



Transport Committee inquiry on road safety

Response from AXA UK

About AXA UK

1. AXA UK (AXA) is part of the AXA Group, a worldwide leader in financial services. AXA Group operates in 62 countries with over 160,000 employees and 105 million customers. AXA has around 11 million customers in the UK and operates through specific operating companies – AXA Insurance and AXA PPP healthcare.

Executive summary

2. AXA UK is one of the leading UK motor insurers and therefore we offer insight into road safety, from the claims which we process and our work more broadly. We are committed to raising awareness of road safety and supporting initiatives to ultimately reduce road traffic accidents in the UK. As a part of our commitment, we have been involved in the automated vehicles space since 2014, recognising the positive societal impact this new technology could have, such as reducing road traffic accidents. Since then, we have joined a number of government-backed projects and given evidence to the Public Bill Committee for the Automated and Electric Vehicles Act. The company has been involved in five government backed projects – VENTURER, FLOURISH, Capri, UK Autodrive and Robopilot.
3. AXA welcomes this inquiry by the Transport Committee and consider the Government's current approach to road safety to be generally effective but requiring some key improvements. AXA would welcome improvements under two headings, better training and education outcomes for learner drivers and stronger enforcement for driving offences.
4. In relation to the Department for Transport's 2015 Road Safety [Statement](#) on 'fairer, more responsive insurance', AXA would support further focused enforcement on motor insurance fraud, a holistic approach to road safety which includes 'reward based' insurance and improvements to current data collection methods on road traffic accidents.
5. In the longer term, AXA are supportive of the development and deployment of automated vehicles due to their potential societal benefits, including making UK roads safer.

Consultation Question 1:

How effective is the Government's current approach to road safety?

6. AXA considers the Government's approach to road safety to require improvements considering that the number of [reported fatalities](#) on UK roads has plateaued since 2010, there are some significant improvements that could be made. AXA would suggest improvement under two headings: the education of learner drivers and enforcement of driving offences.



Consultation Question 2:

Are there any areas where the Government's current approach to road safety could be improved?

7. AXA would argue that improvements to the Government's current approach can be grouped under two headings, Education and Enforcement.
8. **Education:** There is currently a low pass rate for the tests required to become a qualified driver. The pass rate for the practical test is [43%](#) and for the theory test there is a pass rate of 47%. These statistics are additionally concerning considering the pass mark required in hazard perception is 44 out of 75 (58.67%). Low pass rates might suggest that the Government needs to focus on improving the standard of instruction in the UK.
9. As a motor insurer the accident data we collect illustrates that recently qualified drivers are a group of drivers at high-risk of an accident. This data is corroborated by other sources including a [study](#) by ALA GAP Insurance Brokers who found that 21.6% of new drivers had been involved in an accident during their first year of driving. Moreover, from Government [research](#) we know that young drivers travel only half of the distance of drivers aged 25 and over, yet are overrepresented in accident figures. Therefore, it may be appropriate to look at the methods and overall quality of instruction.
10. An area AXA consider as requiring improvements is the current methods for qualifying to be an Approved Driving Instructor (ADI) and retaining that qualification. First, it is not mandatory for learners to have instruction from ADIs and therefore many learners look for the cheapest lessons given by non-qualified instructors or Potential Driving Instructors (PDI) who are in the process of attempting to get their instructor qualification. This results in the standard of instruction being inconsistent. Second, there is no mandatory requirements for newly qualified drivers to receive additional training once qualified to drive and so drivers miss out on valuable further education which could increase their ability to drive safely on UK roads. In our experience, most drivers are unlikely to pay for any additional training if it is voluntary, for example [Government research](#) found that only 3% of new drivers have taken their voluntary Pass Plus.
11. Regarding the current mandatory aspects of the instruction process, there is often a lack of enforcement to ensure standards of instruction are rigorous and consistent. For example, it is currently a requirement for ADI's to display their qualification certificate when instructing, however, it is often ignored. Considering, the pass rate for car driving tests has been around 47% for [a number of years](#), more emphasis needs to be placed on ensuring instructors improve the skills and experience candidates have before they arrive for their driving test.
12. **Enforcement:** AXA consider the current level of enforcement of driving offences to be inadequate due to the lack of police officers and resource. Between 2007 and 2017 there was a 30% fall in the number of traffic police from 3,766 traffic officers to 2,643 traffic officers in the 30 forces which responded to a Press Association [freedom of information request](#) in July 2017. Regarding levels of enforcement, in 2005, motor vehicle [offences reported](#) were over 1,000,000



