



**Consumer Complaints
Sparked By Electric Vehicles
(January to June 2023)**

Published July 2023

TheMotorOmbudsman.org/electric-vehicles



Contents

03 OVERVIEW

03 INTRODUCTION

The electric vehicle (EV) landscape in 2023

05 SECTION 1

Electric vehicle (EV) consumer complaint volumes in H1 2023

06 SECTION 2

Electric vehicle (EV) issues reported by consumers in H1 2023

13 SECTION 3

Consumer resolutions and claim values

15 SECTION 4

Electric vehicle (EV) complaints not covered by The Motor Ombudsman and signposting

17 SECTION 5

Case studies of electric vehicle (EV) dispute outcomes

20 SECTION 6

Potentially vulnerable customer consumer case study

21 SECTION 7

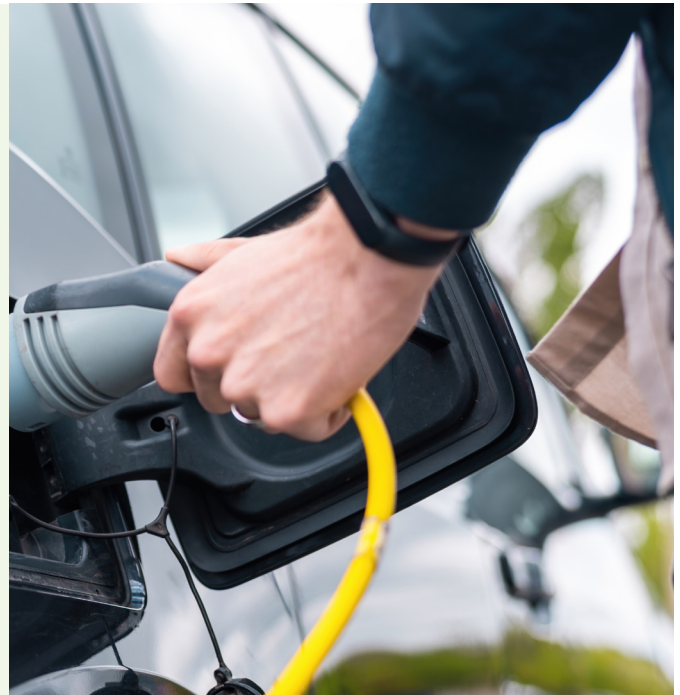
Conclusion

OVERVIEW.

The following paper is designed to provide insight into the main drivers of consumer complaints about electric vehicles (EVs) during the first six months of 2023. The areas explored in this paper, include:

- ▶ The electric vehicle (EV) landscape in 2023;
- ▶ The principal reasons for complaints to The Motor Ombudsman about EVs;
- ▶ The principal resolutions being sought by EV customers to disputes; and
- ▶ Case studies illustrating the types of disputes and outcomes that have been brought to The Motor Ombudsman.

NOTE: For the purposes of this paper, “H1” refers to the six-month period of January to June, and electric vehicle / EV refers to a battery electric vehicle (BEV) with no internal combustion engine propulsion of any kind.



INTRODUCTION. The electric vehicle (EV) landscape in 2023

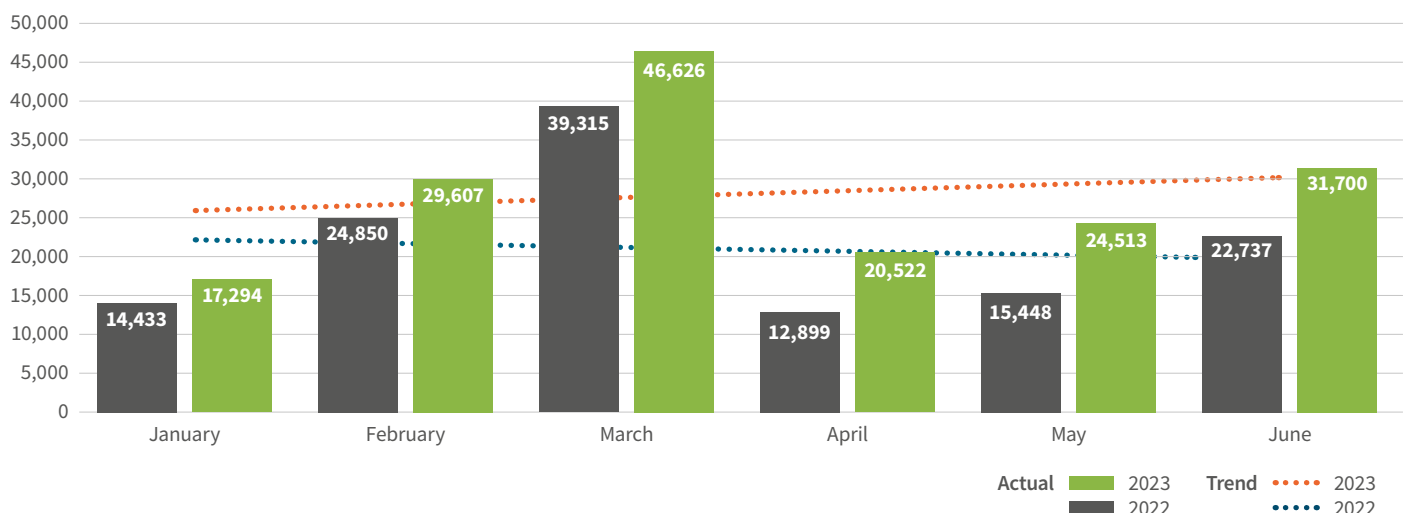
The electric vehicle (EV) landscape in 2023 – seven years away from the ban of the sale of new petrol and diesel vehicles, provides a somewhat mixed picture, and sits at an interesting crossroads as to its exact trajectory from this point onwards.

As things stand, some of the positives that can be drawn from this area of the automotive sector, are namely:

- ▶ The choice of new electric cars on sale has quadrupled in the past five years, with 84 different models now available, compared with just 21 in 2018¹;
- ▶ Range per full charge has also continued to evolve, with the average distance an electric car can travel on a single charge now standing at 236 miles²;

- ▶ New car registrations for EVs between January and June 2023 have all been higher every month compared to the same period last year (refer to the graphic below); and
- ▶ For the first time, and as at May 2023, there were more public charging locations than petrol forecourts (8,471 charging locations with 13,613 charging devices versus 8,400 fuel stations)³; and
- ▶ Electric vehicle uptake is at record levels, with **152,968** deliveries during the first six months of 2023, which is 32.7% more than in H1 2022 (115,249), and 13 times higher than the same period in 2019 (11,975)⁴.

Actual new car registrations for EVs versus trend (H1 2023 v H1 2022)



¹ <https://cardealermagazine.co.uk/publish/ev-choice-has-quadrupled-in-just-five-years-according-to-fresh-smm-t-data/284695>

² <https://cardealermagazine.co.uk/publish/ev-choice-has-quadrupled-in-just-five-years-according-to-fresh-smm-t-data/284695>

³ <https://www.zap-map.com/news/ev-charging-sites-outnumber-petrol-stations-for-first-time>

⁴ Source: The Society of Motor Manufacturers and Traders (SMMT)



The pendulum has also swung from there not being enough EV stock on the market i.e. what was seen during the pandemic when supply was interrupted, to it being plentiful. This has not been helped with lower consumer demand for EVs because of factors such as, the often higher price point of EVs versus petrol and diesel equivalents, financial pressures caused by the cost of living crisis, rising interest rates, and the increase in energy prices – although there is some respite from this month, thanks to the lowering of the energy price cap. Then there is of course, the recent run of negative press around the UK's charging infrastructure, regarding insufficient points to meet demand, despite the aforementioned statistic, and some being not in use when EV owners arrive, thereby promoting the phenomenon known as “charging anxiety”.

The knock-on effect of these factors has prompted discounting by retailers, especially in the used car sector, to stimulate demand for EVs, with prices dropping by as much as 4.1% in May alone for second-hand cars, whilst discounts of as much as 14% are being offered for new cars⁵.

With interest rates continuing to rise, and fixed-rate mortgage deals surpassing 6%⁷, coupled with stubbornly-high inflation, falling house prices, soaring rents, and the threat of a recession, pressures undoubtedly remain for UK consumers.

Industry predictions for 2023 is that the EV market share for new cars is now going to be slightly lower than originally forecast⁸, illustrating that there are headwinds to contend with for the remainder of this year.

“

The pendulum has also swung from there not being enough EV stock on the market i.e. what was seen during the pandemic when supply was interrupted, to it being plentiful”.

