



Department for Transport: Future of Transport Regulatory Review Call for Evidence

Response from AXA UK

1. AXA UK (AXA) is part of the AXA Group, a worldwide leader in financial services, operating in 57 countries with over 160,000 employees and 108 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. As one of the largest UK motor insurers, AXA welcomes the opportunity to submit to this consultation and welcomes the leadership by government in the future of transport area, particularly Mobility as a Service. The below consultation response will focus on Section A, Section C and Section D which are directly relevant to AXA and the insurance sector.
3. AXA considers micromobility vehicle use to be a positive step towards reduced carbon emissions and a more inclusive transport network. However, micromobility vehicles need clear regulation which prioritises road safety. Regulation in the UK does not currently capture many types of micromobility vehicles which needs urgently addressing by legislators. AXA's response outlines a potential option to provide robust regulation that prioritises safety and instils public confidence on UK roads.
4. New transport innovations in the sector such as Connected and Autonomous Vehicles is part of a growing demand for Mobility as a Service. AXA has been involved in the autonomous vehicles space since 2014, recognising the positive societal impact this new technology could have and 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 is involved in five government backed projects – VENTURER, FLOURISH, UK Autodrive, Capri and Robopilot.

Section A - Micromobility

Question 2.1

Do you think micromobility vehicles (such as those in Figure B) should be permitted on the road? Please explain why.

5. In principle, AXA believes that micromobility vehicles can add value to the transport network provided they are supported by regulation that is effectively managed and enforced. Currently, for many micromobility vehicle types appropriate regulation is lacking and so careful consideration on this issue is urgently required.
6. Micromobility vehicles can provide alternative transport choices, particularly to those reliant on conventional motor vehicles or public transport. Moreover, there are clear environmental benefits from electric vehicles replacing those fuelled by internal combustion engines. However, these vehicles must always operate within laws that prioritise the safety of all road users and improve inclusivity on the UK transport network.
7. There is currently a lack of conclusive evidence that could be used to determine the most appropriate course for regulation. Therefore, it would be responsible for the regulatory



framework to prioritise road safety. However, the regulatory framework should not apply unnecessary burdens on the users of these vehicles or commercial stakeholders.

8. AXA would urge the Department for Transport to give case-by-case consideration to the different micromobility types outlined in figure B and the appropriate regulation that should be applied. The technology currently available across the micromobility sector is varied and therefore, safety risks will vary. AXA recognises that Germany's [Regulations on Personal Light Electric Vehicles](#) outline specific construction requirements for the legal use of micromobility vehicles, including a fixed handlebar, maximum design speed and power limitation. AXA believes the German approach could provide some guidance for the Department for Transport in delineating between the micromobility vehicles that should and should not be used on roads, based on risk. Following the aforementioned approach could facilitate the usage of devices such as electric scooters on lower speed roads and on cycle lanes and tracks.
9. AXA believes the regulatory framework must be considered as a holistic package including construction requirements, user requirements, appropriate insurance provision and the mandating of the operational domain where these vehicles can be used.
10. In addition, for all types of micromobility vehicles comprehensive trialling and testing of micromobility is essential, AXA welcomes the Government's intention to bring forward e-scooter trials to 2020 but would urge the Government to ensure the expedited trials are supported by rigorous testing.

Question 2.2.

If you can, please provide evidence to demonstrate the potential:

a) Benefits of micromobility vehicle use.

b) Risks of micromobility vehicle use.

11. AXA considers micromobility vehicle use to be a positive step towards reduced carbon emissions and a more inclusive transport network. External micromobility studies, such as the one carried out by [Inrix](#) in 2019, highlight that these technologies can replace nearly 70% of short-distance vehicle trips providing an alternative to motor vehicle trips and ultimately reducing transport network congestion.
12. The most significant risks are the safety risks to the users of these devices and other road users. AXA is aware of numerous studies which highlight that the majority of reported injuries involve the micromobility user. This can be due to various factors including user behaviour, such as not wearing a helmet. However, there remains a significant risk to other road users and pedestrians.
13. The risks of micromobility vehicle use would be exacerbated by a lack of clear regulation regarding safety, the responsibilities of users and the operational domains where these vehicles can be used. Moreover, government needs to carefully consider where micromobility can be utilised effectively in order to offset conventional motor vehicle travel.



