



Twinning Project IL/11

**Implementation and Strengthening the Environmental Framework for
IPPC, Resource Efficiency and Eco-Management in Israel**



Municipal Groupings and Contractual Arrangements

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Workshop 04/08/16 at MoEP, Jerusalem
Activity 3.0, 3.1, 3.4

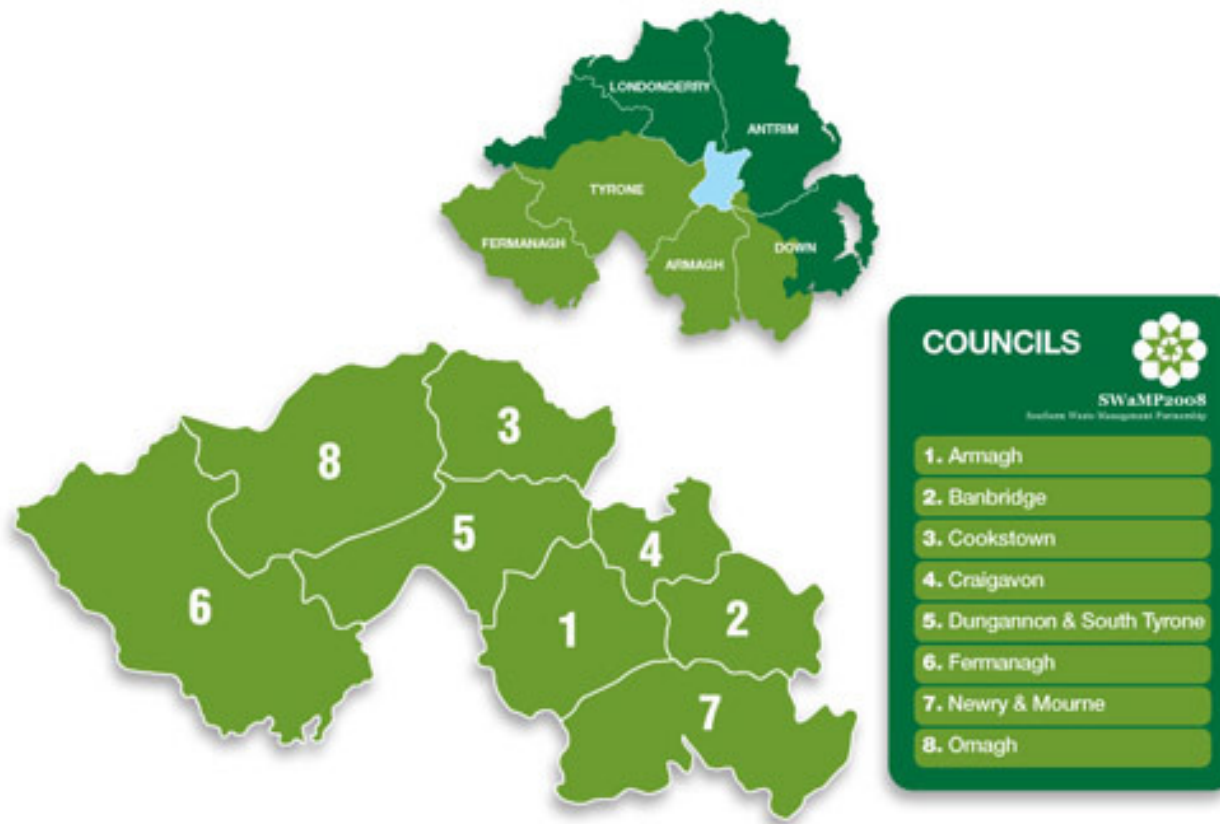




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Waste Management Groups in Northern Ireland





The Local Government (Constituting a Joint Committee a Body Corporate) Order (Northern Ireland) 2008

