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VAUXHALL

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Louise Ellman MP
Chair, Transport Select Committee
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Dear Mrs Ellman,

Thank you for giving us the opportunity to attend a second session of your committee's inquiry into fires in our vehicles.

I appreciate your desire to understand the extent of the problem, to have a clear explanation of Vauxhall's actions to resolve the issue, and to consider learnings both for Vauxhall and the Industry.

In our evidence on 6 February 2017 we committed to come back to the Committee to provide some additional information and I also wanted to provide some further detail on our actions since we saw the committee in July 2016.

Incidents of fire in Zafira B and investigations

It is understandable that the committee would expect that in every case of fire in a Zafira B Vauxhall would have attempted to investigate. It certainly is the case that since October 2015, when we became fully aware of the issue, we have inspected every Zafira B fire where the vehicle was available for inspection and in a condition that could reveal information towards our root cause investigation.

Of the 287 fires in Zafira B reported to us, we have inspected 99. This number includes the 59 referenced by Elvira Toelkes, which occurred after the first recall. Of the 59 post recall fires inspected 36 were confirmed as related to the Heating and Ventilation issue, 23 were not

related to a design or manufacturing issue.

The reason that we have not inspected all 287 Zafira fires is that the majority were reported to us after the media coverage in October 2015, and had happened many months and in some cases years before. Where customers reported fires in vehicles that were still physically available for inspection, inspections took place, but in the majority of cases the vehicles had been disposed of. There were also a few cases where the customer did not want us to inspect a vehicle where they reported a fire had taken place. It is important to point out that as we have not been able to inspect all the reported cases of fire, we cannot confirm that the cause of fire was related to the Heating and Ventilation system in each and every one of those 287 vehicles.

Since the committee met in July 2016 we have had 57 Zafira B fires reported to us. We have inspected 43 of those vehicles which were available for inspection and of those inspections we have identified 25 which were confirmed to relate to a fire in the Heating and Ventilation system. Of the cases which were not related to the Heating and Ventilation system, the root cause was either determined to be a non manufacture / design factor or undetermined due to the destructive nature of vehicle fire. Importantly, we have had no reported fires in any of the 169,787 vehicles which have had the second recall completed.

Improving information with regard to fires in vehicles is an area where we are actively working with the SMMT, our industry body. Customers report fires to their Insurers and in most cases the manufacturer is unaware that a fire has taken place. In the case of Zafira B only a small proportion of Heating and Ventilation system fires had been reported to Vauxhall which decisively impacted on our ability to spot a trend. Access to vehicle fire data from the Insurance industry is, as we outlined to the Committee, something we are actively working to facilitate.

We acknowledge that prior to October 2015 we did not push to inspect all fires reported to us. In common with other manufacturers, our policy had been to inspect fires where either the circumstances of the fire or Insurers' inspection of the vehicle suggested a possible design or manufacturer issue. This policy has now changed and in all cases of reported fire we request the permission of the customer and insurer to inspect their vehicle.

We are working with the SMMT to look at the possibility of sharing information on fire reporting and inspections. The goal is to effectively identify trends and concentrate our resources on vehicle fires which could relate to a design or manufacture issue. With an estimated 65% of vehicle fires reportedly resulting from 'outside influence,' it is important our technical focus is on cases where the root cause is not apparent and could relate to a design or manufacture issue. While Insurance companies do not usually send forensic fire investigators to inspect each case of vehicle fire, the inspectors they do send have considerable experience and will document and photograph vehicles that have experienced fire. The documentation from Insurance companies could help manufacturers identify trends in vehicle fires earlier.

Where an insurer's inspectors conclude that the cause of fire may relate to a design or manufacturer issue we investigate, and if an issue is established then we will cover the insured loss and the uninsured loss of the customer.

Recall management

The second Zafira B recall commenced on 8 August 2016 and we have made contact with customers in a number of ways:

- Through a series of letters sent to their home address using data provided by the DVLA.
- In early January 2017 we also sent recorded delivery letters to those who have not had the recall completed.
- Directly by phone and email where Vauxhall and its partners such as the RAC have additional contact details to those provided by the DVLA.
- A Facebook campaign targeted at Zafira owners as well as search advertising directing customers to a dedicated advice page.
- We are also working with Insurance partners to jointly communicate to customers yet to have the recall work completed.

