However, it should be noted that in June 2022, the Ministry of Interior instructed the auditors to examine the above engagements to prepare detailed reports for 2021 (as of the audit date, the reports had not been published). Furthermore, no official in the Ministry of Interior is in charge of handling the local authorities' engagements with consultants.

 **The Local Authorities' Control Over the External Consultants' Employment** – the previous audit raised that the **Herzliya** municipality did not regulate the procedures for the consultants' reporting on their activities, the municipality's supervision thereof,

1 State Comptroller, **Local Government Audit Reports For 2015** (2015), "Employment of External Consultants by Local Authorities".

2 The audit did not include engagements with legal consultants.

3 The Ministry of Interior's Director General Circular 8/2016 from November 2016.



and the mechanism for approving the consultants' payment demands. The **Be'er Tuvia** regional council reported to the State Comptroller's Office that the consultant directive would include an additional chapter on the supervision and control procedures. The follow-up audit found that the deficiency was not rectified. The **Herzliya** municipality did not have in its consultants' directive the supervision and control procedures over the consultant's work, and the **Be'er Tuvia** regional council, contrary to the above report, did not address in its directives the supervision and control processes required for the council's engagements with consultants and for examining its previous experience with consultants before deciding on a future engagement with them and did not address the documentation of said processes and their products.

 **Mechanisms for Regulating the Engagement with Consultants in the Local Authorities** – the **Binyamina-Givat Ada** local authorities have no directive regulating

the process for its engagements with external consultants, including managing the consultants' database, examining the engagement with consultants and managing the engagement until its conclusion.

 **Examining Concerns of Conflicts of Interest** – the previous audit raised that the

Be'er Tuvia regional council, for an extended period, did not settle the concern of conflicts of interest in employing external consultants. Moreover, even after the Ministry of Interior published relevant instructions, it implemented them only after four years. The Council did not stipulate in the agreements with its consultants that they are obligated to fill out a questionnaire for identifying conflicts of interest as a condition of their employment and did not require them to fill out the above questionnaire. The follow-up audit found that the deficiency was not rectified – the council did not incorporate a guideline to fill out a questionnaire for identifying conflicts of interest into its directives. In about 65% of the council's engagements in 2019–2021, the questionnaires were not filled out or found in the council's possession.

 **Documentation of Engagement with Consultants** – the follow-up audit found that

the **Be'er Tuvia** regional council did not find any documents on its engagements with consultants in 2019–2021, including agreements, work orders, insurance appendices of some consultants, and questionnaires for identifying conflicts of interest. As part of addressing the audit report, the council furnished missing documents regarding agreements, work orders, insurance appendices, questionnaires for identifying conflicts of interest, and affidavits regarding the absence of conflict of interest. Still, there were no questionnaires for identifying conflicts of interest for about 65% of the engagements; for one engagement out of 54 engagements, no agreement or work order was found, and the insurance appendices rate that were not in the possession of the council ranged from about 62% (18 out of 29) in 2019 to about 82% (9 out of 11) in 2021.

 **Engagements Through Work Orders and Without an Agreement** – the previous

audit raised that in 2012–2014, in 18 cases, the **Be'er Tuvia** regional council engaged with consultants through work orders and without an agreement that would anchor the



details of the essential engagement, such as the purposes of the engagement, its requirements, the period of the engagement, the remuneration for the engagement and the remedies available to the council in the event of disputes between it and the service provider. The follow-up audit found that the deficiency was not rectified – about 69% of the council's engagements (37 out of 54) in 2019–2021, at NIS 2.09 million, and for which information was received, were made through work orders that did not include details of the parties' obligations and rights and without any agreements being signed.

 **Establishing a Consultants Database and Publishing it** – in December 2021, the **Be'er Tuvia** regional council set up a computerized database of consultants; The database was published in January 2022, but until the completion of the audit, the Council's Committee of Three made no use of it. Furthermore, as of the audit date, 30 out of 48 consulting areas in the council's consultant database had at most three consultants in the database; in 19 areas, only one consultant was registered. Following the audit, the council expanded the list of consultants in the database, so out of 19 consulting areas in which one consultant was registered, 6 such areas remain.