⁵<https://cardealermagazine.co.uk/publish/used-electric-car-prices-still-falling-fast-as-buyers-continue-to-shun-evs/284735>

⁶<https://www.thisismoney.co.uk/money/electriccars/article-12111567/Car-dealers-slashing-EV-prices-14-stir-dwindling-demand.html>

⁷<https://todaysconveyancer.co.uk/average-two-year-fixed-mortgage-rates-rise-above-6-report/>

⁸Source: The Society of Motor Manufacturers and Traders (SMMT)

SECTION 1. Electric vehicle (EV) consumer complaint volumes in H1 2023

For the full 2022 calendar year, a total of 503 EV-related complaints were logged with The Motor Ombudsman. This figure however, has already been surpassed at the halfway point of 2023 (564).

Reasons for such an exponential growth in the volume of complaints in 2023 versus 2022, can be put down to the the following principal assumptions:

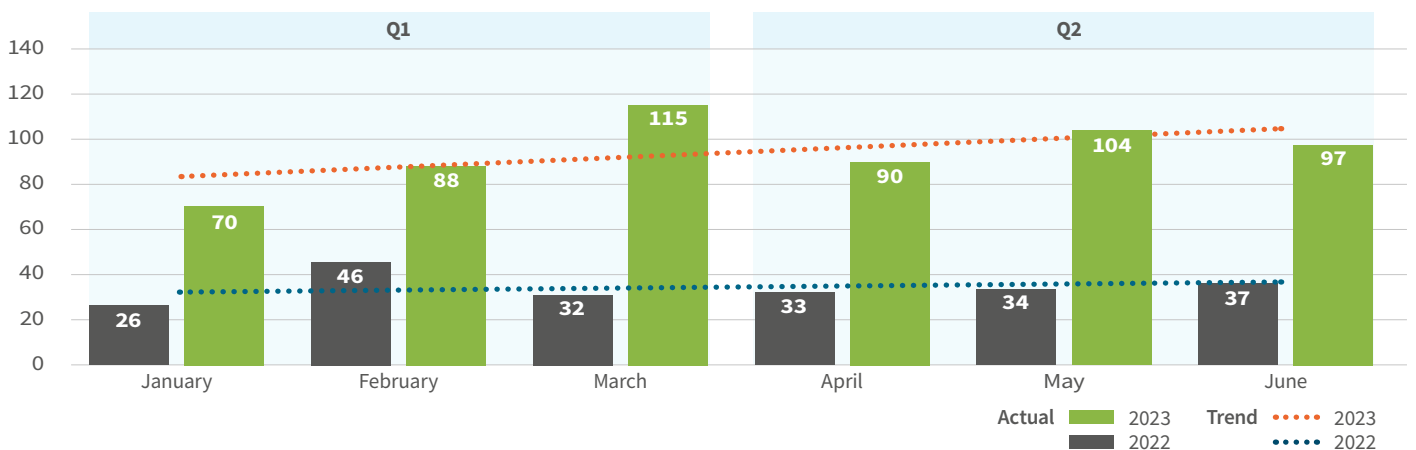
1. A greater demand and ownership of EVs (i.e. an expanding parc⁹) this year compared to last; and
2. The cost of living crisis has driven more consumers to recoup financial loss via the medium of free-of-charge Alternative Dispute Resolution (ADR), especially when an expensive purchase, such as an EV, is at stake.

However, with these consumer complaints about electric vehicles (EVs) representing less than 1% of the 14,210 disputes logged by consumers with The Motor Ombudsman in the first six months of 2023, and of the nearly 153,000 EV new car registrations during the same January to June period, plus with over one million electric cars now on UK roads according to the latest 2022 Motorparc data¹⁰, this is a relatively negligible figure when viewed in isolation.

What is nevertheless important to look at for the purposes of this paper, is what the principal drivers are for EV buyers and owners to log a dispute with The Motor Ombudsman, and the nature of complaints that are emerging as the EV landscape continues to evolve.

Actual volume and trend of EV complaints submitted by consumers to The Motor Ombudsman by month (H1 2023 v H1 2022)

	Q1			Q2				
	January	February	March	April	May	June	Total H1	Average / Month
Number of complaints (2022)	26	46	32	33	34	37	208	35
Number of complaints (2023)	70	88	115	90	104	97	564	94
Monthly % year-on-year change	+170%	+91%	+260%	+173%	+206%	+162%	+171%	+169%



When looking more specifically at the first six months of the year, the number of EV complaints received by The Motor Ombudsman tended to fluctuate either side of the monthly average figure of 35 in 2022. However, in 2023, there was a marked upward trend in the number of complaints in relation to electric vehicles. January 2023 alone saw a near-tripling of complaints versus the same month the year before, prior to the volume of complaints reaching over 100 for the first time in a single month in March, which mirrored the introduction of the first plate change of the year for new cars, and EV registrations peaking in H1.

After dropping slightly to 90 complaints in April from March’s high of 115, the trend reversed, with the monthly volume of EV cases received by The Motor Ombudsman hitting over 100 for the second time in 2023, in May. This could be explained by the multiple bank holidays possibly giving more time for consumers to gather evidence and submit their case, compared to other months.

Based on the current average monthly “run-rate” of 94 complaints during the last six months, the forecast is for The Motor Ombudsman to surpass over 1,000 EV complaints by year-end for the first time, which will be around double the volume seen for the 2022 calendar year (503). It is also expected that cases received will peak once again in September in line with the introduction of the new “73” plate.

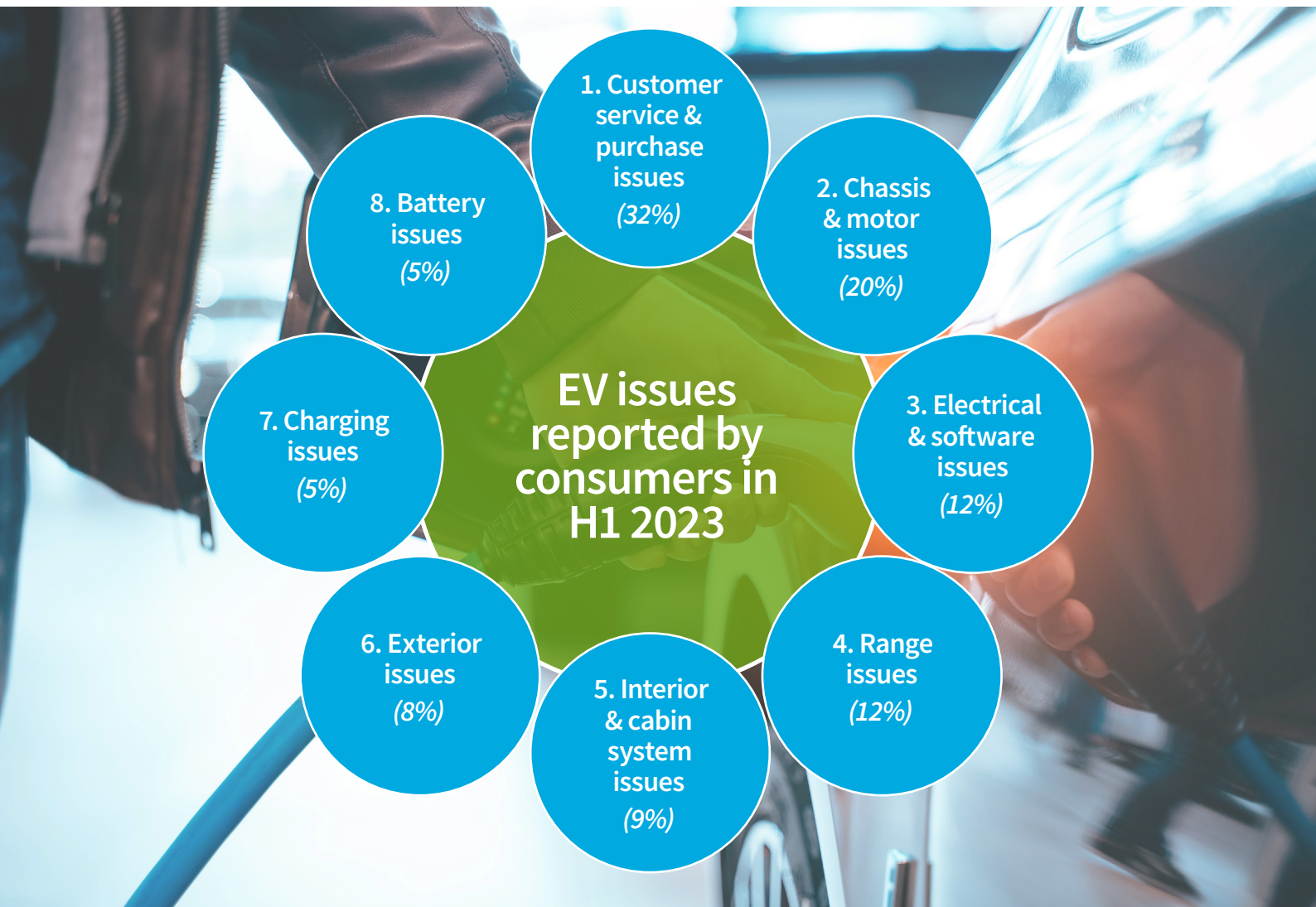
⁹The vehicle parc is defined as all automotive vehicles in use at any given time (source: Lawinsider.com)

¹⁰Source: The Society of Motor Manufacturers and Traders (SMMT)

SECTION 2. Electric vehicle (EV) issues reported by consumers in H1 2023

EV issues reported by consumers can be divided into eight main categories for the purpose of analysis, shown by the graphic below. Examples of the types of complaints received under each of these “headings”, will now be explored in turn.