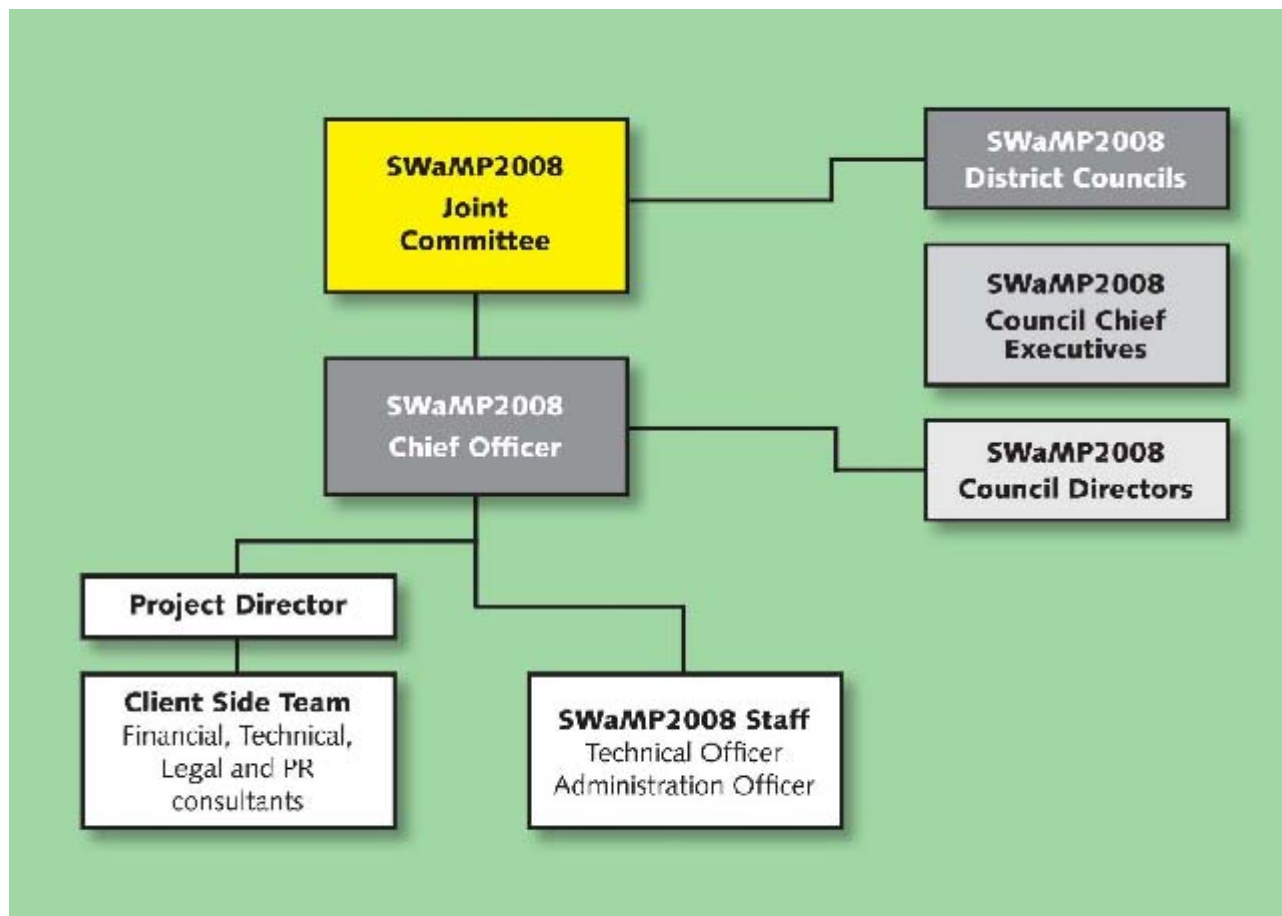
3 Constitution of a joint committee as a body corporate

- (1) The joint committee shall be constituted a body corporate with perpetual succession to which section 19 of the Interpretation Act (Northern Ireland) **1954**(1) shall apply (NB 2 per council – equal rights).
- (2) The joint committee shall be known as SWaMP2008.
- (3) Part V of the Local Government Act (Northern Ireland) 1972 (Financial Provisions) shall apply to SWaMP2008 as it applies to a council as if—
 - (a)reference to a council included a reference to SWaMP2008;
 - (b)reference to the chief financial officer included a reference to the chief executive or chief officer;
 - (c)reference to the district fund included a reference to general reserves;
 - (d)reference to the clerk included a reference to the chief executive or chief officer.