higher than in 2016. Chief Constable Anthony Bangham, roads policing lead for the National Police Chiefs' Council, [highlighted](#) the impact of fewer dedicated roads policing officers and reduced roads policing investment, suggesting that road fatalities will see negative trends if the Government did not address this issue.

13. Regarding points 2.43-2.44 of the 2015 Road Safety [Statement](#), the removal of the assets of uninsured drivers has been effective as a deterrent, especially for drivers who have not taken out insurance due to criminal activity. AXA would, however, welcome further focused enforcement on fraud to discourage this activity, as fraud increases the cost of motor insurance for honest motorists.
14. AXA consider the lack of sufficient data on enforcement levels of driving offences to be unhelpful in identifying links between enforcement and overall road safety in the UK. Therefore, we would encourage the increased collection of data and increased sharing of data with relevant third parties such as insurers.
15. AXA also considers STATS19 data to be flawed by its inability to incorporate low severity road traffic accidents. The gaps and inconsistencies in the data may prevent a complete understanding of where the Government's approach to road safety needs to be improved.

Consultation Question 3:

What interventions would be most effective at reducing the number and severity of road traffic accidents?

16. **Education:** Considering the evidence outlined in points 7-11, AXA would welcome regulation that ensures that only qualified ADI's are able to provide education and training for learner drivers. Furthermore, we would be supportive of a requirement for qualified driving instructors to advertise and display their theory and practical test pass rates. It would also be helpful for more advice to be provided to learner drivers to ensure they better understand the role and quality of their driving instructor.
17. The use of telematics has had a degree of success in extending the 'reward based' insurance approach, incentivising better driving habits. Monitoring driving behaviour facilitates driver education by enabling insurers to provide feedback to drivers on the ways in which they can reduce their risk of being involved in an accident. However, the systems that are not camera-led have the potential to be misled by the use of the non-insured driver to give false readings of better driving. Therefore, AXA consider the use of camera-led telematics to be more effective.
18. The incentives of lower insurance premiums for showing safer driving habits continues to be an option to provide a different structure to the premiums of recently qualified drivers. However, this approach will have a greater impact on road safety if it is deployed in connection with other factors, such as evidence of a minimum number of lessons with a driving instructor who has achieved the highest possible grade for their standards check test.



19. AXA would also support measures that allow for a more gradual and structured building of driving skills by new drivers. One possible public policy intervention would be making post-test instruction a mandatory requirement rather than optional for newly qualified drivers. The current low-level take-up of voluntary schemes and the evidence supplied in point 8 suggests this group of drivers are at a relatively high-risk of a crash in their first year of driving.
20. Considering our support for post-test instruction, a second public policy intervention that has allowed new drivers to build up their driving skills in a structured and gradual manner is through graduated driver licencing (GDL). This measure used by Australia, New Zealand and the United States has been relatively effective in reducing accidents amongst new drivers by structuring driving instruction over a longer period of time and taking into consideration a holistic range of driving skills including driving in the dark, awareness of speeding and driving in adverse conditions.
21. **Enforcement:** AXA would support greater political priority placed on increasing the number of specialist roads policing officers and their resources. We would also welcome a continued review of the Roads Policing and Police Driving Learning Programme and its impact on improving the standards of police driving in the UK.
22. Education should be backed up by effective enforcement measures to provide an adequate deterrent to road-users, supporting police forces with resources, appropriate technology and specialist officers ensure road users are aware that driving offences will be policed appropriately.
23. **Automated Vehicles:** In the longer term, AXA are extremely supportive of the development of automated vehicles as they have the potential to bring about a 93% reduction in road traffic accidents by 2040. We recognise the positive benefits for road safety automated vehicles can bring and since 2014 have joined give government-backed projects – VENTURER, FLOURISH, Capri, UK Autodrive and Robopilot – developing, testing and trialling automated vehicles.
24. To further support the safe deployment of automated vehicles and harness the potential benefits of the technology, AXA believe the responsibilities of automated vehicle stakeholders need to be clearly defined, the deployment of automated vehicles must be underpinned by a criminal and civil legal framework that prevents any blurring of responsibility. Furthermore, any wholesale changes to the current road safety regime must be clear and concise.
25. We firmly support that, for the safe implementation of automated vehicles, consumer education of the equipment, road and safety rules and any legal responsibilities is paramount. Therefore, we support, amongst other recommendations, one organisation having clear responsibility for implementing a new safety assurance scheme and compulsory training for motorists using automated vehicles.
26. Access to data is fundamental for establishing liability and accurate risk modelling. The type of data being collected, and its uses should be transparent. AXA believe that government and Parliament should place greater focus on the data and connected element of automated