 **Publication of Information About the Authorities' Engagements with External Consultants on the Official Websites** – the **Be'er Tuvia** regional council did not publish on its website about 73% (47 out of 64) of the resolutions from the Engagements Committee's deliberations – the Committee of Three – regarding the Council's engagements with external consultants in 2019–2022, in contravention of the Ministry of Interior Directive. The rate of unpublished resolutions was particularly high in 2019, when about 94% were not published.

 **Costs of Hiring Consultants on an Hourly Basis** – the Ministry of Interior did not establish a provision for the local authorities' engagement tariffs, with external consultants. It did not instruct them to base themselves on the TAKAM directives (the Finance and Economy Directives, published by the Accountant General Division of the Ministry of Finance for the use of the government ministries on the rates for contracting with external service providers and contracted workers). In 9 out of 11 engagements sampled in the **Herzliya** municipality, it paid the consultants an hourly wage corresponding to the wage defined in the TAKAM directive. The salary was higher in two engagements than the wage specified in the TAKAM directive. In 2 out of 3 engagements sampled in the **Be'er Tuvia** regional council, it paid an hourly wage that matched the wage defined in the TAKAM directive. Regarding the third engagement, the consultant was given an hourly wage higher than the TAKAM rate.



The Ministry of Interior Directive for Engagements with Consultants – until the previous audit completion in mid-2015, the Ministry of Interior had not published a directive for local authorities' contracts with service providers through tender exemption. The follow-up audit found that the deficiency was fully rectified. In the Ministry of Interior's Director General Circular 8/2016, the "Directive for engagements for the



performance of professional work requiring special knowledge and expertise or special trust relationships exempt from tendering" was published.

Establishing a Pool of Consultants – the previous audit raised that the **Givatayim** and **Herzliya** municipalities did not have a pool of consultants available, and the **Ashdod** municipality operated a pool of consultants only in planning. The follow-up audit found that the deficiency has been fully rectified – the **Ashdod**, **Givatayim**, and **Herzliya** municipalities have established computerized databases of consultants to which one can register through the Internet, and it is made available to the public.

Mechanisms for Regulating the Engagement with Consultants in the Local Authorities – the previous audit raised that the **Herzliya** municipality and the **Be'er Tuvia** regional council did not have a directive for engagement with local consultants. The follow-up audit found that the deficiency was fully rectified by the **Herzliya** municipality and largely by the **Be'er Tuvia** regional council.

Examining Concerns of Conflicts of Interest in the Herzliya Municipality – the previous audit raised that the **Herzliya** municipality did not resolve the concern of conflict of interest in the employment of external consultants in directives or another way. In several cases, the municipality did not insist that their consultants fill out a questionnaire for identifying conflicts of interest. The follow-up audit found that the deficiency was fully rectified. The municipality has included in engagements with consultants that the one ordering the engagement must check with the external consultant that all the documents required for the engagement have been submitted according to the directive terms and signed as required. The municipality's legal advisor reviews the conflict of interest questionnaires, and the municipality requires that as part of registering a consultant to the database, the consultant fills out a questionnaire to identify conflicts of interest. An examination of the municipality's engagements with consultants in 2021 found that the municipality made sure that all consultants filled out the questionnaire again close to the date of signing the contract.

Engagements Through Work Orders and Without an Agreement in the Herzliya Municipality – the previous audit raised that in 2012–2014, the **Herzliya** municipality, in nine cases, engaged with consultants through work orders and without an agreement that would anchor the essential details of the engagement, such as the purposes of the engagement, its requirements, the period of the engagement, the remuneration for the engagement and the remedies that would be available to the municipality in the event of disputes between it and the service provider. The follow-up audit found that the deficiency was fully rectified – even in cases where the municipality entered into engagements through work orders, it anchored the parties' obligations and rights in the main clauses of the engagement.