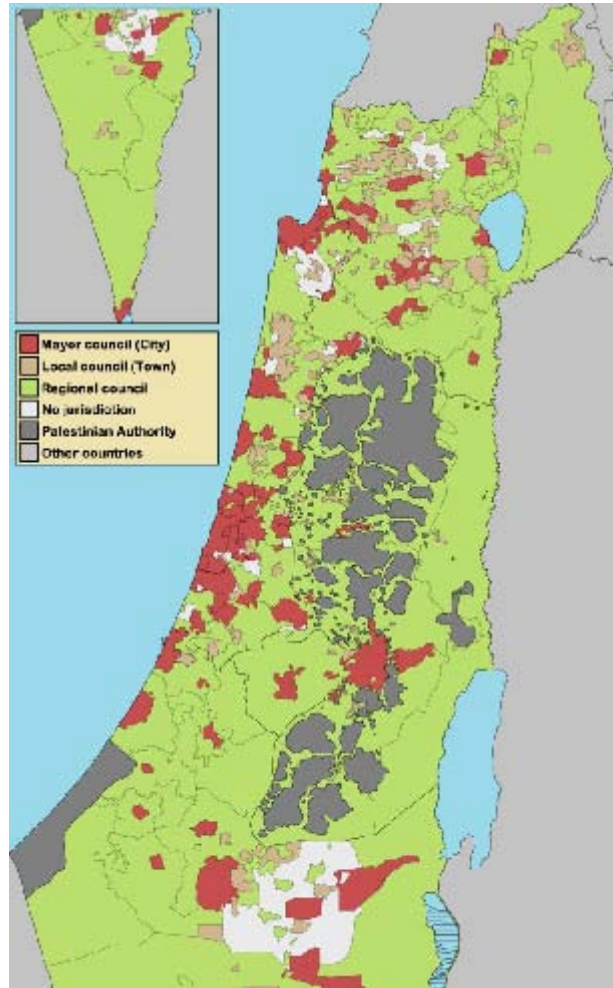


Reporting Structure





Israeli Municipalities 2015

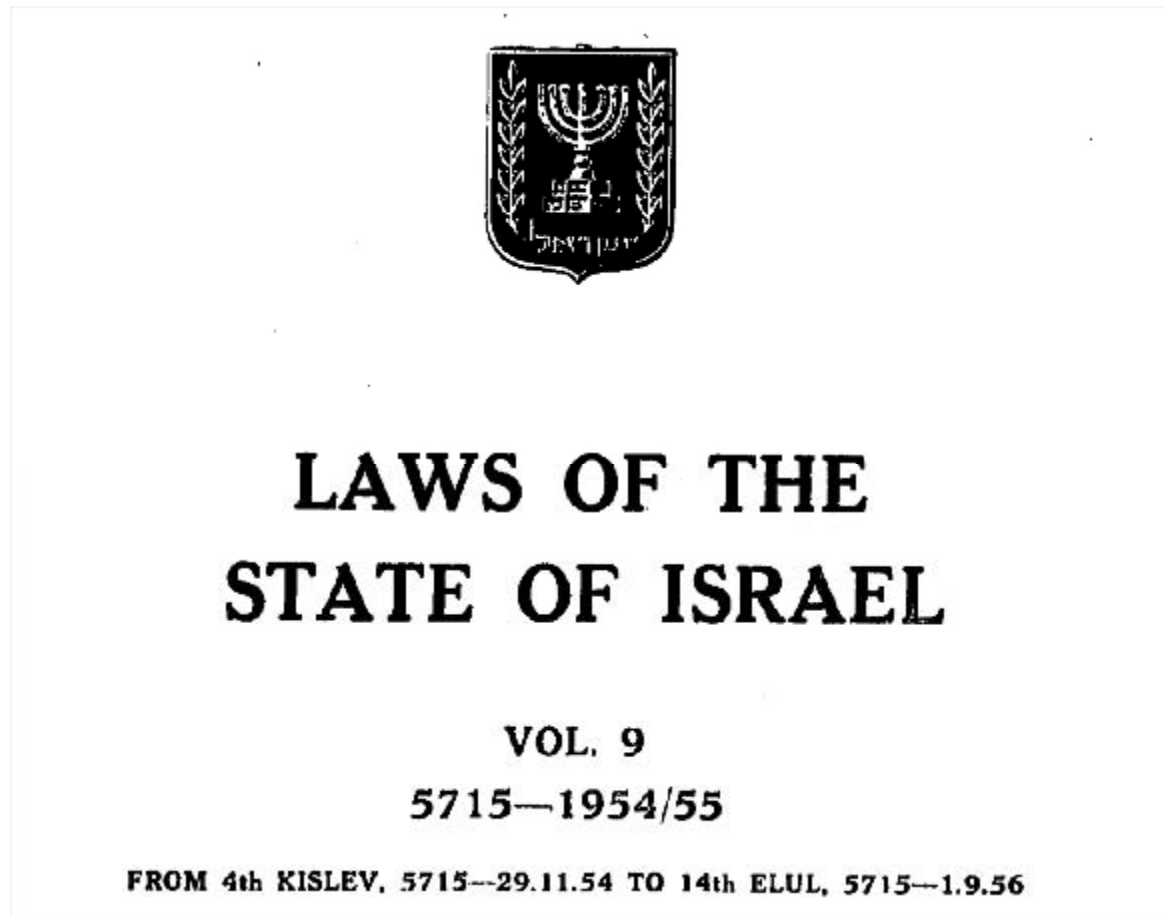


255 → 6 ?





Legislation





Article 1

No. 14

ASSOCIATIONS OF TOWNS LAW, 5715—1955*

Definitions.

1. In this Law —

“local authority” means a municipality or a local council ;

“association of towns” means an association of local authorities adjacent to one another ;

“area of the association” means the area of all the local authorities associated in an association of towns, unless otherwise defined in the order establishing the association.





Article 2

Establishment
of association
of towns.

2. Where one of the following conditions is fulfilled and the provisions of section 3 concerning a draft scheme have been complied with, the Minister of the Interior shall, by order published in *Reshumot* (hereinafter: "the establishing order"), establish an association of towns:

(1) some local authorities, after deciding so to do, and after the Minister of the Interior has approved their decision, have proposed to associate in an association of towns, and no other interested local authority has opposed the draft scheme;

(2) the Minister of the Interior has proposed to some local authorities to associate in an association of towns, and the local authorities have consented so to do, and no other interested local authority has opposed the draft scheme;

(3) the Government has decided upon the establishment of an association of towns after one of the local authorities to which it had been proposed to associate, or another interested local authority, had opposed the draft scheme, or after the Government, for any reason whatsoever, had decided to study the draft scheme.





Articles 6 to 8

6. An association of towns is a corporation and, within the limits of its powers, may enter into contracts, acquire, hold and transfer property, sue and be sued, and do any act required for carrying out its functions.