Question 2.3

If micromobility vehicles were permitted on roads, would you expect them to be used instead of:

Vehicle type	Often	Sometimes	Never
Private vehicles	No	Yes	No
Taxi or private hire vehicles	No	Yes	No
Public transport	No	Yes	No
Delivery vehicles	No	No	Yes
Cycling	No	Yes	No
Walking	No	Yes	No
Other (please specify)			

Question 2.4

a. In your opinion, which of the following micromobility vehicles should be permitted, if any, on roads, lower speed roads, and/or cycle lanes and cycle tracks?

- All types
- Electric scooters
- Electric skateboards
- Self-balancing vehicles
- Electrically assisted cycle trailer
- Segway
- Other (please specify)

b. Please explain your choices for using micromobility vehicles (or not) on roads and/or only lower speed roads, providing evidence where possible.

c. Please explain your choices for using micromobility vehicles (or not) on cycle lanes and tracks, providing evidence where possible.

d. What impact do you think the use of micromobility vehicles on cycle lines and cycle tracks would have on micromobility vehicle users or other road users?

14. In principle, micromobility vehicles are potentially permissible on UK roads where a sufficient legal framework is in place. The approval of vehicle types should be issued alongside clear rules for exactly where these vehicles can be used and accompanying safety requirements. However, as outlined elsewhere in our response AXA believes it is necessary to delineate between the vehicle types based on the potential safety risks. Based on the current evidence available, AXA considers the use of electric scooters on lower speed roads and on cycle lanes and cycle tracks to be permissible provided a sufficient legal and regulatory framework is in place. E-scooters are relatively similar in speed and size to bicycles and electrically assisted pedal cycles (EAPCs) and therefore, it is plausible for e-scooters to be treated in a similar way.
15. Ultimately, only types of vehicles proven to be safe should be allowed on roads and cycle lanes. Vehicle types such as electric skateboards or segways may have certain characteristics that permanently prevent their safe use on the road network.
16. AXA would firmly urge the Department of Transport to restrict the use of micromobility vehicles to roads with speed limits lower than 30mph. AXA would also ask Government to consider specific types of road setting where micromobility vehicles may not be appropriate. Use on narrow country lanes, for example, will likely increase the safety risks to the user and other road users compared to urban environments where road surface conditions, road width and road markings would be more conducive to their safe use. Engagement with local authorities may provide further insight into these challenges.



Question 2.5

Mobility scooters and pedestrian operated street cleaning vehicles are already permitted on the footway. Should any other micromobility vehicles be permitted to use the pavement or pedestrian areas? If so, which types of devices should be permitted and in what circumstances?

17. AXA does not believe other micromobility vehicles should be permitted to use the pavement or other pedestrian areas. The listed vehicles already permitted are used for a specific purpose that would be unsafe on roads and are necessary to ensure the road network is inclusive to all users. AXA believes that the road network is the place for micromobility vehicles to protect pedestrians.

Question 2.6

a) What do you think the minimum standards for micromobility vehicles should be?

b) Should different standards be set for different types of micromobility vehicle? Please provide evidence.

18. As outlined elsewhere in this response, AXA believes it is necessary to delineate between different types of vehicles on the basis of safety risks. Consistency of minimum safety standards is required to protect users and other stakeholders. However, it may be necessary to subject different vehicles to different standards related to their unique characteristics. Nonetheless, these nuances should be set within an overarching legal and regulatory framework.
19. AXA is broadly in agreement with the minimum standards outlined on page 24-25 including a maximum speed of 12.5-15.5mph, specified braking requirements and requirement for lights and reflectors. AXA would urge the government to also consider maximum power output, minimum wheel size, quality and ground clearance, indicators, brake lighting systems, maximum wheel dimensions and the requirement to have a handlebar.

Question 2.7

Are there other vehicle design issues for micromobility that you think we should be considering? Please provide examples.

20. Yes, AXA believes there are other vehicle design issues for micromobility worth considering. An example is lighting and braking systems, a number of the listed vehicle types do not currently include a braking system that would notify other road users. This is an area AXA would consider important for inclusion in the minimum standards.

Question 2.8

In your opinion, what should the requirements be for micromobility users, with regard to:

User requirements	Like EAPCs	Like mopeds	Other requirements
Vehicle approval	X		
Vehicle registration and taxation		X	
Periodic vehicle testing	X		
User driving licence	X		
Insurance			X
Helmet use		X	
Minimum age		X	
Speed limits	X		



