
SUMMARY

Summary of Report 5/2022, relating to the Catalonia Institute for Energy Research Foundation, year 2019

Barcelona, 6 April 2022

The Public Audit Office for Catalonia has issued Report 5/2022, relating to the Catalonia Institute for Energy Research Foundation (IREC), financial year 2019, in fulfilment of 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 21 February 2022.

The work undertaken for this limited scope audit included auditing the Balance Sheet and Operating Statement and reviewing compliance with basic legislation applying to the areas of accounting, staffing and procurement.

The IREC Foundation was set up in 2008 for the purpose of carrying out research and technological development in the field of energy and its production, transformation, distribution and usage, with a special focus on technologies enabling the transition from the current energy model to a new, more sustainable one. It is recognised as one of Catalonia's research centres (the CERCA group).

In 2019 IREC, according to its Operating Statement, had operating revenues of €8.30m and operating expenditures of €7.92m.

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

- IREC's personnel expenditures did not include the cost of staff posted there on secondment, whose wages, according to the regulations in place, were paid by the entity they came from.
- In year 2019 IREC had a catalogue of staff positions which had not been approved by its Board of Trustees.
- IREC's wage tables in force in year 2019 established different categories for each group of employees and a minimum and maximum salary for each category. The wage differentials between the upper and lower limits for the different categories ranged between 17.39% and 52.94%, which meant that considerable discretionary powers existed for determining the salaries of IREC staff. At its meeting on 12 June 2019 the Board of Trustees

approved a new wage table to be applied in year 2020, which established different levels for each professional category and a single fixed salary figure for each level.

- Regarding the job promotions of twenty employees, no proof was obtained that the procedure laid down in the promotion policy had been adhered to in terms of fulfilment of the established minimum and additional requirements to be assessed in each case, or that a vacancy actually existed in the cases involving a change in job category.
- In the review of the procedure followed for hiring temporary staff, the audit found that in the six temporary hirings paid for from IREC's budget, no argument was presented to justify an urgent and non-postponable need, as required by Spain's Budget Act for year 2018 (Act 6/2018), which was extended to cover year 2019. In addition, in the review of sixteen staff selection processes the report gives findings relating to the procedures employed and the justifications given for candidates' scores.
- In year 2019 IREC failed to post details on its procurement profile web page of its low-value contracts, something which should be done at least once every quarter, according to article 63.4 of the LCSP, Spain's Public Sector Contracts Act (Act 9/2017, of 8 November).
- In the review of low-value contracts, issues were detected relating to the separate acquisition of services which should have been handled in a single contract, because they involved a succession of purchases to cover recurring or foreseeable needs. These anomalies resulted in arrangements which eluded publicity rules or other requirements which should have been met in the procurement process. For this reason, they constituted an improper splitting-up of a contract and, therefore, an infringement of LCSP articles 99.2 and 118.3.

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.