



THE WORKING TEMPLATE

Impact Tolerance Statement Template

One completed statement per important business service: what the service is, where intolerable harm begins and why the board drew the line there. Copy the form on page two for each service you run.

How to use this template: a tolerance statement earns its keep through the rationale, not the number. Supervisors read the metric first and the reasoning second, and the 2026 observations criticised tolerances set at current capability rather than at the point of real harm. Write the harm analysis before choosing the number, never after.

What a defensible statement contains

ELEMENT	WHAT GOOD LOOKS LIKE
The service	Described as clients experience it, with a named accountable owner
Why it is important	The harm disruption causes: to clients, to market integrity and, for dual-regulated firms, to safety and soundness
The tolerance	A time measure plus whatever else captures harm honestly: value stuck, customers affected, transactions lost
The rationale	Why harm becomes intolerable at that point, evidenced, and board-owned
Testing history	When the tolerance was last tested against a severe scenario, and the result



Statement form (one per important business service)

IMPORTANT BUSINESS SERVICE	[Name, as a client would recognise it]
ACCOUNTABLE OWNER	[Name, role]
WHO RELIES ON IT	[Client groups, counterparties, markets]
HARM IF DISRUPTED	[Consumer harm / market integrity / safety and soundness, described concretely]
IMPACT TOLERANCE: TIME	[Maximum tolerable outage, e.g. X hours within business hours]
IMPACT TOLERANCE: FURTHER MEASURES	[Value, volume, customers affected, data loss bounds]
RATIONALE FOR THE LINE	[Why harm becomes intolerable here; evidence relied on]
SET / APPROVED BY	[Board or committee, date]
LAST TESTED	[Scenario, date, within/outside tolerance]
KNOWN VULNERABILITIES	[Open items that threaten the tolerance, with owners]
NEXT REVIEW	[Date or trigger]

Common failure notes

WATCH FOR
A tolerance that equals current recovery capability: that is a description, not a decision
Time-only tolerances for services where value or data loss is the real harm
Rationale that cites operational convenience rather than harm to clients or the market
Statements never revisited after a test breached them

Set them in a day, with the right people in the room

The Impact Tolerance Workshop turns this template into completed, board-ready statements: prepared beforehand, facilitated for a day and documented with the rationale written down. Fixed fee, published.

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