7. An association of towns shall be a supervised body within the meaning of section 7 of the State Comptroller Law, 5709--1949¹).

8. (a) An association of towns shall be managed by an association of towns council (hereinafter : "the council").

(b) Every local authority within the area of an association is entitled to be represented on the council by at least one representative, nominated by it ; the council is authorised to act as soon as the greater part of its members have been nominated.





Article 10

Status of local
authority.

10. The order establishing the association shall not deprive the local authorities within the area of the association of any powers or functions vested in them, or relieve them of any duties resting on them, save as otherwise expressly provided in the order.

- The above Article was amended in 2004, completely changing the original meaning - so now the law states that the municipalities defer their responsibilities for the agreed functions to the municipal group.





Articles 12 & 13

Assignment
of quotas to
authorities.

12. Subject to any limitation imposed by the establishing order, and subject to the approval of the Minister of the Interior, an association of towns may levy from the local authorities within its area monetary payments for financing its budget, in accordance with quotas fixed by it.

Loans.

13. Subject to any limitation imposed by the establishing order, and subject to the approval of the Minister of the Interior, an association of towns may borrow moneys for the carrying out of its functions and for this purpose charge the whole or a part of its revenue and assets ; the purpose of the loan shall be specified in the decision of the association and in the approval of the Minister of the Interior.





