SmartSuite

Framework / Operational Resilience / Other

PRA Supervisory Statement SS1/21 – Operational resilience: Impact tolerances for important business services

PRA SS1/21 sets the Prudential Regulation Authority's expectations for how UK banks and insurers identify important business services, set impact tolerances, and stay within them.

What it is

Supervisory Statement SS1/21, Operational resilience: Impact tolerances for important business services, sets out the Prudential Regulation Authority's expectations for the operational resilience of firms' important business services. It explains how the PRA expects firms to meet the Operational Resilience Parts of the PRA Rulebook: identify important business services, set impact tolerances for each, map the resources that deliver them, test their ability to stay within tolerance, and govern the whole through a documented self-assessment.

The PRA, part of the Bank of England, published SS1/21 on 29 March 2021 alongside policy statement PS6/21 and updated it in March 2022 to take effect on 31 March 2022. It applies to UK banks, building societies, PRA-designated investment firms, and CRR consolidation entities, and to UK Solvency II firms, the Society of Lloyd's, and its managing agents. Firms had until 31 March 2025 to be able to remain within their impact tolerances.

At a glance

PUBLISHER Prudential Regulation Authority (PRA), Bank of England	TYPE Guidance	VERSION SS1/21 (March 2022 update)
EFFECTIVE March 31, 2022	DOMAIN Operational Resilience	FAMILY Other
REGION United Kingdom	INDUSTRY Financial Services	ADOPTION MODEL Regulatory Compliance
IMPLEMENTATION COMPLEXITY High		

Source: https://www.bankofengland.co.uk/prudential-regulation/publication/2021/march/operational-resilience-impact-tolerances-for-important-business-services-ss

Why it matters

- **Service-level accountability** Boards approve the list of important business services and the impact tolerance for each, so responsibility for resilience is explicit.
- **Clear limits on disruption** Impact tolerances give every important service a measurable maximum tolerable disruption, expressed in time and other metrics.

How SmartSuite supports PRA SS1/21

Important Business Services Register
Record each service, its end users, the board-approved rationale for its importance, and the impact tolerance set for it.

Ownership, Cadence, and Accountability
Assign service owners, schedule tolerance reviews and annual self-assessment updates, and track board approvals.

Evidence Collection and Audit Trail
Attach mapping outputs, test reports, and board minutes with timestamps so the self-assessment is backed by evidence.

Scenario Testing
Plan severe but plausible scenarios, record results against each tolerance, and log lessons learned and actions.

Third-Party and Resource Mapping
Link people, processes, technology, facilities, information, and suppliers to the services they support.

Board and Supervisory Reporting
Produce the self-assessment document and dashboards showing tolerance status and open vulnerabilities.

Common framework mappings

EU DORA · ISO 22301 · APRA CPS 230

Official resources

SS1/21 publication page
The Bank of England page for SS1/21 with the current March 2022 version, the original March 2021 version, and the related policy statements.

bankofengland.co.uk/prudential-regulation/publication/2021/march/operational-resilience-impact-tolerances-for-important-business-services-ss

SS1/21 March 2022 (PDF)
The full text of the supervisory statement as updated in March 2022 and in effect from 31 March 2022.

bankofengland.co.uk/-/media/boe/files/prudential-regulation/supervisory-statement/2021/ss121-march-22.pdf

PRA Rulebook
The PRA Rulebook, including the Operational Resilience Part and the Insurance – Operational Resilience Part that SS1/21 interprets.

prarulebook.co.uk

Prudential Regulation Authority
The PRA's home on the Bank of England site, with policy, supervisory statements, and consultations.

bankofengland.co.uk/prudential-regulation

Frequently asked questions

What is PRA SS1/21?
SS1/21 is the Prudential Regulation Authority's supervisory statement on operational resilience, first published on 29 March 2021 and updated in March 2022. It explains how the PRA expects firms to identify important business services, set impact tolerances, map resources, test, and self-assess. It interprets the Operational Resilience Parts of the PRA Rulebook.

Which firms does SS1/21 apply to?
It applies to UK banks, building societies, PRA-designated investment firms, and CRR consolidation entities, and to UK Solvency II insurers, the Society of Lloyd's, and its managing agents. Firms regulated only by the FCA follow the FCA's SYSC 15A rules instead. Dual-regulated firms meet both.

What is an important business service?
It is a service a firm provides to external end users whose disruption could pose a risk to the firm's safety and soundness, to policyholder protection, or to UK financial stability. Firms identify these services at board level and document the rationale. Internal services that only support other services are usually not important business services in their own right.

What is an impact tolerance?

An impact tolerance is the maximum tolerable level of disruption to an important business service, set by the board. The PRA expects it to include a time-based metric and any other measures that fit the service, such as the number of customers affected. Firms then test whether they can remain within it.

What were the key dates for SS1/21?

The policy took effect on 31 March 2022, by which time firms needed to have identified their important business services, set impact tolerances, and begun mapping and testing. Firms then had until 31 March 2025 to be able to remain within their impact tolerances. After that date the PRA treats maintaining resilience as an ongoing activity.

How does SS1/21 relate to the FCA's rules and to DORA?

The FCA published PS21/3 and SYSC 15A on the same day with the same core concepts, so dual-regulated firms run a single program. EU DORA and the Basel Committee's Principles for Operational Resilience cover similar ground for EU firms and internationally active banks. ISO 22301 supports the mapping and testing expectations with a business continuity management system.

How does SmartSuite support PRA SS1/21?

SmartSuite keeps the important business services register, impact tolerances, resource maps, scenario tests, and remediation plans in one linked system. Owners, review cadences, and evidence are tracked against each service, and the self-assessment and board reporting are generated from live data rather than assembled by hand.

License included / downloadable: Yes SS1/21 is published free of charge by the Bank of England, and its expectations are included with the platform as a requirement set.

Full framework page and mappings: smartsuite.com/frameworks/pra-ss1-21-operational-resilience