NOTE: The percentage figure in brackets denotes the proportion of issues that fell into this category out of all the EV-related complaints logged by consumers with The Motor Ombudsman during the first six months of 2023.



1. Customer service and purchase issues (32%)

Issues relating to the purchase of electric vehicles, and the standard of customer service provided to consumers after taking ownership, made up the biggest proportion of electric vehicle disputes logged with The Motor Ombudsman during the first half of 2023, mirroring the trend seen overall for the 2021 and 2022 calendar years.

Many of these concerns stem from the root cause of a substandard level of business-to-consumer communication, resulting in customer frustration and a sense of dissatisfaction.

A snapshot of consumer concerns that drove complaints within this particular category, are as follows (please note that these points are not exhaustive):

Issues raised during the vehicle purchase process:

- ▶ Customer orders and handovers being delayed, and cars being delivered with an incomplete specification due to parts shortages during manufacturing;
- ▶ Orders being cancelled without notice, and after consumers had home charging points installed;
- ▶ Production of models being stopped after orders had been placed;
- ▶ Not being informed about the provenance of vehicles at the point of sale (if they were a showroom demonstrator, for example);
- ▶ Vehicles being advertised at the wrong price;
- ▶ Pre-agreed part-exchange values being changed at the time of new vehicle delivery; and
- ▶ Used cars being sold with outstanding recall work.



Issues raised during post-purchase vehicle ownership:

- ▶ Recall work appointments being cancelled at short notice following a significant wait;
- ▶ Delays to the provision of replacement parts for repairs, and remedial work being carried out;
- ▶ The time taken for a business to repair bodywork damage;
- ▶ Service bookings made via apps not being honoured; and
- ▶ Cars being registered to the incorrect postcode causing logbook delays and vehicle usage.

Based on the fact that the purchase experience and the level of service received by a consumer remains the overarching driver of disputes in relation to an EV, it can be suggested that there is an ongoing need across the customer journey for the enhancement of standards via greater adherence to The Motor Ombudsman's Codes of Practice, to ultimately drive a higher level of satisfaction, and the sense that the consumer is ultimately getting what they paid for.

During the first half of the year, there have been several reports of falling EV values, particularly in the used car market, as well as heavy discounting by some manufacturers to stimulate demand in a sector that has seen the tide turn from when EV supply was limited due to the pandemic, to a market where stock is in abundance. The knock-on effect of the discounting is that residual values have also fallen, as Tom Barnard, Editor of Electrifying.com, explains in a recent article published by Car Dealer:

“Residuals spiralled downwards as owners and traders alike became frightened of losing more money. This then hit the values of rival cars”.¹¹

¹¹ <https://www.standard.co.uk/tech/why-electric-car-prices-dropping-b1085646.html>

This scenario has indeed been played out in a recent case submission to The Motor Ombudsman from a customer who purchased a new vehicle in March 2023:

“ I expressed an interest in the car with my only (serious) concern being the depreciation on leaving the showroom and for the short term - in case I wanted to change the car. I was explicitly told that due to the buoyant electric market this car would not lose value in the short term at all. I had sent an email with my concern and was called to have the above confirmed. I then said this was my only concern so I bought the car. After two months, after deciding to take up competitive triathlons, I looked to change the car and learnt it had lost £6,000 to £8,000. I therefore want a full refund and to return it back to the dealership”.

Although complaints of this nature remain in a minority, there is the assumption that they may be more widespread as more owners act on a feeling of being short-changed if they bought at a higher price. What this therefore calls for, is a greater transparency by the vehicle retailer at the point of sale as to potential depreciation, especially for first-time EV owners, which many will be, with EVs being a relatively new proposition on the nation's forecourts.

On the flip-side, to avoid an element of post-purchase discontent, consumers should also assume their responsibility of carrying out thorough research on makes and models they are interested in, including market values, to ultimately determine whether buying new or used is the optimum route for them.

2. Chassis & motor issues (20%)

The Motor Ombudsman’s “Chassis and motor issues” category encompasses consumer complaints in relation to areas of the vehicle, such as the transmission, suspension, steering, wheels, and the electric motors, and make up the second largest cause of logging a dispute about an EV with The Motor Ombudsman (a fifth of the EV complaints received in H1 2023).

Concerns raised by owners stemmed from faults with components, to faster than expected wear of parts from their point of view. Examples of complaints seen in this area during the first six months of 2023, included:

Issues relating to the braking system:

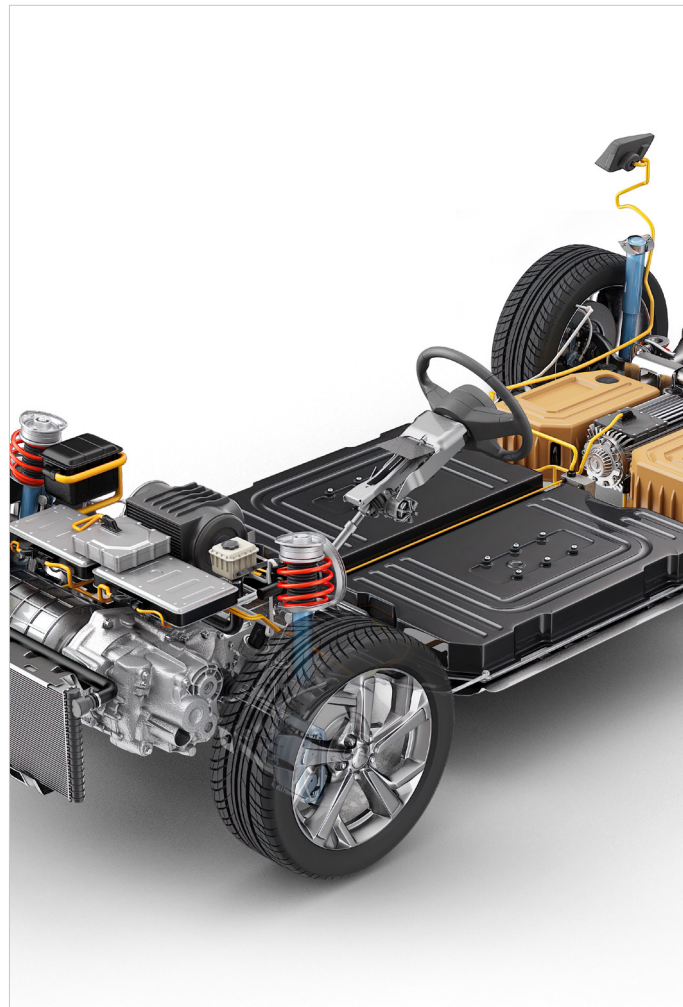
- ▶ Premature brake pad wear on vehicles with regenerative braking;
- ▶ Stuck brake callipers;
- ▶ Repeated squeaking noises; and
- ▶ Wheel trims bending due to heat from the brakes.

Issues relating to the wheels and suspension:

- ▶ Electric traction faults resulting in tyre blow outs;
- ▶ Bent drive shafts causing wheel misalignment; and
- ▶ Excessive play in the suspension.

Issues relating to the motors:

- ▶ Motor and inverter failures causing vehicle breakdowns.