vehicles. The issue is two-fold, first, cyber security and second, how data is shared and used in this new ecosystem. These vehicles will be the most sophisticated, complex and advanced technology to date that the general public will encounter, and therefore, the risk of cyber-attack is high. On data usage and sharing, to ensure data is protected but does not inhibit the functioning of the system (e.g. insurers' having sufficient access to standardised accident data), we recommend that government and industry collaborate to structure a 'data map' to identify who needs to access data, what type of data and when.

Consultation Question 4:

What evidence is there on the effectiveness of these interventions

27. **Education:** Recent [evidence](#) has suggested the adoption of telematics has been linked to reductions in road casualties of younger drivers. In November 2018, LexisNexis® Risk Solutions revealed that the number of 17-19-year-old drivers who have been killed or seriously injured in road traffic accidents has fallen by 35%, since 2011, compared to 16% for the driving population as a whole. The direct relation to the proliferation of telematics insurance policies which has increased to 975,000 in 2017 makes for compelling evidence that this is an effective intervention.

28. There has been a wealth of evidence to suggest the introduction of GDL as a public policy intervention would have strong road safety benefits. An example of this [evidence](#) comes from New Zealand where the introduction of GDL reduced road traffic accidents among 15-19 age group by 23% and among 20-24 age group by 12%.

29. **Enforcement:** The 'Reported road casualties Great Britain, [annual report: 2017](#)' highlights that the rate of reduction in road traffic casualties has plateaued for a number of years. The fall in the rate of reduction has been accompanied by reductions in the levels of resources provided for the enforcement of driving offences. For example, between 2007 and 2017 there was a 30% fall in the number of traffic police from 3,766 traffic officers to 2,643 traffic officers in the 30 forces which responded to a Press Association [Freedom of Information request](#) in July 2017. During that same period the number of fatalities on UK roads has plateaued as highlighted in point 5.

Consultation Question 5:

How can interventions to reduce the number and severity of road traffic accidents best be implemented?

30. **Education:** AXA would welcome an approach from the Government that mandates that only qualified ADI's can provide education for learner drivers, that driving instructors must advertise their theory and practical test pass rates and increasing sanctions for those instructors who do not display their ADI badges while instructing. AXA would suggest the Government seeks further guidance on whether mandatory minimum levels of driving instruction should be required before a learner driver can sit a driving test. Furthermore, we would be supportive of measures that result in new driver's driving skills being built up in a more structured and gradual way.



31. **Enforcement:** AXA supports calls for the Government to increase the levels of police officers and resources dedicated to reducing driving offences as part of a holistic approach to reduce road traffic accidents. Evidence and expertise suggest this would be beneficial to improving levels of road safety.

If you need to get in touch regarding the information in this submission, please get in touch with Public Affairs Executive, Jonathon Murphy, at jonathon.murphy@axa-uk.co.uk or on 07866032309.