Municipal Waste Management Delivery Options

- Individual municipalities
- Informal groupings
- Formal groupings
- Regional groupings
- Single waste management authority





Existing Groupings in Israel

- Waste Management
 - Dan Municipal Sanitation Association (1966)
 - East Galilee and Golan
- Environment (including waste)
 - Haifa
 - South Judea
 - Ashdod & Yavneh
 - West Galilee Township Association
 - Sakhnin Association of Cities (TAEQ)
 - “The Southern Triangle Region”
 - Judea
 - Sumeria





Key Considerations

- Ministry of Interior and Ministry of Finance are responsible for decree forming Municipal Groupings
- Municipal Grouping has the same authority as a Municipality only for agreed activities
- Reasonable costs can be demanded by Municipal Grouping from its constituents
- Fines/litigation
- Professional indemnity insurance





Key Requirements for Municipal Grouping

- Funding pro rata (annual adjustment)
- Principle of Equal Representation???
- Principle of Consensus (voting)





Other Considerations

- Terms of Agreement
- Standing Orders (quorum)
- Financial Regulations
- Internal & External Audit
- Perpetual Succession
- Indemnification of Members and Officers
- Human Resources (Pensions)
- Asset Acquisition Threshold
- Unions





Who Does What?

- Groupings
 - Planning
 - Procurement
 - Contract or facility management
 - Education
 - Data
 - Reporting
- Municipalities
 - Collection
 - Transfer





Benefits of Formal Groupings

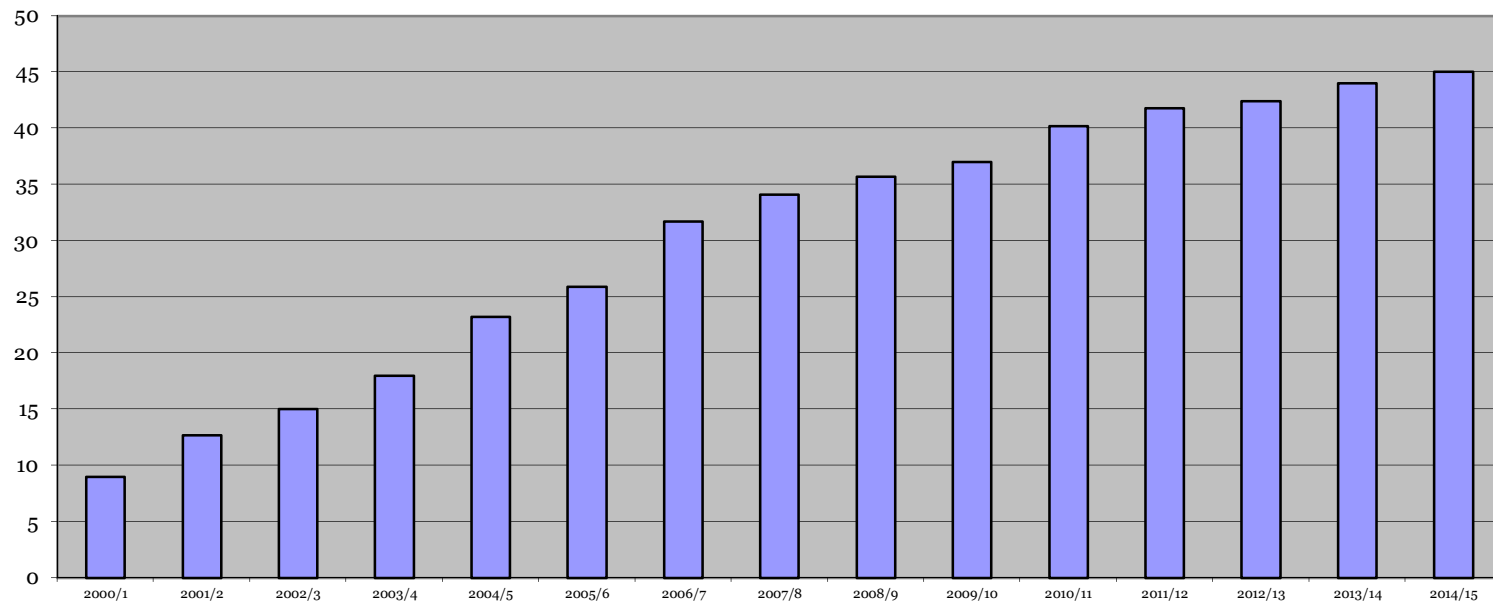
- Waste Management Plans
- Professional staff
- Central government confidence and focussed meetings
- Data & reporting
- Procurement revenue savings
- Market confidence and associated gatefees
- Central education
- Cross boundary sharing of facilities
- Exchange of Best Practice and inter/intra-group pressure for improvement





Improving Results

SWaMP2008 Household Recovery Rates





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Education and Waste Minimisation