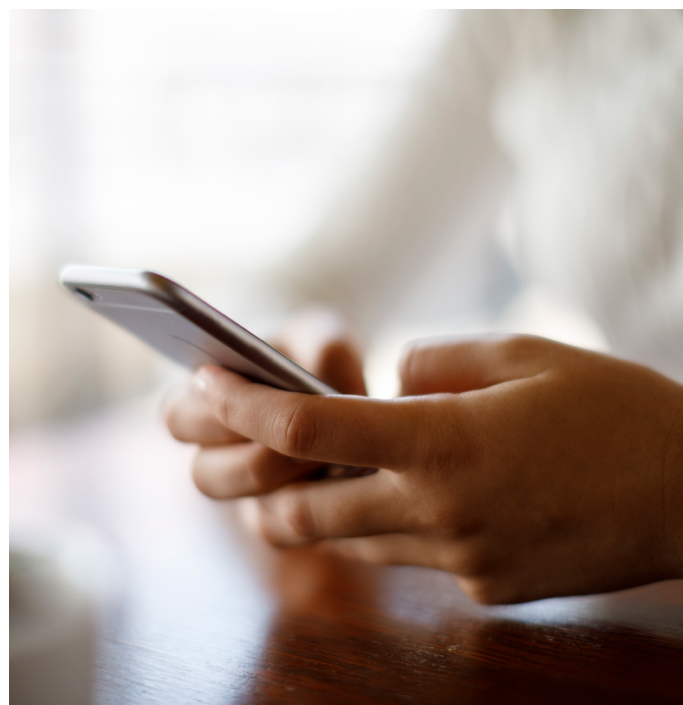


3. Electrical & software issues (12%)

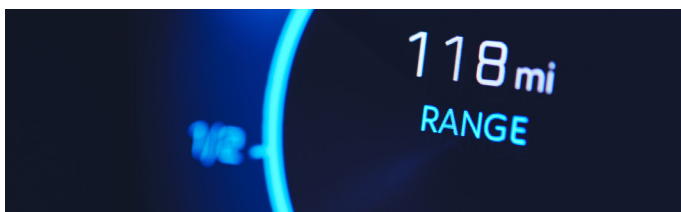
The third biggest cause of consumer complaints in relation to EVs in the first six months of 2023, resulted from electronics and software issues, especially with this type of vehicle sometimes being app-dependent for vehicle owners to activate and control some user functions.

Consumer dissatisfaction stemmed from problems, such as:

- ▶ Faults between the high- and low-voltage systems;
- ▶ App failures preventing vehicles from pre-heating and charging;
- ▶ Vehicles not detecting or recognising keys, and failing to start;
- ▶ Motorised wing mirrors not unfolding with interior controls;
- ▶ The boot unlocking itself when owners were far away from the vehicle;
- ▶ Being unable to register vehicles in apps; and
- ▶ ABS faults causing other vehicle safety features to fail.



4. Range issues (9%)



Although these account for a comparatively small percentage of the overall issues reported by consumers about electric vehicles at around 10%, a primary source of consumer discontent when looking at this category of disputes, is that electric vehicles have been unable to achieve the maximum manufacturer-quoted range per full charge.

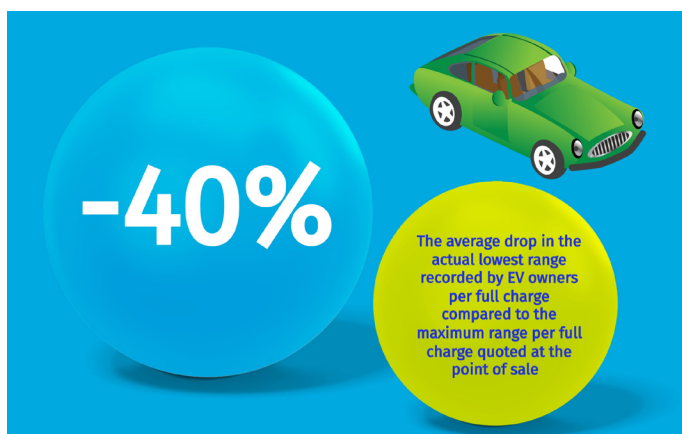
The potential quoted range offered per full charge is often a key differentiator in the eyes of consumers when comparing models to best suit their lifestyle and daily commitments.

What is frequently seen in respect to consumer complaints about range, is a perception of having been mis-sold a vehicle, because in their mind, they should expect to achieve the advertised figure, regardless of the various factors that could potentially impact delivery. This is reflected by the following comment made by an EV owner in their case submission:

“ I’m now paying for a car that is impossible to commute in, as it constantly requires charging. I feel this has been massively mis-sold to me and the garage is accepting no responsibility”.

Where this range deficiency issue is accentuated, and where a relative increase in the volume of disputes received about range can be seen, is during periods of cold weather – noticeable during the opening weeks of 2023. This is because the potential distance that can be travelled on a single charge often falls due to chemical and physical reactions in the battery occurring more slowly in cooler temperatures.

Where stated by consumers, the monthly average difference overall for the first half of 2023 between the actual advertised range on a full charge, and the lowest actual figure they achieved, equated to a drop of 40%. This increased to a 45% fall in February 2023 when wintry conditions returned in some parts of the UK during the second half of the month.



This finding correlates with a study published by What Car? magazine in March 2023, which revealed that electric cars may only travel two-thirds (i.e. 66%) of their advertised range in winter with a fully charged battery¹².

Examples of complaints received from consumers about the drop in range during periods of cold weather, are as follows:

“ **Consumer A** said: “I purchased the car under the promise of a range of between 141 and 143 miles on a full charge. However, the car does no more than 90 in cold weather, and also the range drops if you decide to turn on a heater or the stereo. I was not told that the mileage would be so much less or the reasons why the range would drop. I therefore consider to have been mis-sold a product by the retailer, and under the Consumer Rights Act 2015, I am looking for a full refund, as the car is not fit for purpose”.

“ **Consumer B** said: “When I bought my car, I studied the range figures, and made sure it would be enough to cover my commute, as this was going to be its primary use. My commute is a 90-mile round trip, so I got a car with a huge tolerance, in this case more than double i.e. 217 miles. I was aware, even though not told, that the temperature can affect mileage, but I made my requirements clear, and was never told just how much the cold could affect the mileage. In the last cold spell, after a full charge, I got home on some days with only around eight miles range left. Batteries degrade over time, and I am concerned that next winter, I won't be able to get to work and back”.

“ **Consumer C** said: “When we went to view the car, I specifically asked about the range of the electric vehicle. They told me 200 miles in the summer, but when I asked about the winter range, they said it would reduce by 20-30 miles max. The actual range of the car in the winter is 131 miles, which is more than double what they said it was. If they had told me this at the start, I would have never agreed to get this car, as our minimum business commute is 150 miles”.

When presented with EV range concerns by consumers, it was stated in case files that businesses looked to resolve the issues by performing software updates and replacing batteries, for example, but these actions did not always appease customers.

In addition, What Car? said in their study it was important that potential owners “understand the pros and cons of EV technology”. This is a fundamental point, as what the data is showing, in that there remains a need to educate consumers on the factors that impact EV performance, for them to be able to make informed purchasing decisions when buying an EV, especially with this technology being a relatively new addition to the market, compared to long-standing ICE counterparts.

¹² <https://cardealermagazine.co.uk/publish/evs-may-only-manage-up-to-two-thirds-of-claimed-range-in-winter-reveal-tests/280854>

5. Interior and cabin system issues (9%)

This category of complaints relates to problems that consumers have encountered within the cabin area of the vehicle, ranging from issues around aesthetics and in-car equipment, to system functionality.

Examples of difficulties that EV owners have encountered since the start of the year, have centred around:

Issues relating to cabin fixtures:

- ▶ USB ports detaching from the plastic surround and preventing usage;
- ▶ Boot shelves detaching when closing the boot and obscuring visibility through the rear windscreen;
- ▶ Dashboard reflections in windscreens causing glare and reduced visibility; and
- ▶ Imperfections in the driver's seat trim causing discomfort when driving; and
- ▶ Chipped infotainment screens on new cars.

Issues relating to the functionality of interior systems:

- ▶ Personal memory seat preferences not being stored by in-car multimedia systems;
- ▶ Heating failures leading to fogging of windows;
- ▶ Digital radio failures when heating systems are operative; and
- ▶ In-car microphone failures following the replacement of the low voltage battery.



6. Exterior issues (8%)

Concerns regarding the exterior of an electric vehicle, whether at the point of delivery, or subsequently during ownership, have also been raised with The Motor Ombudsman during the first six months of 2023. They have spanned from paintwork problems, to issues with exterior systems.

