Treasury Committee

Lucy Rigby KC MP
Economic Secretary to the Treasury
HM Treasury

By email

Monday, 20 October 2025

Dear Economic Secretary

Amazon Web Services outage

Amazon Web Services, a US cloud infrastructure provider, has today been affected by a widespread outage across its systems. This appears to have disrupted several other firms, including Lloyds Banking Group.

As part of the Committee's ongoing inquiry on artificial intelligence (AI) in financial services, we wrote to Amazon Web Services and other major technology firms to gather further information on their preparations for cloud and AI system outages.[1] In reply, Amazon Web Services told us:

> Financial services customers are choosing to use AWS to support and improve their security and resilience. AWS has a comprehensive approach to resilience that spans multiple layers of protection, ensuring businesses can reliably maintain operations.[2]

Following changes to the Financial Services and Markets Act 2000, and to manage any potential disruption to the UK financial services sector from critical third parties (CTPs), HM Treasury, the Bank of England and the Financial Conduct Authority (FCA) established the Critical Third Parties Regime in November 2024. The Regulatory Initiatives Grid confirms that "[t]he rules for CTPs became effective in January 2025, but will only apply in practice to each CTP from the point it is designated by the Treasury."[3]

HM Treasury is responsible for designating firms as CTPs under the Critical Third Parties Regime.[4] As far as we are aware, no firm has yet been designated as a CTP for the purposes of this regime.

1 https://committees.parliament.uk/work/8901/ai-in-financial-services/
2 Treasury Committee, Responses from AI providers to the Treasury Committee, 9 October 2025
3 Financial Services Regulatory Initiatives Forum, Regulatory Initiatives Grid, April 2025
4 Financial Services and Markets Act 2000, section 312L(1)

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As such, in light of today's major outage at Amazon Web Services, we have the following questions for you:

1. Why has HM Treasury not designated Amazon Web Services or any other major technology firm as a CTP for the purposes of the Critical Third Parties Regime?

2. How soon can we expect firms to be brought into this regime?

3. There is speculation that the Amazon Web Services outage related to its operations in the United States. Is HM Treasury concerned that seemingly key parts of our IT infrastructure are hosted abroad?

4. HMRC may also have been affected by today's outage. What work is HM Treasury doing with HMRC to look at what went wrong, and how this may be prevented in future?

We would be grateful if you could respond to this letter at your earliest convenience.

In line with the Committee's usual practice, I will be placing this letter, and in due course your response, in the public domain.

Yours sincerely

Meg Hillier.

Dame Meg Hillier MP
Chair of the Treasury Committee

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