Branding



Western Galilee Township Association
For Environmental Protection





Contractual Arrangements





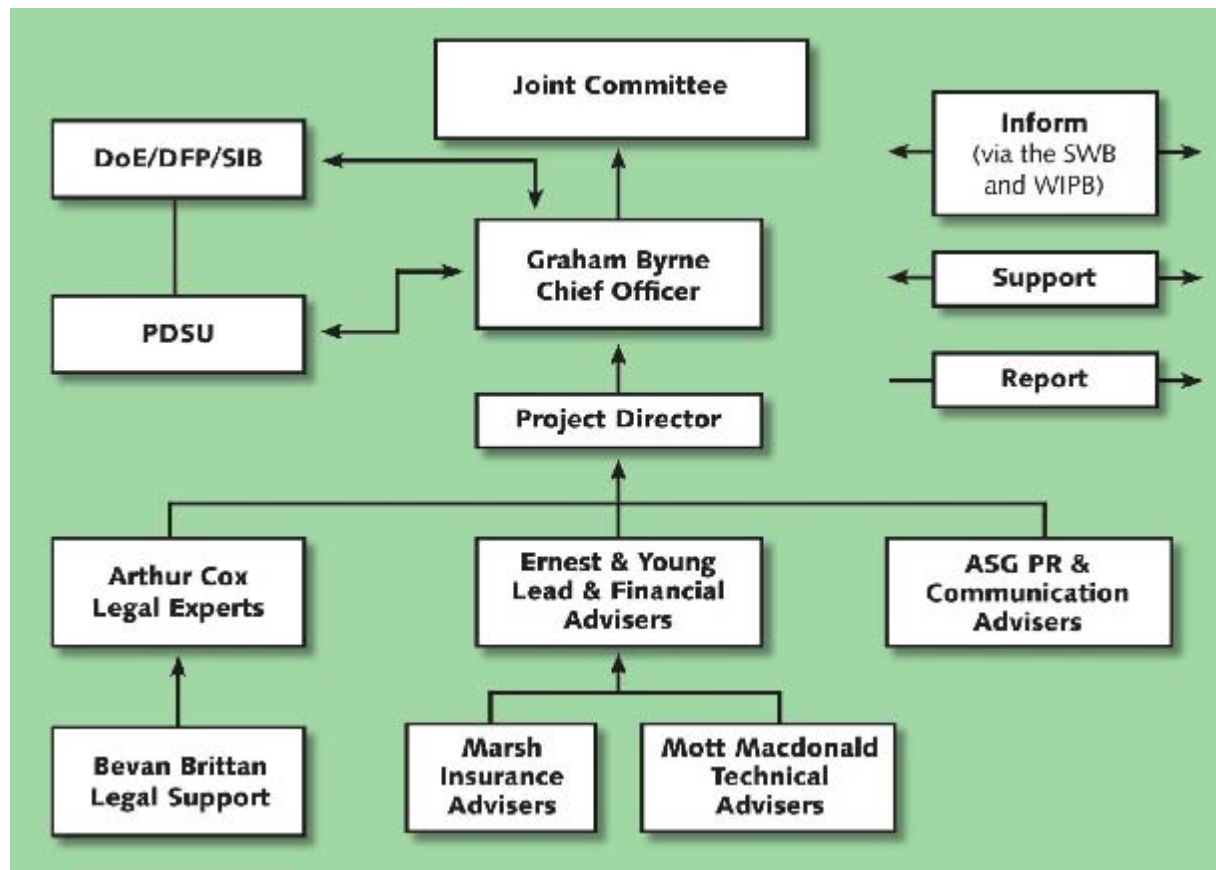
Contract Considerations

- Procurement adviser fees
- PPP/PFI etc.
- Minimum guaranteed tonnage
- Waste composition
- Risk transfer
- Excluded materials
- Option to add more streams





Residual Waste PPP Procurement Team





Contract Considerations

- Contract extension
- Contract termination
- Contract amendments
- Contract options (priced)





Procurement Issues

- Change of Law (unforeseen)
- Change of Law (foreseeable)
- Municipal Grouping Arms Length Company
- Mayors as company directors
- Options from Direct Award to Competitive Dialogue
- Time & costs
- Cross-border issues