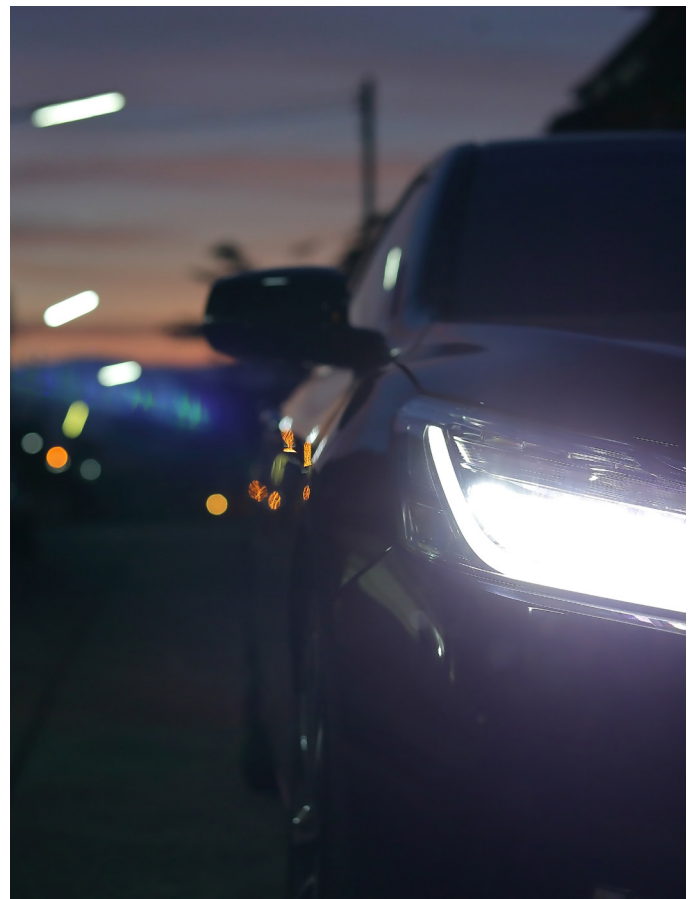
Examples of complaints reported by consumers since the start of the year, include:

Issues at the point of handover and delivery:

- ▶ New vehicles arriving without protective coating on bodywork;
- ▶ Cars delivered with a chipped and cracked windscreen, and overspray paint on door sills;
- ▶ Grazes on the vehicle alloys at the point of handover; and
- ▶ Vehicles being sold with broken door latches, preventing opening from the inside.

Issues encountered post-purchase:

- ▶ Failure of the dynamic headlights;
- ▶ Automatic wing mirrors locking in the closed position;
- ▶ Blocked bonnet drainage slots causing internal water damage;
- ▶ Faults with the bonding of the wheel arches causing leaks; and
- ▶ Door handles and bumpers being repaired with a different shade of paint.



7. Charging issues (5%)



Charging issues relate to those where the consumer has encountered a problem with the charging port and associated systems on the vehicle itself, as opposed to being a complaint about charging infrastructure. They tend to make up a very small minority of complaints month-on-month, highlighting an overall positive level of reliability with this area of the vehicle.

Issues reported by consumers during the first half of 2023, included:

- ▶ Failures of the main charging unit within six months of ownership;
- ▶ Vehicles not capable of rapid charging at the speed advertised;
- ▶ Stuck locks on charging flaps preventing charging; and
- ▶ Insufficient charging due to software issues.

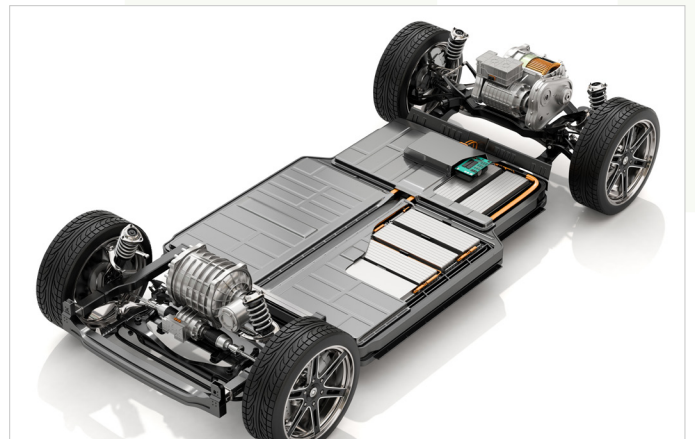


Charging issues relate to those where the consumer has encountered a problem with the charging port and associated systems on the vehicle itself, as opposed to being a complaint about charging infrastructure”.

8. Battery issues (5%)

Data from H1 2023 also paints an encouraging picture in terms of battery reliability, as complaints account for just 5% of overall EV issues reported. Consumer dissatisfaction has primarily resulted from:

- ▶ Batteries being inactivated remotely leaving vehicles stranded;
- ▶ Cars having a recurring issue with the 12V battery regularly going flat;
- ▶ Batteries draining rapidly and decreasing available range; and
- ▶ Faulty 12V batteries and battery sensors.



2.1. Breakdown of purchase issues for new and used EVs

Where a purchase issue has been logged by a consumer with The Motor Ombudsman (as detailed in the section above), they were more often than not, in relation to a new car, which reflects the relative infancy of the EV parc compared to hybrid and ICE vehicles, and used electric vehicles still making up a smaller proportion of overall second hand car sales in the UK. For comparison purposes, for the 2022 calendar year, 83% of EV purchase disputes were in relation to a new EV.

On average, nearly two-thirds of complaints about the purchase of an EV in the first six months of 2023, were about a new vehicle, a proportion which rose to as much as 72% and 73% in March and June respectively. This reflects the infancy of the EV car parc, and the fact that most consumers are buying new rather than used at this stage of the EV market. It is also interesting to note that, in April and May, the gap closed between the proportion of new and used vehicle complaints, with a near 50-50 split in these two months.



Percentage of new versus used for EV purchase complaints by month in H1 2023

2023	January	February	March	April	May	June	Average / Month
New vehicle	70%	70%	72%	44%	51%	73%	63%
Used vehicle	30%	30%	28%	56%	49%	27%	37%

2.2. Service and repair issues reported by EV owners

Issues stemming from a service or repair of an EV made up around 10% of the electric vehicle complaints submitted to The Motor Ombudsman during the first half of 2023.

Examples of discontent, include:

- ▶ Vehicles being damaged whilst recall rectification work was being undertaken;
- ▶ Battery replacements causing the failure of other in-car systems;
- ▶ Cars becoming un-drivable after the incorrect parts were fitted during repairs;
- ▶ Workshops being too busy to carry out work on customer vehicles;
- ▶ Delays in sourcing replacement parts for repairs;
- ▶ Only being provided with a courtesy car if the faults were covered under the terms of the warranty;
- ▶ Having to pay for diagnostics when businesses were unable to locate faults with vehicles; and
- ▶ Vehicles breaking down and engine failures following an annual service.



SECTION 3. Consumer resolutions and claim values

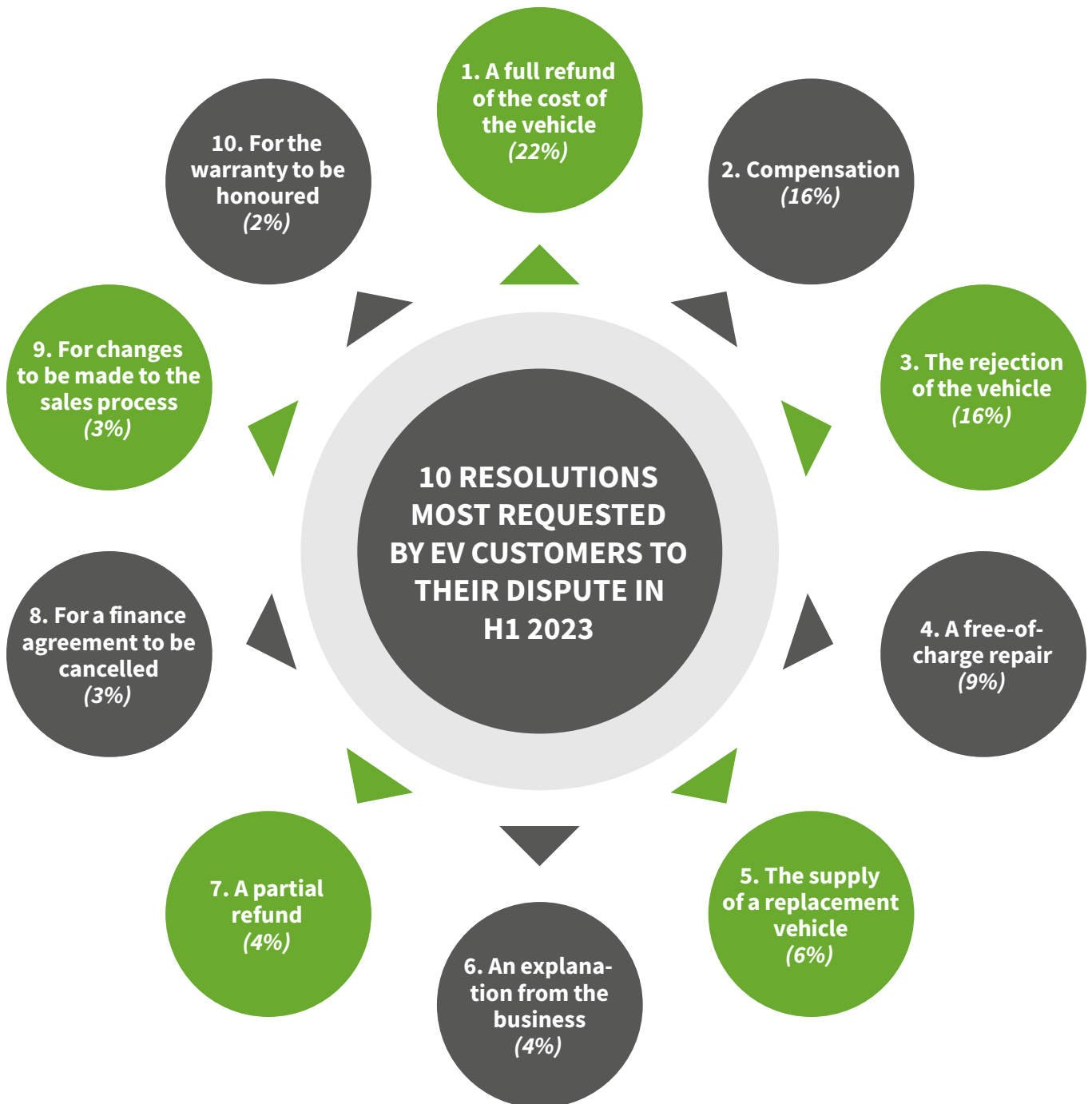
Resolutions sought by consumers to their disputes

