

2021 JST Staffing Survey

ESCB/SSM Social
Dialogue meeting
(in SSM composition)



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Introduction and objectives

- Since the start of the SSM, the ECB has conducted annual JST Staffing Surveys to measure the amount of staff available for the JSTs.
- Since 2019, a **structured and decentralised approach** has been followed to agree on JST-specific staffing targets.
- After it was deprioritised in 2020 following the outbreak of Covid-19 crisis, the JST Staffing Survey will be relaunched in 2021 in order to
 - (1) update the JST staffing figures and compare to JST-specific targets approved by SB in December 2019;
 - (2) review the JST-specific targets for 2022;
 - (3) pilot qualitative discussions on the team profiles of JSTs.

Structured and decentralised approach, with three stages

Stage 1: Collect information and identify attention points for JSTs:

- Information collected from NCAs and ECB JSTs based on separate templates (See Annex)
- JST attention points based on the NCA/ECB staffing ratio and on the participation rates of JST members
- New in 2021: JST staffing compared to staffing targets approved by the SB in 2019.

Stage 2: JST-by-JST discussions

- Focus on JST staffing provided by home NCA*
- JST-specific circumstances taken into account, such as the seniority of JST members.
- New in 2021: Qualitative discussions on the JST team profiles (seniority and expertise of JST members, see Annex 3)

Stage 3: Agreement on JST-specific staffing targets

- Focus on quantitative NCA staffing targets.
- Additional discussion on qualitative targets for the JST team profile.
- In the case of need, discussion at senior management level could be organised.

^{*} Host NCAs could be invited to the discussions depending on materiality of their contribution to the JST staffing, to be decided at JST level.

Overall timeline of the project

Feb Mar Apr May - Aug Sep Oct Nov Dec

Core SREP/ST period

Stage 1

Collect information and identify potential outlier JSTs:

- February Preparation / revision of the NCA/ECB JST staffing templates
- March Collection of NCA input via an SB Written Procedure (4 weeks) and ECB input via MAs
- April Data quality assurance and identification of attention points for JST-by-JST discussions

Stage 2

JST-by-JST discussions

- End August: Workshop with JSTCs to present the objectives and modalities of the Staffing discussion
- September Mid-October: JST-by-JST discussions with agreement on JST staffing targets

Stage 3

Agreement on JST-specific staffing targets

- Mid-October: Process the results of the JST-by-JST discussions.
- November: Discussions at senior management level, if necessary.
- December: presentation of results and revised JST staffing targets to SB



Timeline designed to avoid overlap with key supervisory processes (SREP and Stress Test)

Outcome of the latest JST Staffing survey, conducted in 2019 (1/2)

104

- •104 JSTs were in scope of the exercise.
- •Excluding JSTs of banks that will no longer be significant institutions, JSTs of Brexit banks also not included yet.

59

•59 JSTs were considered a (potential) outlier, 25 because JST staffing was in the lower 25 percentile of cluster concerned, 37 only because of high/low participation rate.

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- •28 JSTs for which JST-by-JST discussions indicated serious staffing issues.
- •After escalation to senior management, staffing increases for 25 JSTs agreed.

8

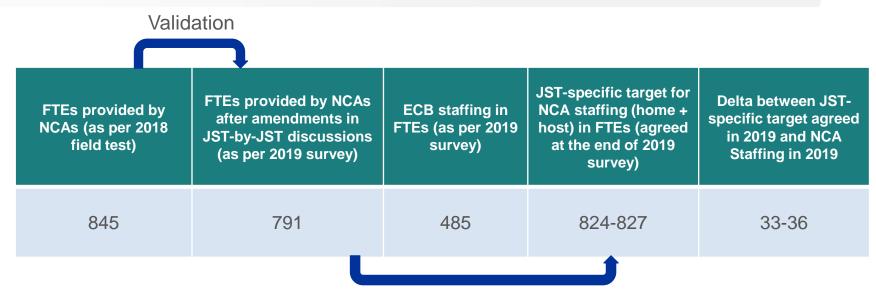
- •7 calls on senior management level, with the NCAs of BE, FR, DE, IT, LV, LU and SI.
- •1 meeting with NCA of GR.
- •Calls/meeting resulted in limited, additional staff increases, very important for JSTs concerned.

33-36

•33-36 FTE additional staffing needs identified. These additional FTEs are incorporated in JST-specific staffing targets, which were approved by the SB in December 2019.

The 2019 JST survey indicated significant additional staffing needs

Outcome of the latest JST Staffing survey, conducted in 2019 (2/2)



Identifying additional staffing needs

Outcome is the result of the new structured and decentralised approach

Concluding remarks

- Joint Supervisory Teams are the central tool of ongoing supervision in the SSM. Therefore it is key to allocate sufficient resources to them, matching the profile that is required for their specific tasks.
- JST staffing is a joint effort of NCAs and ECB and it is crucial to have transparency over resources allocated from NCAs and ECB to JSTs.
 - ➤ Annual JST staffing surveys have been the tool to provide this transparency on system level since the beginning of the SSM.
- In addition, annual JST staffing surveys facilitate discussions between NCAs and the ECB at all hierarchical levels and based on a objective set of information.
 - ➤ These exchanges lead to a better resource planning process as also requested by the ECA in its 2016 report on the SSM.
- Resource planning decisions take into account each particular JST situation and NCAs/ECB retain strong elements of discretion in their resource allocation, reflecting the principle of "cooperation in good faith" as enshrined in the SSM regulation.