

## **SUMMARY**

### **Summary of Report 33/2021, relating to public sector procurement by local government organisations deriving from the Covid pandemic, year 2020**

*Barcelona, 9 February 2022*

The Public Audit Office for Catalonia has issued Report 33/2021, relating to public sector procurement by local government organisations deriving from the Covid pandemic, financial year 2020, in accordance with its Annual Programme of Activities.

The two sectoral departments at the Public Audit Office that audit local government organisations were involved in drawing up this report. The report, which was presented by Board members Mr Joan-Ignasi Puigdollers and Mr Miquel Salazar, was approved by the Audit Office Board at its meeting on 30 December 2021.

The subject of this report is the audit of emergency contracts and urgent contracts derived from managing the health crisis brought about by the Covid pandemic.

The audit universe comprised 1,485 emergency contracts, with awards totalling €80.14m, and 770 urgent contracts, totalling €34.07m. The report includes an appendix with information on the sample of contracts audited.

In the Conclusions section, the Audit Office states a limitation to the scope of the audit, arising from the fact that it was not possible to determine that the local authorities had notified the Public Contracts Register of all of the contracts awarded during year 2020 that related to the Covid pandemic. The most significant findings from the audit work carried out can be summarised as follows:

#### **Emergency contracts arranged**

- In nine of the audited contracts the purpose of the contract dealt with matters not relating to Covid protection. These should therefore have been arranged using a standard procurement procedure.
- In six contracts the undertakings were contracted on a recurring basis, without any justification for the use of an emergency contract.
- In twenty-three contracts final approval to put into effect the contract was after the start of service delivery or the acquisition of the supplies.

- In the order to put into effect certain emergency contracts some aspects were not clearly defined, such as the object or purpose, the time period for the emergency undertaking being procured, or the method of payment.
- In ten files the order to go ahead included the possibility of an extension to the duration of the contract, something not envisaged in legislation. In addition, in two of these procurement files the time extension was applied without any new document justifying the need for this.
- In three contracts work was started more than one month after the order to put the contract into effect, contravening the stipulations of Spain's Public Sector, and in three contracts it was not possible to verify the starting date.
- In twenty-seven contracts, the corresponding invoices failed to give a complete and adequate description of the services rendered, the goods supplied or the reference numbers for packing lists of deliveries.

#### **Urgent contracts arranged**

- In three contracts the justification for using the urgent procurement procedure was that it was impossible to use a standard time schedule because of the state of alarm that had been decreed. The services were being delivered under previous contracts that had lapsed and had not been renewed, although there had been sufficient time before they ended to have been able to arrange a new procurement process. For this reason these contracts should have been procured using standard procedures.
- One contract was formalised before final approval to do so from the relevant contracting authority.

The report also includes a series of recommendations which, in the Audit Office's opinion, would help to improve some of the issues mentioned in the findings.

<p>This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at <a href="http://www.sindicatura.cat">www.sindicatura.cat</a>.</p>
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