Buying an electric car in the UK is often more expensive than a petrol or diesel equivalent, and therefore, there is a lot at stake in the eyes of consumers when something goes wrong.

When consumers bring their dispute to The Motor Ombudsman, they are able to specify their preferred resolution to a complaint from a business, i.e. whether this takes the form of a financial award, or something physical, such as a replacement part,

to solve a technical issue. This normally comes from a perceived “deficiency” in a product or service that has been provided in the eyes of a consumer.

During the first six months of 2023, a total of 32 different resolutions were requested by EV customers to bring their case to a close. The graphic below illustrates the 10 most asked for by consumers since the start of the year.



The top five most commonly-made requests by consumers, were namely:

- ▶ A full refund of the cost of the vehicle (22%);
- ▶ Compensation (16%);
- ▶ The rejection of a vehicle (16%);
- ▶ A free-of-charge repair (9%); and
- ▶ The supply of a replacement vehicle (6%).

1. Where a **full refund for the price paid for a vehicle** was cited as the preferred form of resolution, examples of the reasons reported by the consumer that were deemed worthy of a full refund were:

- ▶ Having to take a brand new car with delivery miles on it for repairs;
- ▶ The range being achieved on a full charge was less than the figure advertised and quoted by the manufacturer; and
- ▶ The delivery of a vehicle being later than scheduled.

2. Where **compensation** was stated as the preferred method of resolution, examples of the issues that would warrant this in the consumer’s view, were:

- ▶ Receiving a V5 registration document in their name despite the car not being available for delivery;
- ▶ The vehicle developing a software fault following a remote update by the manufacturer; and
- ▶ The car experiencing a range of system and sensor failures over a two and a half-year period.

3. Where there was a request for a **rejection of a vehicle** as the preferred resolution to the dispute, examples of reasons cited by customers, were:

- ▶ The vehicle not delivering the advertised range;
- ▶ The vehicle not being capable of rapid charging at the rate advertised; and
- ▶ The same problems persisting since purchase, despite repeat repairs.

4. Where a **free-of-charge repair** was seen by the customer as the optimum form of resolution to their dispute, this was because of:

- ▶ USB-C ports detaching from the plastic surround and not functioning;
- ▶ Cosmetic defects throughout the vehicle interior; and
- ▶ Badly scored brake discs for a vehicle that had done 6,000 miles.

5. Where the supply of a **replacement vehicle** was specified as the preferred outcome, the customer thought this was an appropriate resolution because they:

- ▶ Had a charging point installed at their home, and their new car order was then cancelled;
- ▶ Were not informed at the point of sale about the drop in range due to cold weather; and
- ▶ Found that their new vehicle had missing specification versus that which they had purchased.

It’s important to note that, in some cases, the resolution that a consumer is seeking to bring a dispute to a close does not always have to be monetary, with the diagnosis of an issue or the supply of a courtesy car being sufficient for some customers’ circumstances.

Claim values attributed to resolutions by consumers

When a consumer submits a dispute to The Motor Ombudsman, they have the opportunity to apply a monetary value to the type of resolution they are ultimately seeking to bring their dispute to a close, as discussed previously.

It has been interesting to see that, the overall average claim value for H1 2023 has not deviated significantly from that seen in H1 2022 (refer to the first table below), even with the added pressures of the cost of living crisis. A significant rise in values may have been dampened by the fact that some EV prices have fallen, therefore bringing down the overall average despite three out of six months having being slightly higher in 2023 versus 2022.

When looking at the average monthly EV claim value versus the overall picture of disputes submitted to The Motor Ombudsman during H1 2023 – seen in the second table below, it is four times higher when adding hybrids and ICE vehicles into the equation across all four of The Motor Ombudsman’s Codes of Practice, reflecting the often higher price point of EVs.

▼ The average claim value where stated by consumers in their case submissions (H1 2023 v H1 2022)

	January	February	March	April	May	June	Average / Month
Average monthly claim value (2023)	£10,860	£10,680	£17,444	£10,612	£10,449	£16,589	£12,772
Average monthly claim value (2022)	£12,000	£6,560	£15,850	£11,490	£9,590	£9,640	£10,855

Average monthly EV claim value across all Codes of Practice (01 Jan – 30 Jun 23)	Average claim value for all sales disputes received by The Motor Ombudsman (01 Jan – 30 Jun 23)	Average monthly claim value for disputes submitted across all four Codes of Practice (01 Jan – 30 Jun 23)
£12,772	£6,169	£3,682

SECTION 4. Electric vehicle (EV) complaints not covered by The Motor Ombudsman

Not all electric vehicle disputes submitted by consumers can be handled by The Motor Ombudsman, as some may fall outside of the organisation’s remit, and the coverage provided by The Motor Ombudsman’s four Motor Industry Codes of Practice. Of course, with accreditation of a business to The Motor Ombudsman currently being voluntary, one of the primary reasons for The Motor Ombudsman being unable to progress a dispute for resolution, is because the

business that the consumer has brought their case against is not accredited to The Motor Ombudsman.

On average, around a quarter of EV complaints received by The Motor Ombudsman each month fall outside of the scope of what The Motor Ombudsman is able to review (see the table below), which is still a relatively small proportion of the disputes logged by consumers.

▼ The number and proportion of electric vehicle complaints not covered by The Motor Ombudsman by month during the first six months of 2023

	January	February	March	April	May	June	Total	Average / Month
Number / Monthly total	26 out of 70	26 out of 88	32 out of 115	17 out of 90	20 out of 104	17 out of 97	138 out of 564	23
% of EV complaints not covered by TMO	(37%)	(30%)	(28%)	(19%)	(19%)	(18%)	(24%)	(25%)

As well as the business not being accredited to The Motor Ombudsman (67 / 49% of EV cases that were not covered by The Motor Ombudsman in H1 2023), other reasons for cases not being taken further by The Motor Ombudsman for dispute resolution during the first six months of 2023, included:

- ▶ The vehicle was leased and not owned by the consumer;
- ▶ The vehicle was mainly used for business purposes;
- ▶ The car was sourced via the Motability Scheme;
- ▶ The complaint was in relation to a finance agreement for a vehicle;
- ▶ The complaint was about a component manufacturer;
- ▶ The dispute related to an issue with a government agency (e.g. the DVLA);
- ▶ The dispute was about an insurance claim;
- ▶ The complaint was in relation to a provider of vehicle breakdown cover;
- ▶ The vehicle was primarily used for business purposes (e.g. a taxi) or was owned by a business;
- ▶ The complaint was about a caravan (The Motor Ombudsman does not resolve disputes about caravans or motorhomes);
- ▶ The dispute was in relation to the installation of a home charger; and
- ▶ The dispute was about an electric mobility scooter or electric scooter (The Motor Ombudsman does not resolve disputes about motorcycles).



On average, around a quarter of EV complaints received by The Motor Ombudsman each month fall outside of the scope of what The Motor Ombudsman is able to review, which is still a relatively small proportion of the disputes logged by consumers”.

