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, for which the Operational Resilience Parts of the PRA Rulebook require them to set impact tolerances (paragraph 1.1). It explains how the PRA expects firms to identify important business services (chapter 2), set an impact tolerance for each (chapter 3), remain within it (chapter 4), map the resources that deliver it (chapter 5), test against severe but plausible scenarios (chapter 6), govern the work (chapter 7), document a self-assessment (chapter 8) and apply the policy across groups (chapter 9).

At a glance

PUBLISHER
Prudential Regulation Authority (PRA), Bank of England

TYPE
Guidance

VERSION
SS1/21 (version published 11 March 2022, effective 31 March 2022)

EFFECTIVE
March 31, 2022

DOMAIN
Operational Resilience

FAMILY
Other

REGION
United Kingdom

INDUSTRY
Financial Services

ADOPTION MODEL
Regulatory Compliance

IMPLEMENTATION COMPLEXITY
High

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

Why it matters

- **Service-level accountability** Boards must approve the important business services identified and the impact tolerance set for each, and regularly review them together with the written self-assessment (paragraph 7.1).
- **Clear limits on disruption** An impact tolerance is the maximum tolerable level of disruption to an important business service, measured by a length of time in addition to any other relevant metrics (paragraph 3.1), set on the assumption that a disruption will occur (paragraph 3.5).
- **Visibility of dependencies** Mapping identifies and documents the people, processes, technology, facilities and information needed to deliver each important business service, whether provided in-house, within the group or by a third party (paragraphs 5.1 and 5.5).
- **Evidence from testing** Firms test their ability to remain within impact tolerances in severe but plausible scenarios, focusing on recovery and response rather than prevention (paragraph 6.1), and record the scenarios in which they could not stay within tolerance (paragraph 6.12).

Updated Oct 15, 2026 · © 2026 SmartSuite Inc. All rights reserved.

How SmartSuite supports PRA SS1/21

Important Business Services Register

Record each service, its external users, the board-approved reasons it is important under chapter 2, and the annual review required by paragraph 2.10.

Impact Tolerance and Rationale

Hold each tolerance's time-based metric, any volume or value metric and the reasoning behind it (paragraphs 3.6 and 3.10 to 3.12), with the board approval date (paragraph 7.1).

Resource Mapping

Link people, processes, technology, facilities, information and third parties to the services they support (paragraph 5.1) and date each annual update (paragraph 5.9).

Scenario Testing Plan and Results

Plan severe but plausible scenarios, record the type of test, the results against each tolerance and the scenarios where tolerance could not be met (paragraphs 6.6 and 6.12).

Vulnerabilities and Remediation

Track each vulnerability, the action taken or planned and the justified completion time, as the self-assessment must detail (paragraph 8.3).

Self-Assessment Pack

Assemble the paragraph 8.3 contents and the board minutes into the written self-assessment the PRA can request, with group-level risks for CRR consolidation entities (chapter 9).

Common framework mappings

FCA SYSC 15A (PS21/3) · BCBS Operational Resilience Principles · 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 an important business service under SS1/21?

A business service delivers a specific outcome to an identifiable user external to the firm and is distinct from a business line such as mortgages (paragraphs 2.1 and 2.8). The Operational Resilience Parts define an important business service as one whose disruption could pose a risk to the firm's safety and soundness, to UK financial stability where the firm meets the relevant criteria, or, for insurers, to policyholder protection (paragraph 2.2). The PRA expects a relatively short list of external-facing services, and internal services such as payroll are not important business services on their own (paragraphs 2.3 and 2.7).

How must an impact tolerance be expressed?

An impact tolerance is the maximum tolerable level of disruption to an important business service, measured by a length of time plus any other relevant metrics (paragraph 3.1). Every impact tolerance must include a time-based metric, such as no disruption beyond 24 hours or the end of the day, and firms should consider adding volume or value metrics, for example a percentage of normal operating capacity for a specified period (paragraphs 3.6, 3.11 and 3.12). Tolerances are set assuming a disruption will occur, without regard to its cause or probability, and apply at peak times (paragraphs 3.5 and 3.9).

Updated Oct 15, 2026 · © 2026 SmartSuite Inc. All rights reserved.

What were the key dates in SS1/21?

The SS was first published on 29 March 2021 and the current version on 11 March 2022. The Operational Resilience Parts took effect on 31 March 2022, by which point firms had to have identified their important business services and set impact tolerances (paragraph 4.12); CRR consolidation entities had until 30 June 2022 for the group rules (footnote 35). Firms had to be able to remain within their impact tolerances no later than 31 March 2025 (paragraph 4.14), after which maintaining operational resilience is a dynamic activity (paragraph 4.16).

What must the written self-assessment contain?

Paragraph 8.3 lists it: the important business services and why each was identified; the impact tolerances and why each was set; the approach to mapping, including how resources and their relationships were identified and how mapping was used to find vulnerabilities and support testing; the testing strategy, the scenarios used and those in which the firm could not remain within tolerance; lessons learned and the actions taken; the vulnerabilities that threaten delivery within tolerance and the remediation planned, with justified completion times; and any additional risks from elsewhere in the group. The board is accountable for and approves the document (paragraph 8.1).

Does PS7/26 change SS1/21?

No. PS7/26, Operational resilience: Operational incident and third-party reporting, published by the PRA on 18 March 2026, finalizes CP17/24 and introduces SS1/26 on incident reporting together with an updated SS2/21, with rules that apply from 18 March 2027. It refers to SS1/21 for impact tolerances and does not amend or replace it, and the Bank of England page for SS1/21 lists the March 2022 version as current with no later update.

License included / downloadable: Yes SS1/21 is published free of charge by the Bank of England on its website.

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