

Transport Committee

House of Commons, London, SW1A 0AA

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Wednesday, 08 March 2017

Mr Paul Willis
Volkswagen Group UK Limited
Yeomans Drive, Blakelands
Milton Keynes, MK14 5AN

Ref: HoC/JEF

Dear Mr Willis

Thank you for giving evidence to the Committee on 20 February 2017, and for your response to Stewart McDonald MP's further queries dated 3 March 2017, which I have had the benefit of seeing.

The Committee has asked me to write to you once again as it continues to consider that your evidence fell short of our expectations in a number of ways. In particular, some of your evidence was not credible, incomplete, intended to mislead and may have fallen short of the truth.

I would be grateful if you could clarify, or where necessary, expand on the evidence you have given to date to address the concerns itemised below. Except where indicated, references to question numbers below relate to your evidence of 20 February.

1. You stated in relation to Volkswagen's failure to publish the Jones Day report that "all the facts are included in the statement of legal facts", published by the United States Justice Department (Q17). When you previously gave evidence to the Committee on 25 January 2016 (Q217), you said that the Jones Day investigation involved 450 people looking through 100 terabytes of material. The Committee does not believe it credible that all the facts emerging from such an extensive investigation can be detailed in the Statement of Facts, a document which is 29 pages long. Please clarify whether it continues to be your position that all of Jones Day's findings are included in the Statement of Facts.
2. You also stated (Q24) that "the Jones Day report – the details from that piece of paper – is included in the statement of facts". This suggests that a separate Jones Day report exists and that its content was then incorporated into the Statement of Facts. However, you state in your letter to Mr McDonald "there is no separate Jones Day report". The Committee considers your evidence on this point contradictory. Please confirm whether or not there exists a separate Jones Day report or if your position is that the Statement of Facts is the only document containing Jones Day's findings.
3. Moreover, in describing who had made the decision not to publish the Jones Day report, you first stated it was "the decision of Jones Day" (Q21) before stating that "I do not know whose decision it is". Even if there is no separate Jones Day report (as you now seem to maintain), this can only be because Volkswagen revised its initial position and instructed Jones Day not to produce a report. Please clarify who was responsible for deciding that Jones Day should not produce a report or publish it, and the basis on which this decision was made.
4. You suggested that every cost and information requested by HMRC or the Department had been paid or provided by Volkswagen (Q97). This appears to contradict the Minister's statement (Q180)

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that "it is not true to say that Volkswagen have done everything we have asked of them". When asked to clarify this point by Mr McDonald, you stated you believed the question to relate only to costs and information. In your letter you also say that you have not accepted all the Department's requests. The Committee believes your evidence on this point to have been incomplete. Even limiting the question to costs and information, you failed to mention the requests for the Jones Day report or the Department's request for an additional £1m for the Market Surveillance Unit's future activities.

5. In response to the Committee's questions as to why Volkswagen was applying the fix to UK vehicles, you said (Q118) that "We are removing any doubt from our customers' minds about how the cars may have got through the testing regime." The Committee does not believe it credible that the only reason why Volkswagen would undertake such an expensive programme of technical measures is to "remove doubt" from the minds of its customers. Please confirm that your position is that this is the **only** reason why the fix is being applied.
6. You told the Committee (Q32-33) that the fix was being applied to around 20,000 vehicles a week and that you hoped that the programme would be completed by autumn 2017. However, we were told by the Minister (Q148) that the Skoda fix had not been signed off. Given this, please explain the basis on which you have concluded that the programme can be finished by autumn 2017.
7. In relation to the efficacy of the fix, you stated (Q76, Q128) that where customers complained that their vehicle was impaired after the fix, you attempted to find a resolution. You also guaranteed (Q144) to look into any customer issues in detail. However, a number of members of public have told the Committee that Volkswagen dealers refused to investigate concerns that the fix had impaired their vehicle's performance unless the owners paid an additional charge. This appears to contradict your evidence. Please confirm that Volkswagen will investigate all existing and future cases where the customer is concerned that the fix has impaired the performance of their vehicle, and that this investigation will be carried out free of charge.
8. You also stated that the logic of those consumer experts who are advising drivers not to have the fix carried out is "not credible". However, you provided no evidence to substantiate this conclusion. Please explain what assessments you undertook to come to this conclusion. Please also confirm that the fix does not affect the reliability, durability, performance, fuel consumption, driveability, noise, or ease of maintenance of the vehicles in the short, medium or long term.

If you have any queries in relation to your response please feel free to contact the Clerk of the Committee. I intend to publish this letter and your response, which I look forward to receiving soon.

Yours sincerely,



Louise Ellman MP
Chair of the Transport Committee