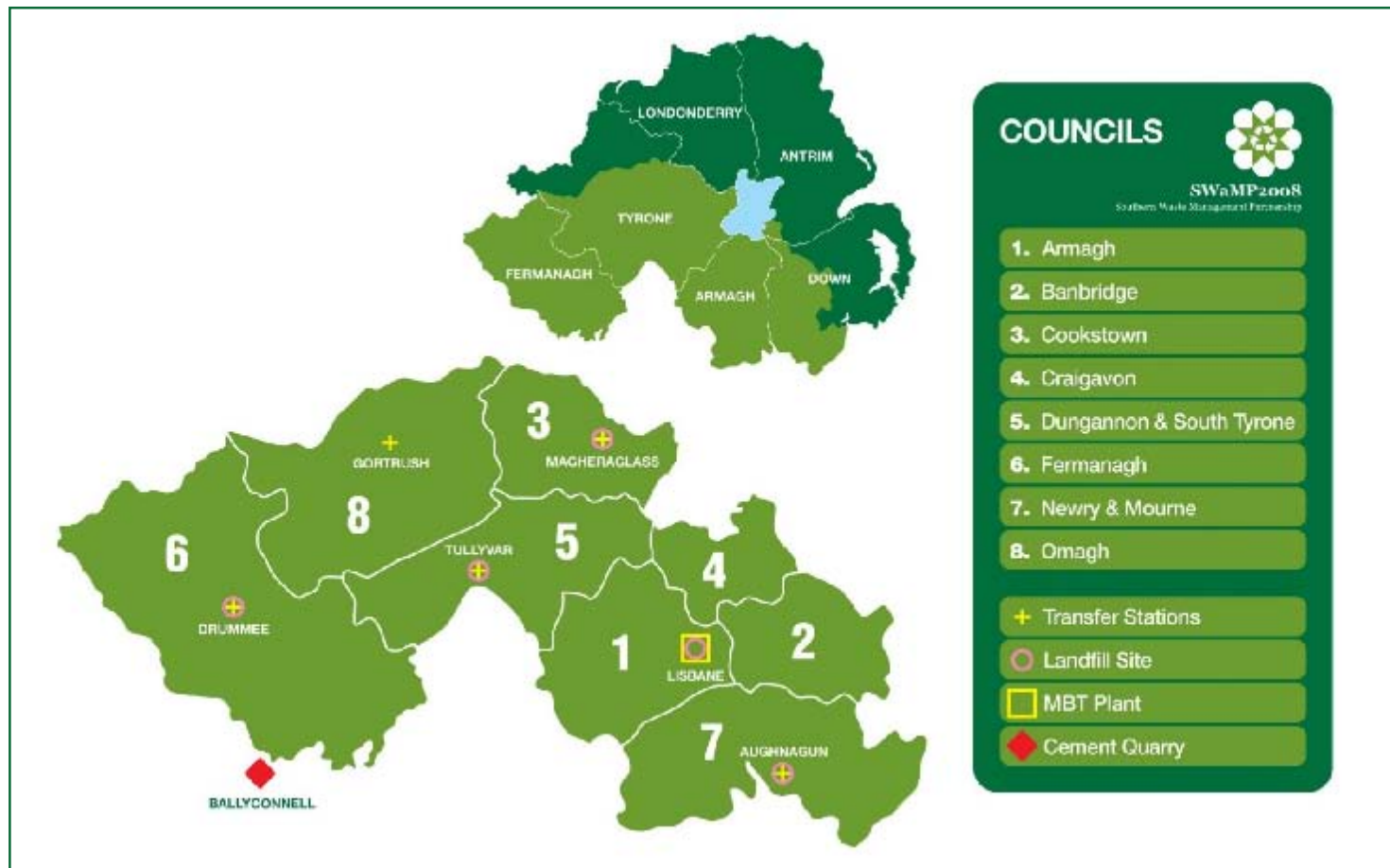
Secondary Requirements

- Terms of Agreement (2008)
- Heads of Terms (March 2011)
- Supplemental Agreement – payment and sites





Distribution of Proposed Infrastructure





Potential Pitfalls

- Direct awards
- Cross-subsidisation
- Tender detail – award what you advertise
- Envelope tenders for but can't cherry pick
- Lack of competition





Recommendations

- Discuss with Ministry of Interior options for recommending Municipal Waste Groupings country-wide
- Consider options for Municipal Groupings to be the procurement bodies rather than the Ministry
- Approved adviser shortlist

