

FOURTHLINE | DIAGNOSTIC ASSESSMENT

Operational Resilience Diagnostic Assessment

Know your gap before your regulator tells you what it is.

01 WHAT THIS DIAGNOSTIC IS

The Operational Resilience Diagnostic Assessment is a fixed-scope, time-bounded assessment of a firm's operational resilience programme against the PRA SS1/21, FCA PS21/3, and SYSC 15A evidencing standard. It is not a framework completeness check. It does not ask whether the right documentation exists. It asks whether each framework component produces the right evidence, and whether that evidence would withstand scrutiny from a PRA or FCA supervisor.

The diagnostic targets firms that fall into the most common and most commercially dangerous maturity position in the mid-tier market: firms that have documentation but whose evidence would not survive supervisory scrutiny. They believe they are compliant. They are not regulator-ready.

The diagnostic does not execute scenario tests or exercises. It does not build, draft, or remediate any documentation. It assesses, gaps, and produces a board-ready report and prioritised remediation roadmap. The programme recommendation that follows the diagnostic, Foundation, Baseline, or a targeted Op Res module, is determined by what the diagnostic finds.

02 WHO THIS IS FOR

Primary buyer: COO, SMF24, Head of Operational Resilience, or Head of Risk at a UK-regulated financial services firm. The diagnostic is suited to any firm carrying FCA or PRA operational resilience obligations under PS21/3 and SS1/21 where one or more of the following applies:

- A PRA or FCA supervisory engagement, thematic review, or Dear CEO letter has raised questions about the quality or completeness of the firm's operational resilience evidence.
- The firm completed its initial programme implementation before the March 2025 testing deadline but has not independently validated whether the evidence produced would satisfy a supervisor.
- Internal audit, the board risk committee, or the SMF24 holder has requested an independent current-state assessment of programme maturity.
- The firm is preparing for a regulatory self-assessment submission under SS1/21 Chapter 8 and wants external validation before sign-off.
- A change in firm structure, ownership, or material outsourcing arrangements has created uncertainty about whether the existing IBS set and dependency mapping remains current and adequate.

03 THE ASSESSMENT FRAMEWORK

The diagnostic assesses nine components of the operational resilience programme. For each component, the assessment question is not whether a document exists but whether the component produces the right evidence and would withstand supervisory scrutiny.

Assessment Component	What We Assess
Governance and Framework Architecture	Does the Op Res policy, strategy, and governance structure articulate the right objectives, assign clear ownership, and produce board-level reporting meeting SS1/21 Chapter 8 and SYSC 15A expectations? Is governance operating or theoretical?
IBS Identification and Methodology	Is the IBS set correctly defined around intolerable harm to customers and counterparties, not internal functions or product lines? This is a methodology quality assessment. The number, breadth, and customer-harm framing of each IBS is assessed against regulatory expectation.
Dependency Mapping Depth	Does mapping capture people, processes, technology, facilities, information, and third-party dependencies per IBS? Mapping that stops at technology systems fails the supervisory standard confirmed by FCA March 2026 Insights. Is mapping granular enough to identify previously undetected vulnerabilities?
Impact Tolerance Setting	Are tolerances set from a customer-centric intolerable harm perspective rather than a firm-centric MTPD? Are they board-approved? Has RTO and RPO alignment to tolerances been demonstrated? Are the tolerances genuinely stretching rather than set to succeed?
Scenario Testing Programme Quality	Does a testing programme exist covering severe but plausible scenarios, not scenarios calibrated to pass? Do walkthrough outputs exist at departmental and crisis team level? Have ITDR tests been completed with IBS in scope? Are scenario outputs used to evidence remediation? Communications testing included?
BCM and Physical Continuity Plans	Do physical continuity plans exist per IBS-relevant function covering work area recovery, people continuity, and site loss? Are they linked to the BCRP at crisis team level? Have they been walked through or exercised? Plans that have never been walked through, or that contain only generic resource-loss scenarios, will fail this assessment.
Crisis and Incident Management Alignment	Is the crisis management framework integrated with the BCM layer? Are trigger points from incident to crisis clear and documented? Are decision rights confirmed? Has the escalation model been tested under a scenario involving the IBS layer?
Self-Assessment and Board Reporting	Does an SS1/21 Chapter 8 self-assessment exist, and is it board-approved? Does it reflect actual scenario testing outcomes or is it theoretical? Is board reporting MI genuinely useful to a non-technical board member or is it a compliance document?
Supplier and Third-Party Resilience (Directional)	Assessed directionally: does the firm have a TPRM framework, are critical suppliers identified against IBS dependencies, and has any exit planning or supplier resilience testing been conducted? Absence of supplier resilience work is a material gap. Full TPRM assessment is a separate product.