Key Recommendations

-  It is recommended that the Ministry of Interior, as the regulator of the local authorities' activities, establish a supervision and control mechanism for the authorities' engagements with external consultants, including, among other things, a reference to the frequency with which the subject will be reviewed in the audits carried out by it. The local authorities should comply with the provisions of the law and the Ministry of Interior Directive in their engagements with consultants, and among other things, act transparently and publish their reasoned decisions, sign engagement agreements with the consultants that regulate and specify all of the parties' obligations and rights and establish supervision and control mechanisms for the consultants' activities.
-  The **Herzliya** municipality and the **Be'er Tuvia** regional council should act transparently and publish reasoned decisions in their engagements with external consultants. Moreover, they should establish supervision and control mechanisms for the consultants' activities.
-  The **Be'er Tuvia** regional council should sign engagement agreements with the consultants to regulate and specify all parties' obligations and rights. It is also recommended that the Council increase the number of bidders in the database it establishes.
-  The **Be'er Tuvia** regional council should establish in its directives a guideline regarding the obligation to fill out a questionnaire for identifying conflicts of interest as a condition for engaging with an external consultant. Furthermore, it should ensure that all their external consultants will fill out the questionnaire before the beginning of the engagement with them and that a legal adviser on behalf of the council will review the questionnaires.
-  It is recommended that similar to the publication of the Accountant General's tariffs booklet, the Ministry of Interior consider publishing a booklet with minimum and maximum tariffs for the employment of consultants in local authorities according to the classification of different areas of consultation or, alternatively, instruct the authorities to base themselves on Accountant General's tariffs.



The Extent the Key Deficiencies Noted in the Previous Report were Rectified

The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
The authorities control over the employment of external consultants	The Herzliya municipality	The Herzliya municipality did not regulate procedures for the consultants' reporting on their activities, the municipality's supervision thereof, and the mechanism for approving the consultants' payment demands.				
The regulation of the engagements of the local authorities with external consultants	The Ministry of Interior	Despite the expansive interpretation given by the local authorities to the provisions of the law regarding their engagement with service providers through the tender exemption, the Ministry of Interior did not publish a directive regarding the employment of external consultants by local authorities.				



The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Examination of concern of conflict of interest	The Herzliya municipality	The Herzliya municipality and the Be'er Tuvia regional council did not settle the concern of conflicts of interest in employing external consultants.			→	
Engagements through work orders and without an agreement	The Herzliya municipality	In 2012–2014, the municipality contracted, in nine cases, with consultants through work orders and without an agreement that would anchor the essential details of the contract.			→	
	The Be'er Tuvia regional council	In 2012–2014, the council contracted, in 18 cases, with consultants through work orders and without an agreement that would anchor the essential details of the contract.			→	



The Audit Chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification Noted in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Establishment of a pool of consultants	The Givatayim, Herzliya, and Ashdod municipalities	The Givatayim and Herzliya municipalities operated without a pool of consultants, and the Ashdod municipality operated a pool of consultants only in planning.				
Mechanisms for regulating engagements with consultants in local authorities	The Herzliya municipality	The Herzliya municipality and the Be'er Tuvia regional council had no directives for contracting with consultants.				
	The Be'er Tuvia regional council					



Summary

The local authorities serve as the public trustee, and they customarily enter into engagements with external consultants through an exemption from tendering to perform their duties in various fields. The above engagements add up to considerable sums; thus, the **Be'er Tuvia** regional council paid consultants in 2019–2021 about NIS 9.51 million, and the **Herzliya** municipality paid its consultants in 2019–2021 about NIS 2.68 million. The previous audit report found that the examined local authorities engaged with external consultants for considerable sums not according to the rules of proper governance and through procedures that are not transparent and equitable. The follow-up audit found that some of the deficiencies noted in the previous report were rectified, some partially rectified, and some not. The Ministry of Interior rectified the deficiency regarding finalizing regulating the local authorities' engagements with consultants exempt from tendering. However, it did not establish a supervision and control mechanism for the authorities' engagements with external consultants.

Furthermore, the **Herzliya** municipality and the **Be'er Tuvia** regional council did not include in their directives control instructions for their engagements with external consultants and their work, and no documents were found according to which they carried out the said control. The **Be'er Tuvia** regional council did not engage with the consultants through agreements that included the essential details of the engagement and the rights and obligations of each party. It is recommended that the Ministry of Interior and the local authorities establish supervision and control mechanisms for engagements with external consultants. Furthermore, the local authorities should apply the provisions of the law and the Ministry of Interior Directive in their engagements with the consultants.