The Facebook campaign allowed us to target Facebook users who, according to our database, were Zafira owners or whose profiles matched. The audience reach for the campaign was 355,042 and the video outlining the importance of completing the call has been viewed 197,202 times. We judge the Facebook campaign to have been successful in reaching customers engaged in social media, but targeted activity such as this will always need to be complemented by direct contact through mailings and phone.

We have worked closely with our Retailer Network to ensure we are able to complete customer recalls as promptly as possible and with the minimum customer inconvenience. We have had good parts availability and Retailers have extended their opening hours and worked weekends where required, ensuring we have been able to complete over 12,000 recalls a week.

As of the date of this letter we have completed the second recall on 170,723 of the 221,623 Zafira B vehicles in the UK. We have Retailer capacity to complete the outstanding 50,900 recalls within a matter of weeks. Our focus is on encouraging customers yet to have the recall completed to make an appointment.

We have analysed the DVLA data and identified that over 13,000 do not have a current MOT, and 12,984 are categorised as “Passed to Trade,” and no longer in customers’ hands. The category “Passed to Trade” includes cases where the vehicle may be at a scrap yard, or in the process of being dismantled. We continue to work closely with the DVSA to improve access to relevant customer data so we can effectively direct our activities, and we are also in discussions with regard to initiatives that could require customers to have recalls completed, such as making them a prerequisite of obtaining an MOT.

We acknowledge the comments made by Stewart McDonald with regard to alleged issues with customer management, however we are convinced that in the majority of cases customers have been treated with utmost courtesy in conducting the recall. Whenever an issue has been raised to Vauxhall either by the customer directly or through the Admin of the Zafira B Facebook group, we have ensured that issues related to the recall have been dealt with promptly.

We have offered to arrange a further meeting with members of the Zafira B Facebook group to ensure we understand any concerns they may still have and keep them updated on our activities to efficiently progress the recall.

Other actions arising

The question was raised as to why Vauxhall / Opel initially alleged that a cause of fire in Zafira B models was unauthorised repairs when no individuals responsible for those repairs had been identified. It is important to re-state that unauthorised or improper repair of the resistor is a confirmed cause of fire in Zafira B, and this is also accepted by the DVSA.

As part of our extensive field investigation in October 2015 we identified a high incidence, 2.7% of parts inspected, where the resistor had been improperly repaired, and took action on that finding to initiate the first recall. While an additional cause of fire was subsequently identified, improper repair was so evident and presented such a risk that we were compelled to take action based on the information we had.

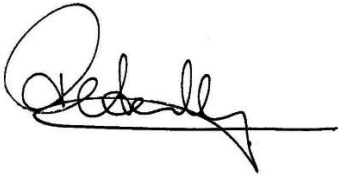
With regard to the identification of who was improperly repairing resistors, it was clear from our initial investigation that the extent of improper repair and the range of different repair “practices” suggested many parties were involved and that it was highly unlikely to be associated with the work of professional mechanics. Furthermore, with many of the vehicles being in the hands of second or third owners, customers were often unaware a repair had taken place or who would have performed the repair.

We were satisfied that there was no deliberate practice of mis-repair in either the Vauxhall or independent repair network and took the decision to concentrate all efforts on conducting the recall and ensuring anyone considering a repair in the future were made aware of the importance to always replace the resistor.

Our letter of 31 August 2016 addressed a number of points arising from the first Transport Select Committee evidence session in July 2016. In section 3 we outlined our response to the question from Huw Merriman MP on whether Vauxhall would be contacting other manufacturers to make them aware of the component fault in the Zafira. Our response confirmed that we immediately informed the supplier of the Heating and Ventilation components as they are best positioned to alert other customers who use the same component. In addition we explained that information relating to the Zafira B recall was loaded on to the European “Rapid Exchange of Information System” (RAPEX). RAPEX is the recognised process for alerting manufacturers and national authorities in 31 countries about dangerous non-food products.

I hope that this has provided the additional answers and clarification you require and it also gives you a better understanding of the situation and our continuing efforts to resolve this for customers. If you have any further questions we will be happy to assist.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Hope', with a long horizontal stroke extending to the right.

Peter Hope
Customer Experience Director
General Motors UK Limited (T/A Vauxhall Motors)