04 WHAT THE DIAGNOSTIC DOES NOT COVER

The following are explicit exclusions from the scope of the Operational Resilience Diagnostic Assessment. Each is a separate product in the FourthLine catalogue.

THIS DIAGNOSTIC DOES NOT COVER

Execution of scenario tests or exercises. The diagnostic assesses whether credible tests have been run and whether outputs evidence tolerance validation, not recovery activity alone. It does not conduct tests.

Building, drafting, or remediation of any documentation. The diagnostic identifies gaps and produces a remediation roadmap. Documentation development is delivered through the programme that follows.

A full TPRM assessment. Supplier and third-party resilience is assessed directionally only. The FourthLine TPRM Diagnostic Assessment is a separate, dedicated product.

An ICT resilience depth assessment. Technology recovery capability is assessed at the RTO and IBS alignment level only. A full ICT Resilience Diagnostic Assessment is a separate product.

A Cyber Resilience assessment. Cyber risk is not assessed within this diagnostic. The FourthLine Cyber Resilience Diagnostic Assessment is a separate product.

05 THREE-PHASE DELIVERY APPROACH

- Engagement setup, stakeholder identification, document request issued. Review of existing Op Res policy, IBS documentation, impact tolerance statements, dependency mapping outputs, scenario test records, BCM plans, and board reporting MI. Structured interviews with the SMF24 holder, COO, and key programme owners: **Mobilise and Baseline (Weeks 1 to 2)**:
- Structured assessment of all nine components against the regulatory evidencing standard. For each component: current state finding, evidence quality rating, and specific gap identified. No scoring model. Plain-English assessment of what is present, what is absent, and what would fail under supervisory scrutiny: **Assessment and Analysis (Weeks 2 to 4)**:
- Board-ready gap report produced. Prioritised remediation roadmap with recommended programme pathway. Findings presentation to SMF24 and COO. Programme recommendation confirmed: Foundation, Baseline, or targeted Op Res module depending on maturity profile: **Findings and Roadmap (Weeks 4 to 6)**:

06 DELIVERABLES

Deliverable	Description
Current State Assessment Report	Component-by-component assessment of the nine Op Res programme areas against the SS1/21 and SYSC 15A evidencing standard. Written in plain English for SMF24 and COO consumption.
Regulatory Traceability Matrix	Mapping of each programme component to the specific regulatory obligations it is designed to satisfy, identifying where evidence is adequate, partial, or absent.
Prioritised Gap Register	All identified gaps ranked by regulatory exposure and remediation urgency. Each gap includes the specific finding, the regulatory standard it fails against, and the recommended remediation action.
Board-Ready Summary Pack	A concise executive summary of findings suitable for presentation to the board risk committee or audit committee. Written for non-technical board members.
Remediation Roadmap	A structured remediation plan with prioritised actions across immediate (0 to 3 months), medium-term (3 to 12 months), and longer-term (12 to 24 months) horizons.
Programme Pathway Recommendation	A specific recommendation on which FourthLine programme tier or module the firm should proceed to, based on diagnostic findings: Foundation, Baseline, Developing, or targeted Op Res module.

07 THE COMMERCIALS

FIXED FEE £15,000 to £25,000	DELIVERY TIMELINE 4 to 6 weeks	OUTPUT Board-ready gap report and prioritised remediation roadmap
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Delivered by a senior FourthLine practitioner, not a junior analyst. The assessment is conducted by the same calibre of resource that will deliver the programme that follows. Fixed fee covers all phases, including the findings presentation.

08 WHY FOURTHLINE

- FourthLine assesses each programme component against what a PRA or FCA supervisor would look for, not against what the firm's peers have produced. The standard is the regulatory evidencing standard. Nothing less.: Regulatory standard, not internal benchmark:
- The diagnostic is conducted by an Engagement Director with direct experience of PRA and FCA supervisory engagement on operational resilience. Not delegated to a junior resource after the scoping call.: Senior delivery throughout:
- The diagnostic produces a finding. It does not produce a finding calibrated to justify a particular programme size. The programme recommendation follows the evidence.: No conflict of interest in findings:

The diagnostic is not a gap list. It is a supervised readiness assessment. The output tells the firm precisely where it stands against what a PRA or FCA supervisor would look for, and what it needs to do first.

START WITH A DIAGNOSTIC

If you are an SMF24 holder, COO, or Head of Operational Resilience at a UK-regulated financial services firm and you want an independent, regulator-standard assessment of your current programme, the diagnostic is the right first step.

The findings determine the programme. The programme converts the diagnostic investment into board-ready, regulator-facing resilience evidence.

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