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Follow-up Audit

**Actions for Increasing
Road Safety Within
the Jurisdiction of
Local Authorities in
Arab Society –
Follow-up Audit**



Actions for Increasing Road Safety Within the Jurisdiction of Local Authorities in Arab Society – Follow-up Audit

Background

According to the National Road Safety Authority (NRSA), although the Arab society is about one-fifth of Israel's population, the involvement rate of this population in fatal traffic accidents is significant compared to its rate in the general population – in the number of fatalities (about 2-fold) and those seriously injured in these accidents (about 1.5-fold) and the number of drivers involved (1.9-fold).

Several public bodies are entrusted with road safety. According to the law, the local authority is responsible for road safety within its jurisdiction. The National Road Safety Authority, the Ministry of Education, the Ministry of Transport and Road Safety (Ministry of Transport), and the Traffic Division of the Israel Police are working within their respective areas of authority and responsibility to increase road safety.

According to the National Road Safety Authority Law, 2006 (the National Road Safety Authority Law), the National Road Safety Authority should increase the funding of road safety actions by local authorities, including improvement of the transportation infrastructure and safety measures on municipal roads, and supervising the implementation of actions which were so financed.



Key Figures

33.3%

of the fatalities in traffic accidents in 2014–2020 were from the Arab society, compared to their rate in the population – 21% (in 2020 – 100 fatalities from traffic accidents in the Arab society)

1.9-fold

the involvement rate of drivers from the Arab society in traffic accidents in 2014–2020, compared to the involvement of drivers from the Jewish society

24.4%

of those severely injured in traffic accidents in 2014–2020 (3,840) were from the Arab society

about NIS 17 billion

the estimated cost of traffic accident damages to the Israeli economy per year

only 10%

the 6th graders' rate who were road safety crossroad attendants ('Zahav') in educational institutions in the Arab society in the 2021–2022 school year¹

in only 17%

of the traffic accidents from January 2019 to May 2022 (11 out of 64 accidents) in the examined authorities, did the police have a precise address of the accident site

33 km

the total length of the unlit roads in **Jatt, Kafr Qassem, and Tel Sheva**

75%

the decrease rate in the budget transferred by the NRSA to the Arab authorities in 2020 (NIS 2 million) compared to 2018 (about NIS 8 million)

¹ The school year begins in September and ends in August.



Audit Actions

 In 2020, the State Comptroller's Office published a report on "Actions for increasing road safety within the jurisdiction of local authorities in Arab society" (the previous report or audit). The previous audit examined the actions to increase road safety regarding road safety education and advocacy, road safety management, handling infrastructure of road safety, and enforcement.

From July to August 2022, the State Comptroller's Office followed up the rectification of the main deficiencies noted in the previous report (the follow-up audit). The follow-up audit was conducted in the **Kafr Qassem** municipality and the **Jisr az-Zarqa, Jatt, and Tel Sheva** local authorities (the local authorities examined or the authorities examined). Completion examinations were conducted at the National Road Safety Authority, the Ministry of Education, Transport, and the Israel Police.

Key Findings



 **Pedestrian Crosswalks** – the previous audit raised that in the jurisdiction of **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva**, there are pedestrian crosswalks whose paint has faded and it is difficult to distinguish them. The follow-up audit found that the deficiency was not rectified: in the examined authorities, the paint of a large part of the pedestrian crosswalks has faded, and sometimes, it is impossible to distinguish pedestrian crosswalks markings in these places.

 **Street Lighting** – the previous audit raised that entire streets in the jurisdictions of **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** were not adequately lit, and some had no lighting at all, including at the pedestrian crosswalks. The follow-up audit found that the deficiency was rectified to a small extent: in the **Jisr az-Zarqa, Jatt, and Tel Sheva** local authorities, entire streets were not adequately lit, and some of them had no lighting at all.

