

# Treasury Committee

House of Commons, Committee Office

Tel 020 7219 5769 Fax 020 7219 2069 Email [treascom@parliament.uk](mailto:treascom@parliament.uk) Website

[www.parliament.uk/treascom](http://www.parliament.uk/treascom)

Antonio Simoes

CEO

HSBC Bank plc

12 September 2015

Thank you for your email of 28 August about the IT failure that day at HSBC.

It was very concerning to hear about the systems failure. It follows the serious IT breakdown in June at RBS. Millions of customers are affected, with those in financial need particularly vulnerable. Last Friday, your customers used Twitter to express their anger at the lack of information, among other things, on two crucial issues: the speed at which the problem would be rectified, and the absence of any alternative way to obtain access to money.

The Treasury Committee would be grateful for answers from HSBC to the following questions:

- What was the first symptom of the problem?
- When was it first identified?
- How many of your customers were affected? What steps are you taking to ensure that customers are not put at a disadvantage by this, or subsequent IT failures, not least from unexpected overdraft charges? Will customers be compensated?
- From the moment the fault occurred, how long did it take to (a) fix the underlying problem and then (b) clear the backlog of payments?
- Do you regard the time taken as acceptable? If not, what would be an acceptable time, and what have you done to ensure that future problems are fixed within this time?
- How confident are you that no similar failures will occur in the future, and why?
- Have you considered alternative ways by which customers could obtain access to their money in the event of a future IT failure? If so, could we see a copy of the relevant internal report?
- Was the failure that occurred on August 28th on HSBC's corporate risk register? What other IT risks are on it, and what ratings have these risks been given?
- How will you prevent customers' credit scores being affected by the problems at your bank? Will you compensate for them if they were?

- What warning did you have of the potential for this problem to occur in the days leading up to 28 August? What warnings did you give the PRA and FCA about any potential problem? What was their response, and what advice did each give you?
- Has the Bank assured itself that all other system limits that could lead to a payment failure have been identified? If so, how?
- Were any other such limits identified during this assurance?
- If so, will the Bank's systems be changed to ensure that any breach of any of these system limits will be detected and corrected before they can trigger a payment failure?

I will be placing this letter, and in due course your response, in the public domain.

**RT HON ANDREW TYRIE MP**  
**CHAIRMAN OF THE TREASURY COMMITTEE**