

Written evidence submitted by Allianz (SDV0043)

Introduction:

Allianz welcomes the opportunity to respond to the Transport Select Committee inquiry into self-driving vehicles. The introduction of these vehicles will provide motorists with an exciting opportunity for a new way of driving and eventually an increase in the safety of all road users. However, as with any new technology it is likely that there will be teething problems in the initial years, and we therefore believe that it is essential that policy must be developed now to ensure that as a nation we are ready and able to mitigate against any problems, and ensure the safe use of this new form of vehicle.

It is our opinion that the use of the terms 'self-driving' and 'autonomous' are at this stage misleading and do not adequately reflect or convey to the user that they will at times be required to take back control of the vehicle, and we therefore refer to this new technology as 'automated', which reflects the classification principles set out by Thatcham.

About Allianz:

Allianz is one of the UK's largest general insurers, and is part of the Allianz Group, one of the biggest insurance and financial services groups in the world with over 100 million customers. We provide both commercial and personal insurance to around 8 million customers in the UK, offering cover for a range of sectors and businesses including Commercial Motor and Motor Trade, Engineering, Construction & Power, SME and Legal Protection, as well car, home, pet, travel, landlord, breakdown and home emergency insurance. In addition to Allianz, we also operate under a number of other brands in the UK including LV= General Insurance, Petplan, Home & Legacy and Allianz Musical Insurance, and employ over 7,500 people.

1. Potential implications for infrastructure, both physical and digital:

1.1 Allianz welcomes the advancement in automated vehicle technology and we await the safe introduction of automated vehicles on the UK's roads. However, we believe it is essential that the Government considers the current UK road infrastructure and its suitability for automated vehicles before promoting and encouraging the widespread adoption. As an example, automated vehicles are currently being tested in California, on roads which do not typically represent those in the UK, that have a high number of

roundabouts and narrow winding country roads. In order for automated vehicles to be safely and successfully introduced in the UK, it is essential that the Government commits to road infrastructure improvement which takes into consideration the requirements associated with this new technology.

1.2 However, given the time and resource which will be required to upgrade the road system alongside how new the technology is, it is our belief that it would be prudent to initially only allow automated vehicles to be used on the strategic road network, with extended use to other types of road once the safe use of the technology can be guaranteed.

2. The regulatory framework, including legal status and approval and authorisation processes:

2.1 As we approach the introduction of automated vehicles on the UK's roads, it is essential that we have the correct regulatory framework in place – one that is both appropriate for the UK's needs and is comprehensive enough to ensure the safe implementation of this new technology.

2.2 In order to ensure the safe and proportionate introduction of automated vehicles, it is vital that the vehicle technology is implemented incrementally and is based on the clear understanding of what the vehicles can and cannot do. It is for this reason that we fully support Thatcham's view on the classification of [automated vehicles](#), and we strongly believe that any legislation introduced in this area should be anchored back to these principles. As an insurer, it is essential that we are able to properly assess, and be confident in what we are insuring, and drivers must be aware of the capabilities of their vehicles, and their own responsibility to take back control when necessary or when prompted.

2.3 As part of the regulatory framework it is vital that relevant organisations are able to access the appropriate data in a timely manner. For an insurer, it is imperative that robust and independent data sources are promptly made available after an accident in order to establish what happened, and whether the vehicle or driver was in control. One of the many benefits of automated vehicles will be the availability of data which could seamlessly establish the cause of an accident without having to question the road user, which in some circumstances may be incapacitated or in a state of trauma. In such circumstances, data would prevent users having to go through this often-upsetting process. In some circumstances, it could also be the difference

between a driver being sent to prison or not for a major driving offence. Such data would also be useful for the police who would be able to easily identify whether a speeding offence was caused by a vehicle fault or by the driver. For vehicles manufacturers, the data could be used to identify the cause of an accident so that they are able to quickly and clearly spot any vehicle faults and act to prevent future incidents.

2.4 Data also needs to be made available which shows whether a vehicle has been updated with the latest software, particularly software which increases the safety of the vehicle, alongside any evidence of a software breach. To help customers identify which updates are necessary, we would welcome the introduction of a clear classification system that would tier them by (1) safety, (2) entertainment, and (3) non-safety or entertainment. We would also welcome the introduction by manufacturers of a warning symbol which would prompt drivers to manually update their software if they have not already done so. We believe this should be part of the vehicle type approval system.

2.5 We believe that data should be held by an independent body which cannot commercialise its use. Customers need to feel confident that their data is being used for the correct purposes, and only when necessary (such as in the event of an accident, to identify the last software update and to check for potential software breaches). Access to data also needs to be open and transparent to ensure that drivers feel confident with this form of technology. Due to past incidents involving certain vehicle manufacturers, some drivers may be concerned that their data is being used inappropriately, or being ignored and hidden in the event of a system fault. It is essential that driver trust is built and maintained so that it does not impact on the adoption of automated vehicles.

2.6 As an insurer, until software updates can be carried out automatically, and in particular safety updates, we believe that customers need to take responsibility for doing so. A simple way to identify updates and encourage vehicle owners to act could be through a check at the annual MOT.

To ensure the ongoing safety of vehicles, it is essential that when a manufacturer stops selling a model of automated vehicle, they must maintain and continue to provide safety updates for previously sold cars. Alongside this, it is vital that if a manufacturer were to go out of business there is a contingency plan in place so that owners of their vehicles can continue to receive safety updates. We would also urge the Government to consider what would happen in the event that sanctions are placed on a country, which could

result in retaliation in the form of a halt in updates from that nation's vehicle manufacturer.

3. Safety and perceptions of safety, including the relationship with other road users such as pedestrians, cyclists and conventionally driven vehicles:

3.1 It is essential that at the time of automated vehicles being introduced on UK roads, a comprehensive education programme is brought in so that all road users, as well as pedestrians understand the functionality of automated vehicles and the responsibility of the driver. As part of this education, we believe further work needs to be undertaken with regards to the terminology used in order to avoid any ambiguity and misunderstanding around the capability of the technology. It is our concern that the use of the terms 'self-driving' and 'autonomous' are at this stage misleading and do not adequately reflect or convey to the user that they will at times be required to take back control of the vehicle. It is essential that drivers fully understand this. It is for this reason that we fully support Thatcham's view on the classification of [automated vehicles](#), and we strongly believe that any legislation introduced in this area should be anchored back to these principles.

3.2 Once clear and easy to understand terminology has been established, we would welcome its adoption across all sectors to help road users navigate this new technology. We would also support in-car mandatory training before a new user can use the functionality.

3.3 It is also vital that the Highway Code and driving tests keep pace with this evolving technology to ensure that there is an alignment in understanding and terminology.

4. The role of Government and other responsible bodies, such as National Highways and local authorities; and potential effects of car ownership, vehicle taxation and decarbonisation in the car market:

4.1 Given the significant changes that will be brought about by the introduction of automated vehicles on the UK's roads, it is essential that there is a joined-up approach across all levels of government and the different sectors involved. One area which we believe will require further guidance is geofencing, and it is therefore our opinion that the Government must set strict guidelines for manufacturers to follow. In order to ensure the safe use of an

automated vehicle, the technology must be able to identify signage and adhere to speed limits.

4.2 While it is envisaged that the vehicles will be able to be located via satellite, it will be essential for local authorities and National Highways to ensure that signposting on the ground is clear and properly maintained.

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