4.1. Signposting of consumers by The Motor Ombudsman



Where The Motor Ombudsman is unable to adjudicate on a dispute, consumers are provided with information as to where they can take their complaint to be resolved – a process known as signposting. For EV consumer complaints that were not accepted during the first half of the year, they were referred primarily to the following organisations:

- ▶ The **Financial Ombudsman Service** – for disputes relating to car finance agreements and motor insurance claims;
- ▶ **Citizens Advice / Trading Standards** – where a business is not accredited to The Motor Ombudsman;
- ▶ The **National Conciliation Service (NCS)** – for dealers / dealer groups accredited to the scheme instead of The Motor Ombudsman; and
- ▶ The **British Vehicle Renting and Leasing Association (BVRLA)** – for vehicle leasing disputes.

Key learning point: Why is The Motor Ombudsman unable to handle vehicle leasing disputes?

When a car is leased, the dispute is between the consumer and the business that leased the vehicle, as opposed to being with the retailer that sold the car to the leasing company. Therefore, no legal relationship exists between the consumer and the retailer, meaning the complaint does not fall under The Motor Ombudsman's Codes of Practice. As a secondary reason, no leasing companies are accredited to The Motor Ombudsman's Codes of Practice. They tend to be members of the British Vehicle Renting and Leasing Association (BVRLA).



Where The Motor Ombudsman is unable to adjudicate on a dispute, consumers are provided with information as to where they can take their complaint to be resolved – a process known as signposting”.

SECTION 5. Case studies of electric vehicle (EV) dispute outcomes

The following section looks at examples of consumer disputes about electric vehicles, that were brought to a conclusion via The Motor Ombudsman's fair and impartial dispute resolution service during the first six months of 2023.

1. Case summary:

Code of Practice / Nature of dispute	Vehicle Sales Code / A sub-standard level of customer service following a starter battery fault in the first two weeks of ownership
Age of vehicle when purchased	New car registered four months prior to sale
Outcome	Early resolution without the need for formal adjudication
Award	Consumer received £250 as a gesture of goodwill



► What was the consumer's complaint?

Ms A bought a new electric coupé from a dealership, and in the first two weeks of ownership, the battery warning light illuminated on the dashboard. The consumer called the business about the issue, and they sent a technician to Ms A's home, who advised that the vehicle would need to be recovered to a dealership for investigation.

Ms A's car was taken to her closest franchise dealer (not the seller), and was told that a courtesy car would be provided, but after being passed between departments, she was not supplied with one due to no availability, and had to make alternative travel arrangements, including to get to work.

The diagnostics revealed that the starter battery was faulty, and that a new one would be needed. However, Ms A was also informed that the new starter battery, costing £244, would not be covered by the warranty, which she was surprised about, as she had only owned the car for a short time up until this point. Ms A waited a few days for the selling and repairing dealerships to look into the warranty issue, during which time she arranged a courtesy car via the dealership's contracted vehicle rental company, and the seller also agreed to cover the cost of repair by the other dealership.

When Ms A finally got her car back, the hire car company charged her £160 for the vehicle being returned late, after leaving the keys for collection with the repairing dealership. This added further frustration to the consumer's experience, and she received no clarification as to why the car was not handed back on time.

Ms A took her complaint to the vehicle manufacturer's customer services department to provide an explanation for what she had experienced, and to ask them to put things right.

► What was the business's initial response?

In light of the inconvenience caused to Ms A, and as a gesture of goodwill, the consumer was offered a £100 voucher as a contribution towards her scheduled service or workshop visit.

► How did the consumer respond?

Ms A was not satisfied with this response, as she had not received an explanation as to what had gone wrong, and was reluctant to spend any more money with the brand after she had experienced a poor level of customer service, leaving her feeling anxious.

The battery warning light also returned intermittently following the repair, but the consumer was hesitant to return to the dealership, as she had no confidence she would be treated fairly.

To resolve her complaint, Ms A was therefore looking for a full explanation she sought previously, plus the financial award to recompense her for what she had experienced.

► How did The Motor Ombudsman approach this case?

On receipt of this case, The Motor Ombudsman reviewed the evidence provided, and gave the business the opportunity to resolve the dispute without a full investigation, i.e. through its early resolution process.

► How did the business respond to The Motor Ombudsman?

The business accepted the opportunity to use The Motor Ombudsman's early resolution process, and acknowledged that the level of communication provided to the consumer by their dealership could have been better. As a gesture of goodwill in light of what had happened, they offered to cover the hire car charge with a second £150 service voucher, as well as providing the aforementioned £100 voucher, which the business also said could be converted into a cash equivalent if Ms A preferred. With a total award of £250, the business deemed this to represent a fair and reasonable resolution to the consumer's complaint, and The Motor Ombudsman put this offer to the consumer.

► How was this case concluded?

Although Ms A remained dissatisfied with the level of service and how she had been treated, she however accepted the £250 award in the form of a single cash payment to bring this matter to a close without the need for formal adjudication by The Motor Ombudsman.

2. Case summary:

Code of Practice / Nature of dispute	Vehicle Sales Code / Car was mis-sold at the point of sale
Age of vehicle when purchased	New
Outcome	Case upheld in the consumer’s favour
Award	A brand-new vehicle of a higher specification at no additional cost to the consumer



Mr B test-drove the salesman’s electric hatchback, and then agreed to buy the new one that was in stock in the showroom. Mr B was informed that his car was of specification “A”, but when he went to collect the car a week after placing order, he noticed that it was missing two features, namely parking sensors and a front centre armrest. Mr B highlighted this to the business, and they agreed the vehicle had been mis-sold, but did not acknowledge the vehicle was of a lower specification than what he thought he had purchased.

To resolve his complaint, Mr B wanted a car of the correct specification, because otherwise, he was paying for a car that he did not receive.

► What was the business’s initial response?

In response to the consumer’s complaint, the dealership contacted the manufacturer about the erroneous specification, and they confirmed that Mr B’s car was one of many vehicles that had been ‘mis-built’. The retailer therefore booked the vehicle in to have the parking sensors and armrest retrofitted, so that Mr B could benefit from the full specification.

Upon getting the car back, the business said that the consumer was not happy with the performance of the parking sensors, but explained that it was not possible to directly replicate how factory fitted parking sensors performed.

However, in light of this, the dealership got back in touch with the manufacturer’s customer service team, who made the offer of putting in a new factory order for a car that was of a higher specification “B”, than the one she paid for, and worth £6,000 more, as specification “A” had since been discontinued.

As specification “B” then experienced build delays, Mr B was given the opportunity to have a car that was of an even higher grade (specification “C”) to help avoid a longer wait.

► What did the evidence show The Motor Ombudsman adjudicator?

The adjudicator acknowledged that there did not appear to be any dispute between the parties that the vehicle sold to Mr B did not meet the advertised description at the point of sale, as the car was missing two features. As such, the dealership had breached their obligation under the Vehicle Sales Code and the Consumer Rights Act 2015, meaning Mr B’s complaint was upheld.

However, with regards to the specific claim that the car received was of a lower specification, and was therefore a different model than the one Mr B thought he had purchased, the adjudicator explained that Mr B would need to support this with evidence.

When looking at the paperwork, the records clearly showed that Mr B’s vehicle was registered as the correct grade of specification i.e. “A”, whilst the VIN also pointed to the fact that the car was built as specification “A” from the outset.

As such, although the vehicle was mis-sold on account of the missing features, the adjudicator did not agree that Mr B’s car was a completely different model when he took delivery of it.

► What was the adjudicator’s conclusion?

In conclusion, based on all the evidence, the dealership replaced the vehicle with a brand-new vehicle of a much higher specification, whilst also contributing financially to the replacement vehicle, meaning the actions by the business were above and beyond what Mr B would have normally been entitled to. For these reasons, whilst the complaint was upheld in Mr B’s favour, no further award was made.

3. Case summary:

Code of Practice / Nature of dispute	New Car Code / Peeling roof paint on a five-month-old car
Age of vehicle when purchased	New
Outcome	Case upheld in the consumer’s favour
Award	No award made



► What was the consumer’s complaint?

Ms C bought a brand new electric hatchback, and after five months of ownership of the car, the paint on the roof began to peel, which was a contrasting colour to the remainder of the bodywork. A manufacturer-approved bodyshop inspected the vehicle and quoted to strip and re-paint the whole roof area. The manufacturer agreed to have the work carried out under their warranty, which was in Ms C’s eyes, an admission that there was a build defect, and other areas could also be affected. However, only the flat central part of the roof area was repaired.

After getting the vehicle home from the repair work, Ms C noticed, upon closer inspection, that there were also marks on the A-pillars as well as on the front edge/lip of where the roof met the windscreen. The consumer raised this with the manufacturer and approved repairer, and they said that this was due to stone chips, yet Ms C explained that she had inspected her vehicle thoroughly after only driving four miles to return home.