 **Speed Bumps** – the previous audit raised that in the jurisdictions of **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva**, there are unpainted speed bumps that are difficult to distinguish ahead of time during the day and even more so after dark. The follow-up audit found that the deficiency was not rectified: in the examined authorities, there are still areas with no speed bumps, such as near intersections and schools. Moreover, there are speed bumps that have not been painted or whose paint has faded and are, therefore, difficult to spot ahead of time.



- 👎 Sidewalks** – the previous audit raised that the sidewalks of **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** are blocked by garbage containers, goods sold by merchants, and vehicles parked on them. The follow-up audit found that the deficiency had not been rectified: sidewalks in the examined local authorities, which are typically narrow, are blocked by trees, electricity poles, scrap, construction waste, garbage containers, pits or sunken pavements, open drainage, sewage pits, and private vehicles and trucks.
- 👎 Traffic Signs** – the previous audit raised that in the jurisdiction of **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva**, some traffic signs constituted a safety hazard and were not addressed by the local authorities. The follow-up audit found that the deficiency was not rectified: the examined authorities' traffic signs still constitute safety hazards, such as worn posted signs and crooked signs leaning towards the road. Additionally, traffic signs at intersections and roads are missing.
- 👎 Unpaved Road Sections** – the previous audit raised that there are many unpaved road sections in **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva**. The follow-up audit found that the deficiency had not been rectified, and about 18 km or more of road sections were still unpaved.
- 👎 Road Safety Crossroad Attendants ('Zahav')** – the previous audit raised that the 6th graders' rate who were road safety crossroad attendants in educational institutions in the Arab society in the 2018–2019 school year was 8%, compared to 54% in the educational institutions in the Jewish society. The follow-up audit found that the 6th graders' rate of road safety crossroad attendants in educational institutions in the Arab society almost did not change, and in the school year 2021–2022, it was 10% compared to 56.7% in educational institutions in the Jewish society.
- 👎 Registration of Traffic Arrangements** – the previous audit raised that **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** did not keep a record of the traffic arrangements within their jurisdictions, including that of the traffic signs posted therein; therefore, it was impossible to know who decided on the implementation of the traffic arrangements and when. The follow-up audit found that the deficiency was not rectified: none of the examined local authorities recorded the traffic arrangements in their jurisdictions.
- 👎 Information in the Local Authorities About Traffic Accident Epicenters** – the previous audit raised that the examined local authorities – **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** – did not demand from the police data on traffic accident epicenters and did not regularly receive data on the accidents occurring within their jurisdiction. The follow-up audit found that the deficiency was not rectified: the local authorities receive reports from the police only if they request it, and in practice, they did not request it.
- 👎 Police Information on Traffic Accident Epicenters** – the previous audit raised that the police did not have data on the precise location of most of the traffic accidents that



occurred in 2015–2018 in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva** out of 192 traffic accidents, only 13 accidents (7%) had an exact address and 11 accidents (6%) only had the street name. The follow-up audit found that the deficiency was rectified to a small extent: the police do not have data on the precise location of most of the traffic accidents that occurred from January 2019 to May 2022 in the examined local authorities; Out of 64 traffic accidents, only 11 accidents (17%) had a precise address, and 8 accidents (12.5%) only had the street name, and therefore the authorities cannot handle traffic hazards to the extent that these were the cause of said accidents.

 **The Road Safety Committee** – the previous audit raised that in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva**, the committee did not convene as often as required – four times a year, at least. The follow-up audit found that the deficiency was rectified to a small extent: the committee did not convene as often as required in the examined authorities; in **Jisr az-Zarqa**, the committee convened twice a year; In **Jatt**, the committee convened only after receiving a budget for the marking of safety devices; In **Kafr Qassem** – once a year; In **Tel Sheva** – there is no committee.

 **Road Safety Center Managers** – the previous audit raised that the road safety center managers in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva** also held other positions in the same local authorities. The follow-up audit found that the deficiency was not rectified: the road safety center managers in the examined local authorities also held other positions in those local authorities, and only a tiny part of their working hours (about 10%) was devoted to managing the road safety center.

