

## **SUMMARY**

### **Summary of Report 22/2019, relating to the Institute of Chemical Research of Catalonia Foundation, year 2017**

*Barcelona, 22 January 2020*

The Public Audit Office for Catalonia has issued Report 22/2019, relating to the Institute of Chemical Research of Catalonia Foundation (ICIQ), financial year 2017, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Mr Jordi Pons i Novell, was approved by the Audit Office Board at its meeting on 23 December 2019.

The work carried out for this limited scope audit included auditing ICIQ's current and capital expenditures and debt levels and reviewing its compliance with basic applicable legislation.

ICIQ is a foundation which was set up by the Government of Catalonia (*Generalitat*) on 27 July 2000. Its aim is to identify and promote research and innovation in the field of chemical science. It is recognised as one of Catalonia's research centres (the CERCA group). In 2017, according to its Statement of Earnings, it had operating revenues of €18.25m and operating expenditures of €18.26m. It had an average workforce of 324 persons.

The Conclusions section of the report presents the most significant findings arising from the audit carried out, of which the following can be highlighted:

- ICIQ's Statutes did not include a reference to which government administration it was to be attached to, as required by the Public Sector Legal Regime Act (Act 40/2015).
- ICIQ's Statutes stipulate that, in addition to the ex officio trustees, the Catalan Government can appoint up to seven trustees and Roviri i Virgili University (URV) up to two. As at 31 December 2017 the Catalan Government had only appointed one trustee and URV had not appointed any. This meant that the Government's representatives did not have a majority on the Board of Trustees and the number of trustees from public sector institutions was not larger than those nominated by private enterprise.
- ICIQ did not have its own collective bargaining agreement and applied one which it was expressly excluded from. And neither did it have an official Schedule of Staff Positions or equivalent instrument for managing its human resources, or approved wage tables including base pay and the different additional wage items for each employee category.
- The Pay Policy Statement established different categories for each group of employees and minimum and maximum pay for each category (in some instances there was a 44%

difference between the minimum and the maximum). Starting salaries and subsequent changes were set by the director, the administrative director or the leading researchers depending on the employee category, which allowed for considerable discretionary powers in setting wages.

- ICIQ paid several additional wage items which were not envisaged in its Pay Policy.
- Four researchers and the director had full-time contracts with ICIQ and were also tenured lecturers with part-time teaching commitments at a public sector university. These arrangements were in breach of job compatibility regulations, which stipulate that it is only possible to hold two jobs in the public sector if both of them are defined as part-time posts.
- ICIQ had on its staff several researchers seconded from ICREA (the Catalan Institution for Research and Advanced Studies Foundation) with whom it had signed part-time job contracts. This was contrary to the terms of the cooperation agreement between ICREA and ICIQ. The Audit Office considers that having two signed job contracts (one with ICREA and another with ICIQ) gives rise to salary duplications for the same activity, and that the additional pay items which ICREA researchers on secondment to ICIQ are entitled to receive ought to be paid by ICREA, notwithstanding the compensation which ICIQ should then pay ICREA.
- In June 2019 the transparency section of the ICIQ website did not include the information on staff envisaged in articles 8 and 9 of the Transparency, Access to Public Information and Good Governance Act (Act 19/2014, of 29 December).
- As a consequence of the regulatory regime in place, ICIQ's personnel expenditure did not show the cost of staff posted there on secondment, whose wages were paid by the entity they were seconded from (mostly ICREA).
- ICIQ acquired services and supplies on a recurring basis through direct purchases which, although they were individually below the limit for low-value-contracts, cumulatively represented large sums of money. Contracts or framework agreements should have been drawn up and signed for these services and supplies following applicable procurement procedures.
- In three of the four procurement files reviewed, the terms of the tendering specifications detailing how criteria subject to value judgements were to be assessed led to reduced competition.

Finally, in the Conclusions section of the report various recommendations are made which, in the view of the Audit Office, would help to resolve some of the issues mentioned in the Findings section.

This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at [www.sindicatura.cat](http://www.sindicatura.cat).