

BANCO DE ESPAÑA ASSESSMENT PROGRAMME

BANCO DE ESPAÑA ASSESSMENT PROGRAMME

Banco de España



BANCO DE ESPAÑA ASSESSMENT PROGRAMME
GUIDELINES

Banco de España

Contents

1	Assessment of the Banco de España	4
2	Guiding principles	4
3	Resources assigned	5
4	Planning of the assessments	5
	4.1 Annual assessment plan	5
	4.2 Assessments not included in the annual assessment plan	5
	4.3 Recommendations: report and monitoring	5
	4.4 General activity report	6
5	Selection of the assessments	6
6	Assessment: phases	6
7	Dissemination of the assessment	6

At its meeting held on 15 March 2022, the Governing Council approved **the guidelines on the implementation of the annual assessment programme and the core principles for managing and coordinating the assessments**. These guidelines shall be applicable to all assessments, in their scope of application, which comprises all Banco de España functions, activities and bodies.

1 Assessment of the Banco de España

The assessment is a function established by the Banco de España's Strategic Plan 2024 with the aim of examining and improving the Bank's performance, transparency and accountability, fostering the rational use of public resources and the promotion of service quality management.

To such end, the assessment will fully or partially evaluate the Bank's respective actions or programmes by developing indicators to measure effectiveness, efficiency and quality and by strengthening the mechanisms to monitor and control the attainment of goals.

Any Banco de España activities conducted in the exercise of its functions may be assessed, with the respective assessments being undertaken as part of the analysis of its area of operation or management. Financial and regulatory compliance and control, in addition to, in general, such actions that fall within the remit of the Bank's Internal Audit Department or of other audit or control bodies are excluded from the scope of the assessments.

2 Guiding principles

The following principles shall be observed when conducting the assessments:

- a) *Independence of criteria, opinion and judgement in the performance of assignments, on the basis of the values of public duty and expertise;*
- b) *Transparency, meaning accountability;*
- c) *Quality and ongoing improvement, meaning the systematic commitment to the assessment and use of models of excellence that identify areas for improvement and enable the innovative provision of quality services; and*
- d) *Planning, meaning the clear assignation of responsibilities and the fostering of teamwork, under a systematic approach.*

3 Resources assigned

The assessments shall be conducted with the assistance of a team of (two or three) external assessors selected from among individuals of recognised expertise who have worked in the field being assessed. Without prejudice to the foregoing, when warranted on account of the subject matter or time constraints, where authorised by the Governing Council the assessment may be conducted internally by an area that is not involved in the process or action being assessed.

4 Planning of the assessments

4.1 Annual assessment plan

Between two and three annual assessments shall be established per year. They shall be established in the annual assessment plan, which shall be approved annually by the Governing Council, at the proposal of the Governor.

The annual plan shall include the Bank's performance or actions that are to be assessed, each assessment's scope and deadline and any other aspect that needs to be specified.

The assessments shall be conducted by external assessors so as to strengthen the impartiality and objectiveness of both the exercise itself and the findings. The external experts shall be engaged in accordance with the procurement rules applicable to the Banco de España.

Without prejudice to the foregoing, the Governing Council may authorise the performance of assessments using only internal resources where warranted on account of the subject matter to be assessed or time constraints. In such cases, the assessment shall be conducted by an area that is not involved in the process or action being assessed in order to ensure it is impartial and objective.

4.2 Assessments not included in the annual assessment plan

In addition, where agreed by the Bank's decision-making bodies, assessments not included in the annual plan that arise over the course of the year may be performed from time to time.

4.3 Recommendations: report and monitoring

The assessment team shall prepare a final report for each assessment which shall include its assessment of the different aspects assessed and the recommendations and improvements it deems appropriate.

The areas being assessed shall submit an action plan in response to the recommendations and conclusions reached in the assessment.

The internal area tasked from time to time with coordinating the annual assessment plan shall monitor the recommendations made and, to such end, shall regularly gather the pertinent information from the units concerned.

4.4 General activity report

Information on the assessment-related activities shall be provided annually via a general activity report.

5 Selection of the assessments

Selection of the subjects to be assessed is crucial to ensuring the effectiveness and value added of the assessments, especially when considering that a limited number of assessments will be conducted.

The Governing Council, at the proposal of the Governor, shall approve the annual assessment plan.

All Banco de España functions and actions may be assessed.

To prepare the proposed annual assessment plan, a questionnaire shall be sent to the different Directorates General in order to ascertain their needs. The Directorates General may also submit sporadic proposals at any time. The proposal may include alternative assessments based on prior assessments or on knowledge of the respective areas.

6 Assessment: phases

The assessments are intended to result in reports that are useful to the Banco de España's decision-making bodies.

The assessments comprise the following phases:

- 1) Planning of activities and preparation of the annual plan
- 2) Selection and engagement of the assessment team
- 3) Performance of the assessment: field work and analysis
- 4) Presentation of the findings from the assessment
- 5) Dissemination of the assessment
- 6) Monitoring of the recommendations

7 Dissemination of the assessment

Disseminating the assessments is of unquestionable value not only internally, in order for the Bank to factor in the findings so as to adopt evidence and analysis-based decisions and to plan strategically, but also externally, as an additional tool that helps boost the Banco de España's transparency and accountability.

Assessments will be disseminated before and after they are conducted. In any event, dissemination of any content must have regard to any confidentiality considerations that may be applicable in each case.

BANCO DE ESPAÑA PUBLICATIONS

BANCO DE ESPAÑA ASSESSMENT PROGRAMME

01 BANCO DE ESPAÑA ASSESSMENT PROGRAMME