 **Transportation Master Plan** – the previous audit raised that there was no transportation master plan in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva**. The follow-up audit found that the deficiency was not rectified, and the examined authorities did not formulate a transportation master plan.

 **Collection of the Street Paving Levy** – the previous audit raised that only the **Kafr Qassem** municipality collected a street paving levy (in 2017–2018 and the first half of 2019, the municipality collected a levy of about NIS 660,000, about NIS 674,000 and about NIS 207,000, respectively) while the **Jisr az-Zarqa**, **Jatt** and **Tel Sheva** local authorities did not collect it. The follow-up audit found that the deficiency was not rectified: the **Kafr Qassem** municipality collected in 2019–2021 about NIS 682,000, about NIS 673,000, and about NIS 675,000, respectively, while the **Jisr az-Zarqa**, **Jatt**, and **Tel Sheva** local authorities do not collect a street paving levy.



Formulating a Plan with the Ayalon Highways Company – the previous audit raised that the Ministry of Transport is the planner and implementer of the transport projects in the local authorities. The follow-up audit found that the Ministry of Transport formulated a plan with the "Ayalon Highways" company (Netivei Ayalon) to close



infrastructure gaps between the Arab and Jewish local authorities, and for about three years (2018–2020), the Ayalon Highways company prepared strategic plans for all 133 local authorities in the Arab society in Israel.

Road Safety Coordinators – the previous audit raised that the road safety coordinators rate in Arab society is lower than in Jewish society. The follow-up audit found that the deficiency has been rectified to a large extent: there was an increase, over five years, in the rate of educational institutions in Arab society where road safety coordinators operated – from 61% to 74%.

Online Training – the previous audit raised that until the start of the previous audit, the Ministry of Education and the National Road Safety Authority (NRSA) did not provide online training for the Arab society, and during the previous audit period, an online class was held, the result of cooperation between the NRSA and the Ministry of Education. The class dealt with young drivers in Arab society, and its target audience was 10th–12th grade students. The follow-up audit found that the deficiency was rectified to a small extent: the Ministry of Education had formed several online networks in the Arabic language, such as establishing a database of driving theory questions to practice in the framework of traffic education in the 10th grade, and prepare for the driving theory exam; developing a dedicated study unit for 3rd graders in elementary schools in the Arab society; And developing an app for smartphones.

The Training of Road Safety Center Managers in the Local Authorities – the previous audit raised that the NRSA has no data about the lack of training of the road safety center managers in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva**. The follow-up audit found that the deficiency has been fully rectified: the NRSA has information on the matter.

The Local Authority's Annual Road Safety Work Plan – the previous audit raised that **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva** did not prepare annual road safety work plans and that these had been prepared for them by the NRSA consultants. The follow-up audit found that the deficiency was fully rectified: the above annual work plans were prepared by the road safety center managers in the examined authorities in cooperation with the Regional Safety Manager.

Traffic Circles – the previous audit raised that there were traffic circles in **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva**, but there was no record of their location and dimensions. The follow-up audit found that the deficiency had been rectified largely: **Jatt**, **Kafr Qassem**, and **Tel Sheva** had a record of their location and dimensions.

