

Local Government as Viewed through the Data

Aspects and Trends





THE ISRAEL
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Summary

This book presented a wide range of data on local government in Israel. Due to the diversity of subjects covered and the book's focus on data analysis, it is impossible to summarize its main insights or conclusions. In this summary, we briefly note the main findings from each of the five sections and suggest avenues for future research.

Section One showed that Israelis have a great deal of confidence in local government in general—significantly more than they have in central government. Israelis believe that local government is more efficient, professional, and honest than the central government. Therefore, there is very broad support among the Israeli public for the devolution of powers from central government to the local authorities.

Section Two presented a macro picture of local government in Israel. Local government budgets in Israel are among the lowest in OECD countries: that is, the scope of local government activity in Israel is limited compared to the standard in developed countries. Moreover, local government in Israel has relatively little financial autonomy. There has been substantial improvement in financial management of local governments over the last two decades, as manifested, for example, in a gradual reduction in the cumulative deficit. The number of employees and full-time equivalents (FTEs) in local authorities and municipal companies has increased over the past two decades, reaching the current number of almost 200,000 workers. Only about half of the employees of local authorities work full-time; in municipal companies the figure is only about one-fourth. The percentage of women among local government employees is higher than in central government, particularly in the senior echelon.

Section Three examined the main interfaces of local authorities with residents: service charters, municipal hotlines, and digital services. Service charters for residents are common in local authorities, although many authorities still have not adopted such a charter. Nevertheless, most Israelis live in localities with a service charter, and most authorities have published a substantive charter that stipulates standard times for the provision of various services, rather than just a declarative charter. As for municipal hotlines, during the COVID period calls to municipal hotlines increased substantially; in 2023 more than half of the residents of Israel reported having called a hotline during the previous year, with some calling more frequently. The calls are predominantly about cleanliness, sanitation, and the environment, as well as municipal inspection and police work. Most callers to municipal hotlines (61%) reported that they were satisfied with the service they received from the local authority following the call. As for digitalization in education, it was found that most local authorities offer the option of carrying out basic school registration processes digitally, but only a few provide a digital platform for more complex tasks, such as deregistration or appeals.

Section Four examined two important interfaces of local authorities with civil society: land allocations and support for nonprofit organizations. The study found that local authorities allocate thousands of tracts of land and buildings to NPOs for public purposes. Most of these allocations are made by medium-to-large Jewish municipalities; Arab authorities and regional councils make almost no allocations due to the large number of private properties (in the Arab sector) and the unique governmental structure (in regional councils). The number of allocations is particularly high in Haredi authorities and in authorities with large Haredi populations. This is because a substantial proportion of the allocations—even in localities with a clear secular majority—are designated for religious purposes, particularly synagogues, and many others are for private educational institutions, most of which are Haredi. As for NPOs,

most local authorities provide grants to NPOs that operate within their jurisdiction, with the total support amounting to almost NIS 600 million a year. The largest number of grants are for religion and welfare, but in terms of total support provided, the most prominent areas are sports and culture, since the average grant in these areas is much larger than in other fields.

Section Five examined transparency and planning in local authorities. In terms of the transparency of council meetings, it was found that most authorities publish minutes summarizing the main points discussed, as well as transcripts or recordings of the meetings, as required by law. Similarly, most authorities release a summary of their proposed budget and audited financial statement. In contrast, a large percentage of authorities do not release basic documents for which there is no transparency requirement: minutes of council committee meetings, the complete budget proposal, the complete audited financial statement, and data on the development budget. As for work plans, only one-third of Israeli authorities operate on the basis of an annual work plan. Most authorities that prepare work plans do not release them, suggesting that these plans are considered part of the internal administrative process. Only a few authorities regard publication of the plan as part of their transparency procedures and making information about the authority's work accessible to the public.

Most of the chapters of the book segmented the local authorities in several ways. The most significant finding was the difference between Jewish and Arab authorities. As a rule, Arab local authorities function less well in many areas, including transparency, use of an annual work plan, operation of a municipal hotline, provision of online services, and service charters. Furthermore, there is a correlation between these findings and disparities in management between local authorities with a low socioeconomic ranking (most of which are Arab) and other local authorities, as well as between local councils (most of which are Arab)

and municipalities and regional councils. The lower level of functioning of the Arab authorities may explain the findings in Chapter One regarding lower trust in and satisfaction with local government among Arabs. A deeper discussion of the roots of the disparities between Jewish and Arab authorities requires a broader and more detailed study. Here we will just note that the disparities in quality of functioning between Jewish and Arab authorities can be ascribed in part to differences in the average budget per resident, as presented in Chapter Two. However, many of the disparities also seem to be related to differences in political culture.

As stated, this book seeks to provide data without making policy recommendations. However, as we complete the book, it is worth noting several areas in which follow-up studies are needed in order to formulate such recommendations. In the Israel Democracy Institute's Local Authority Project, which is part of its Civil Service Reform Program, we intend to address the following subjects in the coming years:

- **The status of local government.** The first two chapters of the book identify a general anomaly regarding the status of local government in Israel. On the one hand, Israelis' attitude toward local government is highly positive, especially compared with their attitude toward the central government. On the other hand, local government budgets in Israel are very low relative to the central government budget, and Israeli local authorities have relatively little financial autonomy. In a previous study of the relations between central and local government in Israel, we showed that Israel is one of the most centralized countries in the Western world. Given the high confidence in local government and the support of a large proportion of the public for the devolution of powers to local government, comprehensive reform would seem to be needed in this regard.
- **Inadequate transparency.** In many chapters of the book, we showed that the transparency obligations of the local authorities are fairly

minimal. As a result, the authorities do not publish many types of extremely basic information about their work: minutes of council committee meetings, the allocation book, details of support from the authority, the budget proposal, the audited financial statement, data on the development budget, and the work plan. We also showed that even when there is a transparency requirement, some authorities fail to release the required information or release it late. Consequently, profound change is needed regarding transparency, both in terms of transparency requirements and in terms of enforcement of the existing law.

- **Lack of uniform criteria.** In the course of our research on several specific topics discussed in the book, it became evident that there is a need for policy on the national level, and especially for standardization and clearer procedures. This is particularly striking, in our opinion, with respect to land allocations, where problems of recording and management of data were discovered. Over the years, several reports by the State Comptroller have addressed allocation procedures in certain local authorities. There seems to be a need for more detailed regulation of the matter, particularly since land is an extremely valuable resource. Furthermore, the digitalization of local authorities, which has also been addressed in several State Comptroller's reports in recent years, requires more comprehensive attention in order to promote digital services in general, and those in weak authorities in particular.



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