To resolve her complaint, Ms C was looking for the manufacturer to cover the costs of stripping and replacing the paint on the entire roof area under their warranty (around £1,000), so as to prevent similar issues from arising in the future.

► What was the business’s initial response?

The paintwork on the roof

The vehicle manufacturer explained that they had resolved the complaint under the warranty in relation to the paint peeling off the roof, and also covered the inspection as a goodwill gesture. They also explained that surrounding areas were not included in the repair, as this was not raised by Ms C or the retailer.

The paintwork on the A-pillars

In response to the consumer’s request for the manufacturer to cover the cost to rectify the chipping paint on the A-pillars, an internal paint expert reviewed the images provided by the retailer, who confirmed that the issue was caused by an outside influence i.e. stone chips, and no award could be made to Ms C in light of the issues raised.

► What did the evidence show The Motor Ombudsman adjudicator?

The paintwork on the roof

The adjudicator who reviewed the case, looked at the evidence provided by both parties, and stated that the photos supplied demonstrated that there was a fault with vehicle’s roof, as there were several areas where paint had peeled off. The adjudicator also remarked that the defective areas had been rectified by the manufacturer.

With regards to Ms C’s dissatisfaction about the condition of the rest of the roof, which he claimed should also have been attended to as part of the repair work, no evidence of a manufacturing defect in other areas of the roof were identified. Whilst Ms C believed that it could be “likely” that areas painted at the same time of manufacturing “could” have been affected to the same degree, this was not sufficient grounds that a manufacturing defect actually existed in areas beyond where the repair was made.

The paintwork on the A-pillars

The adjudicator found there to be no technical evidence to demonstrate that the condition of the vehicle’s A-pillars was the result of a manufacturing defect to the vehicle, or were related to poor workmanship on the part of the repairing garage.

► What was the adjudicator’s conclusion?

In conclusion, based on all the evidence, the adjudicator ruled that no further repairs were required beyond what had already been carried out under the warranty, and that the business had not breached their obligations under The Motor Ombudsman’s New Car Code.

SECTION 6. Case study: example of a complaint received from a consumer with potentially vulnerable circumstances

The following is an example of a dispute brought to The Motor Ombudsman during the opening six months of 2023 where potentially vulnerable circumstances were identified for an EV owner.

1. Case summary:

Potential consumer vulnerability identified	Family member health concerns
Consumer’s complaint	Inability to fast charge their EV during cold weather
Code of Practice	Vehicle Sales Code
Age of vehicle when purchased	New

NOTE: At the time of publication of this paper, The Motor Ombudsman was awaiting a response from the business concerned, and therefore no adjudication decision has yet been delivered.

► What was the consumer’s complaint?

Mr D purchased a brand-new electric car from a dealership for nearly £30,000 to save money on running costs compared to a petrol vehicle, as he had autistic daughters, and one used the motion of a car as a means to calm her mood. Unfortunately, one of Mr D’s other daughters was in hospital some distance away from home. This was still within the EV’s range on a full charge, but they had to fast charge at their destination to return home, because sitting on a slow charger in freezing cold weather on a slow charger was not viable, especially as Mr A had autistic daughters who would not be able to cope with such a wait.

Mr D’s visit to the hospital was during a cold spell of weather when the temperature reached -5 degrees centigrade, and he could not get the car to fast charge at three different locations, and ended up having to use a slow charger before he had enough range to get home.

The consumer took his car to a garage to have the issue of not being able to fast charge investigated, but as the weather was warmer than when Mr D experienced the problem, no fault was found. However, the business did advise that they had received a technical bulletin warning that the batteries might not charge on fast chargers when the weather was too cold. Therefore, the consumer said that, had they known this, they would have never had bought car.

In light of what had happened, Mr D requested a full refund from the selling dealership, which they eventually agreed to, but the business was seeking to deduct £3,250 from the purchase price for six months of usage prior to the dispute being raised. As Mr D was set to lose this sum after only a few months of ownership, and would not have been able to discover this issue soon after he had bought the car, due to the weather being warmer, and because there was no warning from the manufacturer, he felt this deduction was unfair. As a resolution to Mr D’s complaint could not be found, his case was brought to The Motor Ombudsman.

► What action did The Motor Ombudsman take?

The business concerned was accredited to The Motor Ombudsman’s Vehicle Sales Code, which meant that Mr D’s case was accepted for review. Furthermore, as potentially vulnerable circumstances had been identified in the case of Mr D according to The Motor Ombudsman’s internal vulnerability framework, it was given higher priority for resolution.



Key learning point: Potentially vulnerable consumers

When a consumer is identified as being potentially vulnerable according to The Motor Ombudsman’s pre-defined matrix, which can apply to anyone who experiences any form of vulnerability, whether temporary or not, this has no bearing on an adjudication outcome or final decision. However, where appropriate, the case may be prioritised to deliver a faster resolution so as to reduce the burden of the dispute on the consumer as far as possible.

SECTION 7. Conclusion

In summary:

- o A greater number of complaints being brought to The Motor Ombudsman is synonymous with a growing EV market in the UK and the cost of living crisis
- o Customer service issues encountered at the point of purchase and during ownership remain the dominant driver of complaints in regards to EVs
- o Charging and battery issues accounted for the smallest number of concerns brought to The Motor Ombudsman in H1 2023
- o There remains a need for ongoing consumer education on EVs at the point of sale coupled with a greater degree of transparency

Looking ahead to the second half of 2023:

- o EV complaints are expected to peak again in **September** with the second plate change
- o The Motor Ombudsman is forecasting to exceed more than **1,000** EV-related complaints by year-end
- o Dealer discounting after purchase may generate a new wave of complaints by new EV customers

► The Motor Ombudsman is seeing a greater volume of EV complaints

The volume of consumer complaints being brought to The Motor Ombudsman is rising in line with the gradual take-up of EVs by consumers, coupled with the increased financial pressures brought about by the cost-of-living crisis.

Overall, for H1 2023, the number of disputes submitted by consumers to The Motor Ombudsman for all vehicles, and across all Codes of Practice, is 47% higher compared to the same period in 2022 (14,210 versus 9,699 respectively).

► The level of customer service provided by a business at the point of purchase and during ownership, is responsible for the greatest proportion of EV complaints

The standard of customer service when buying an EV, or during ownership, remains the biggest bugbear of consumers, and is particularly pertinent, as most will be first time-owners, as this type of zero emission technology gains traction.

► Greater transparency at the point of sale is needed

Greater transparency by retailers about factors, such as the actual range that can be achieved in different conditions, such as cold weather, or when using in-car systems, such as the climate control, as well as delivery times for new cars, is needed to better set customer expectations. This will allow for more informed purchase decisions by customers, and increased satisfaction.

► On-board vehicle charging systems and battery technology remain relatively complaint-free

Mirroring the trend seen in previous years, issues relating to an EV's charging system and hardware, as well as problems relating to battery cells, attracted the smallest number of complaints during the first half of 2023, highlighting a positive level of reliability with these aspects of EV ownership.

Looking ahead to the second half of 2023:

► EV complaints are expected to spike again in September

With the correlation observed in March between the introduction of a new car registration and a spike in the volume of complaints, it is also expected that September will follow the same trend. This plate change may also be particularly pertinent for EVs, given the expansion of the Ultra Low Emission Zone (ULEZ) in the London area this coming August.

► The Motor Ombudsman is forecasting over 1,000 EV-related complaints by year-end

With more than 500 complaints recorded between January and June, and based on the fact that demand remains for EVs, albeit with a slower than expected rate of adoption, it is expected that the volume of EV complaints brought to The Motor Ombudsman will surpass 1,000 by year-end for the first time. The degree to which this milestone is passed will be subject to factors such as the weather, which impact range-related concerns in colder months.

► Heavy dealer discounting may generate amongst EV owners that have cars devalued after purchase

Although cases remain in a minority at the time of publishing, discounting by retailers to generate demand may spark a greater number of complaints amongst existing EV owners, especially if their model has been subject to a significant price drop shortly after purchase.

Closing remark

Beyond 2023, and the EV market and resulting consumer complaints brought to The Motor Ombudsman, will likely be shaped by the economic backdrop, government policy, new market entrants, and the degree of appetite shown by buyers to switch to zero emission technology in the lead-up to 2030.

Only time will tell how the EV arena ultimately evolves, but what the data does show in the meantime, is that there is still plenty of work to do to address today's consumer concerns, in order to drive a better tomorrow where EV ownership promotes a greater degree of customer satisfaction.



Only time will tell how the EV arena ultimately evolves, but what the data does show in the meantime, is that there is still plenty of work to do to address today's consumer concerns”.



TheMotorOmbudsman.org/electric-vehicles