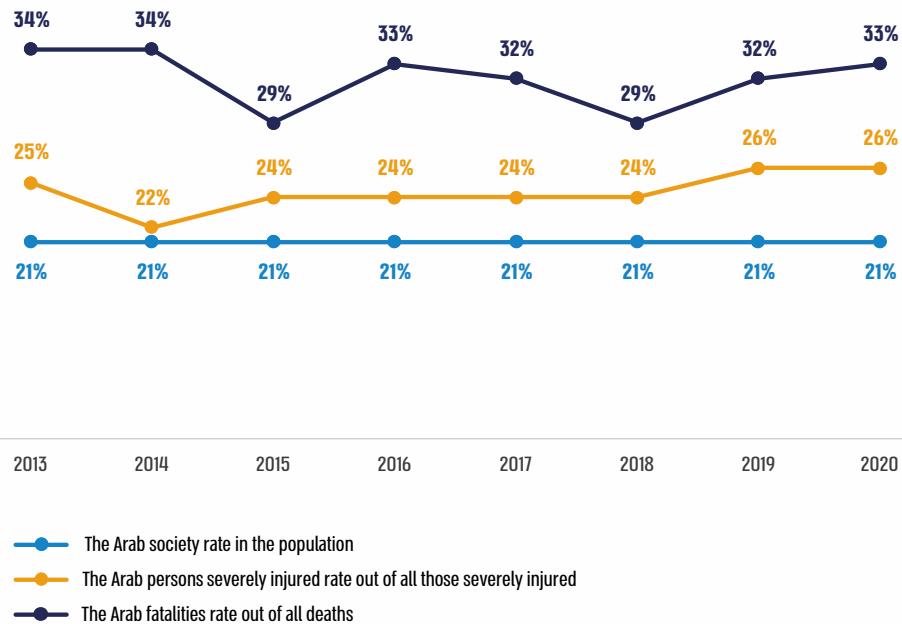


Key Recommendations

-  It is recommended that the examined local authorities prepare a transportation master plan, as it is an important planning tool with an all-inclusive and comprehensive view of their transportation and safety needs on which to base their annual work plans. It is further recommended that the examined local authorities prepare an approved traffic sign plan, place traffic signs in their jurisdictions, and repair and maintain the existing traffic signs.
-  The **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** local authorities must ensure that the road infrastructure is in good order to maintain the safety of the residents, including children, and operate the road safety crossroad attendant's system. The examined local authorities must ensure that the pedestrian crosswalks and speed bumps in their jurisdictions are clearly visible and in good condition.
-  It is recommended that the local authorities enlist the help of many volunteers to carry out advocacy activities on road safety among their residents and that the NRSA encourage the local authorities to allocate appropriate resources for this purpose. It is also recommended that the Ministry of Education increase the number of NRSA coordinators in educational institutions in the Arab society.
-  It is recommended that the heads of the **Jisr az-Zarqa, Jatt, Kafr Qassem, and Tel Sheva** local authorities stuff the position of road safety center manager with an employee who can fulfill the position professionally and entirely according to the scope of the position set for them. It is recommended that the Ministry of Interior and the heads of the local authorities consider strengthening the status of the road safety center manager in the local authority.
-  It is recommended that the examined local authorities regulate the street names and signage in their jurisdictions so that it is possible to indicate the precise location of traffic accidents within their jurisdictions.
-  It is recommended that the Ministry of Interior instruct the local authorities that have not enacted by-laws on street paving to enact and implement them and to collect the street paving levy, particularly authorities that receive Equalization Grants.
-  It is recommended that the Ministry of Transport implement the plan it formulated with the "Ayalon Highways" company to close infrastructure gaps between the Arab and Jewish local authorities and to examine the scope of the budgets allocated by the Ministry and the NRSA to the Arab authorities.



The Arab Society Rate Among Fatalities and Those Severely Injured in Traffic Accidents, 2013–2020 (in rate)



According to the NRSA data processed by the State Comptroller's Office.



The Extent the Key Deficiencies Noted in the Previous Report were Rectified

Audit chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Road safety coordinators	The Ministry of Education	The rate of road safety coordinators in Arab society is lower than in Jewish society.				
Online training	The Ministry of Education and the NRSA	No online training was provided to Arab society.				
Road safety crossroad attendants	The Police and the Ministry of Education	The 6th graders' rate who were road safety crossroad attendants in educational institutions in the Arab society in the 2019 school year was small.				
Advocacy activity by volunteers	The local authorities examined	All the examined authorities, except for Kafr Qassem , did not initiate any advocacy activities through volunteers from the community.				
Budgeting of the local authorities for the advocacy programs of the road safety center	The local authorities examined	No authorities, except for Kafr Qassem , allocated resources from their budgets to finance advocacy activities.				



Audit chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
The Road Safety Committee	The local authorities examined	In Kafr Qassem the Committee did not convene as often as required, and no road safety committee was established in the other three municipalities.				
The Road Safety Center	The local authorities examined	No minutes or other documents were found to indicate that the center convened or was active.				
Road Safety Center Managers	The NRSA	The NRSA did not have data regarding the appointment date of the road safety center managers in the examined local authorities.				
	The local authorities examined	The road safety center managers in the examined local authorities also held other positions in those authorities.				
Annual work plan	The local authorities examined	The examined local authorities did not prepare annual road safety work plans, and these had been prepared for them by the NRSA consultants.				



