



# Payment Resilience

WHY HAVING THE RIGHT BUSINESS CONTINUITY MEASURES  
IN PLACE IS SO IMPORTANT

Recent incidents like the IT crashes caused by a CrowdStrike system update, have brought operational resilience to the forefront of many businesses. Resilience isn't just a regulatory requirement but an essential element of ongoing business operations.

## What happened with CrowdStrike?

CrowdStrike, a global cybersecurity company that uses AI to detect and stop cyber fraud, recently experienced significant issues during an update which caused widespread system crashes on Windows machines. While CrowdStrike quickly remediated the issue within hours, the outage impacted numerous organisations, especially those using encrypted drives.

CrowdStrike clarified that the outage was not the result of a cyberattack, but malicious actors exploited the chaos with phishing attempts targeting affected users.

This is just one example of unexpected failure of infrastructure. Even if you weren't affected, it is worth asking if your payment process is resilient – what would it cost you if you lost payment connectivity for a period of time?

## SS1/21

The SS1/21 Supervisory Statement - issued by the UK's Prudential Regulation Authority (PRA) regarding its expectations for regulated financial institutions in implementing international standards on operational resilience - provides clarity on how such regulated institutions should strengthen their ability to prevent, adapt, respond to, recover from, and learn from operational disruptions.

This supervisory statement forms part of the UK's broader regulatory push to improve the robustness of financial institutions following disruptions like the COVID-19 pandemic and increasing cyber threats. Regulated financial institutions must comply by **31 March 2025**.

Having a business continuity plan in place has always been important and will become mandatory for all regulated financial institutions. Payment operations should be included in business continuity plans.

### SS1/21 Lessons for Non-Regulated Organisations

Although SS1/21 addresses business continuity for regulated financial institutions, other businesses can benefit from thinking about critical business processes like payments in the same way. You should consider the impact of being without your payment processes for a period of time – for instance the loss of income if you can't collect Direct Debits or the impact on employees if you can't make payroll payments.

# Top Tips for Business Continuity Planning

The biggest tip is to leverage diversity. The more options available to you, the more resilient your business will be when the unexpected occurs. Some ways to do this are defined below:



## Security

As above, whilst the CrowdStrike outage was not a result of a cyberattack, many were exploited during this time. Businesses should consider a mix of four strategies to maintain control and resilience:

- **Implement secure payments technology to detect payment anomalies and flag alerts, rather than rely solely on personnel.**
- **Mitigate insider threats with application-level interaction monitoring technology.**
- **Consider Confirmation of Payee for Business\* to protect against authorised push payment (APP) fraud and misdirected payments.**
- **If you use Smart Cards, consider also adding an 'Indirect Submission' model as an alternative, where multi-factor authorisation can be provided. This option doesn't rely on needing a smart card reader that might become unavailable as the result of an attack on desktops in your business.**



## Protection from System Outages

It is worth considering whether you require an alternative payment system as part of your business continuity planning. For example, if Bacs is down, could you use Faster Payments or CHAPS to submit payment files. Or should you look at adding a dedicated separate Payments Hub and a managed bank connection which could provide an alternative route into Bacs or Faster Payments.

If you use a Hardware Security Module (HSM) or Cloud Security Module (CSM) today, we can link you to our Bacs Bureau, which will enable you to continue to submit in the event of certificate issues with your bank such as expiry.



## Checkout Conversion

Consider offering several payment methods at checkout – not only does this encourage checkout conversion but can act as a failsafe in times of crisis. For example, pay by bank could be a good alternative if card infrastructure is affected.

As recent examples have shown, having robust measures in place to protect your business against the unexpected is of paramount importance. If you would like any further advice regarding business continuity planning, please contact your Bottomline Account Manager or learn about our Payments Hub solution [here](#).



### About Bottomline

Bottomline helps businesses pay and get paid better, delivering payments and cash management technology to drive impactful results for businesses and financial institutions globally.

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