



## Treasury Committee

**Ian Stuart**  
**Chief Executive Officer**  
**HSBC (UK)**  
**By Email**

Tuesday 8 April 2025

### **Subject: The impact of IT failures**

Dear Ian Stuart

Thank you for your recent letter regarding the impact of IT failures.

On Friday 28 February, it was reported that First Direct, a brand of HSBC (UK), suffered a failure of its IT systems.

I would therefore welcome your answers to the following questions:

1. Please can you outline the failure that occurred, what caused it and how it affected your customers? In your description, please can you provide a timeline of events, and a description of the failure by channel (i.e. app, web, branch, ATM, cards, etc). Please can you also note when all system failures were rectified?
2. Please can you provide an outline of how you intend to prevent such a failure happening again?
3. Please can you provide an overview of how your Board responded to the outage?
4. Please can you provide an estimate of the number of customers affected by your most recent outage (including as a proportion of your total customers), including an estimate of the number of vulnerable customers affected?
5. Can you explain how HSBC (UK) is managing customer complaints following this incident, including whether you are being proactive in contacting customers who may have suffered, or whether you are entirely relying on complaints being reported to you?
6. Please can you provide your estimate of the amount of compensation HSBC (UK) expects to pay out, given the potential costs your customers faced, and your expected timeline on the provision of that compensation?
7. Please can you provide the Committee with how your customer services response times changed over the period of the failure and in the period directly after, and the resources you have put in place to meet customer queries over the period and in the period directly after?



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8. Please can you provide the Committee with an overview of your expected increase in fraudulent transactions over this period, how you have mitigated the risk of such transactions, and how you are helping customers who may have suffered due to fraud over the period?

9. This IT failure occurred towards the very end of the month. Are there key times, within an average month, when systems are more likely to fail?

I would welcome your response to these questions, by midday Wednesday 30 April 2025. The Committee will publish this letter, and your reply, in due course.

Yours sincerely

**Dame Meg Hillier MP**  
**Chair of the Treasury Committee**