Audit chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Information on traffic accident epicenters	The local authorities examined	The examined local authorities did not demand data from the police on the traffic accident epicenters, and they did not regularly receive data on the accidents in their jurisdiction.				
	The Police	The police did not have data on the precise location of most traffic accidents.				
Transportation master plan	The local authorities examined	The examined local authorities did not have a transportation master plan.				
Traffic signs	The local authorities examined	Some traffic signs were a safety hazard within the jurisdiction of the examined local authorities, but the local authorities did not address these.				
Pedestrian crosswalks	The local authorities examined	Within the jurisdiction of the examined local authorities, some pedestrian crosswalks whose paint has faded to such an extent that it is difficult to distinguish them.				



Audit chapter	The Audited Body	The Deficiency Noted in the Previous Audit	The Extent of Deficiencies Rectification in the Follow-up Audit			
			Not Rectified	Slightly Rectified	Significantly Rectified	Fully Rectified
Speed bumps	The local authorities examined	Within the jurisdiction of the examined local authorities, some speed bumps are unpainted, and it is difficult to notice them ahead of time during the day and even more so after dark.				
Sidewalks	The local authorities examined	Sidewalks in the examined local authorities are blocked by garbage containers, goods sold by merchants, and vehicles parked on them.				



Summary

In 2020, the State Comptroller's Office published a report on "Actions for increasing road safety within the jurisdiction of local authorities in Arab society." Following the publication of the previous audit report, it was found that even after 2020, the involvement rate of the Arab society in traffic accidents is, unfortunately, relatively large compared to its rate in the general population.

The follow-up audit found that some of the deficiencies were fully or partially rectified: the Ministry of Transport authorized the Ayalon Highways company to prepare and implement plans to close infrastructure gaps in the Arab communities; The examined local authorities prepared regular annual work plans in collaboration with the National Road Safety Authority (NRSA); Managers of the road safety centers received training (except for the **Jisr az-Zarqa** local authority), and they worked regularly with the NRSA.

However, some deficiencies were rectified to a small extent, including the minimal improvement in the employment of road safety crosswalk attendants in Arab society, mainly due to the state of the infrastructure and the existing hazards around the schools and due to the lack of training on the subject on the part of the police (except for the **Kafr Qassem** municipality); The informative publications on social networks and the NRSA website and the advocacy through volunteers require real improvement.

Some deficiencies were not rectified: all the examined authorities do not have a transportation master plan, they do not operate according to a traffic signs plan, and they do not ask the police for information about traffic accident epicenters within their jurisdiction; There are unpaved roads and sidewalks, and there are traffic arrangements and safety devices deficiencies, which adversely affect the safety of road users, including dangerous deficiencies in the vicinity of educational institutions. Regarding enforcement, except for the **Kafr Qassem** municipality, which enforces and imposes fines in the new industrial zone "Heart of the Land" (Lev Haaretz), all the examined authorities do not carry out enforcement activities because they have not enacted a by-law or due to the lack of a traffic signs plan. The **Tel Sheva** local authority has not enacted a by-law and does not collect levies; therefore, there are no official funding sources for regulating the infrastructure.

To reduce the number of traffic accidents and casualties in the jurisdiction of the Arab local authorities, all local authorities must place road safety at the top of their priorities, including **Jisr az-Zarqa**, **Jatt**, **Kafr Qassem**, and **Tel Sheva**, despite the financial difficulties and the constant struggle with the increasing violence, and with the multitude of problems facing the Arab authorities, which they pointed to as an obstacle to their activity in road safety. Greater involvement of the local authorities in Arab society in promoting road safety is also required. In addition, the NRSA and the Ministries of Transport and Interior should rectify the deficiencies noted in the report, monitor their rectification by the authorities, complete the required development within the authorities' jurisdiction, and supervise and enforce road safety.