21. As outlined elsewhere in the response, AXA believes the regulatory framework must be considered as a holistic package including user requirements, construction requirements, insurance provision and where the vehicles can be legally used.
22. AXA considers the fundamental characteristics of micromobility vehicle types, which align with the German approach to the regulation of light electric vehicles, to be similar in nature to EAPCs. Therefore, AXA would recommend that these types of micromobility vehicles be treated similarly in the legal framework. AXA believes these areas include maximum speed, vehicle approval, periodic vehicle testing and driver licencing. However, there are some areas in which the requirements could go further than the 'like EAPC' option.
23. AXA believes a registration of micromobility vehicles would enable the effective enforcement of use requirements. The approach to vehicle registration would not necessarily need to be the same approach for conventional motor vehicles and different approaches could be sought for companies providing private hire services.
24. The available evidence on micromobility types, such as electric scooters, suggests that the most significant risk of serious or fatal injuries is to the user of the device. Moreover, voluntary helmet use for electric scooters is reported to be lower than for cyclists, which heightens the risk of serious or fatal injury. Therefore, AXA would urge the Department for Transport to consider mandating the compulsory wearing of helmets, particularly in the early years of this new technology.
25. AXA would encourage users to undertake basic training to fully understand their responsibilities and how to use their devices safely. However, provided there is a maximum speed of 15.5mph, mandatory helmet use and sufficient construction requirements as outlined elsewhere in this response, AXA considers driver licencing to be unnecessarily burdensome on users and would disincentivise potential users from taking up the technology.

Insurance

26. As outlined elsewhere, the approach to insurance is very much dependent on the type of regulatory framework in place. Nonetheless, it is fundamental that there is a form of insurance for micromobility vehicles. If there was no insurance framework and micromobility vehicles were to fall under the definition of "vehicle" as per the current Motor Insurance Directive and the Road Traffic Act 1988, collisions involving micromobility vehicles and the resulting claims would be under the responsibility of the Motor Insurers' Bureau (MIB) in alignment with the Uninsured and/or Untraced Drivers' Agreement. In this scenario motorists, whose insurance premiums fund the MIB, would be obliged to cover accidents not caused by motor vehicles and whose users have not contributed to the MIB. Therefore, AXA would consider this approach unfair and unsustainable. EAPCs currently follow this approach, therefore, AXA believes it would make sense to find a suitable solution for both micromobility vehicles and EAPCs.
27. It would also seem unfair and disproportionate to institute an insurance regime for micromobility vehicles, with a maximum speed of 15.5mph, as if they were conventional motor vehicles. Nonetheless, where injured parties experience serious harm, access to adequate compensation is fundamental. At the current time, there is not conclusive evidence on micromobility vehicles to determine accurately the full risks to safety. Until evidence is present it would be responsible for the Government to take a cautious approach.



28. As outlined above, the safety risks of certain micromobility types, such as electric scooters, are more comparable to bicycles or EAPCs, rather than conventional motor vehicles. Therefore, it would be reasonable to strike a balance between guaranteeing injured parties the necessary right to compensation and implementing a regime that is proportionate to the relatively lower safety risk.
29. Taking electric scooters as the case study example. Provided the Department for Transport choose to follow the user and construction requirements above, AXA believes it would be appropriate for the Government to permit micromobility vehicles on the road but amend the definition of “vehicle”, so it does not apply to them. In order to safeguard injured parties, the Government should subject electric scooters and EAPCs to compulsory liability insurance with capped indemnity limits. Although the MIB could still be required to compensate injured parties injured by uninsured or untraced users, the providers of this class of insurance should be required to contribute to the MIB. AXA believes this strikes the correct balance between safeguarding injured parties whilst not imposing a barrier to potential users wanting to take-up the new technology. To enforce this framework effectively, it would be necessary to implement a vehicle registration scheme.
30. For companies providing rental micromobility services, liability and personal accident coverage options could be developed as is underway in other jurisdictions.

Section C – Mobility as a Service

Question 4.1

In your opinion, in the development of Mobility as a Service platforms, what should be the role of local authorities, central government, or other transport authorities? Please provide details.

31. With transport innovations such as autonomous vehicles being widely trialled across the UK, there is a growing trend in the field of transportation which may reduce vehicle ownership in favour of Mobility as a Service. AXA believes central government should legislate for Mobility as a Service platforms, which will include reviewing the recommendations from the Law Commission’s review of the regulatory framework for the safe deployment of automated vehicles in the UK.
32. Local authorities should be evaluating the role autonomous vehicles can play in their area particularly regarding policy objectives such as congestion, emissions and regional economic growth. In addition, local authorities should look to the best ways at implementing a regulatory framework for Mobility as a Service platforms. In addition, with new transport innovations such as micromobility entering our transport network, AXA considers it necessary for local authorities to investigate safe storage options in towns and cities for these devices to ensure they can be safely left alone.
33. AXA believes transport authorities should be enforcing regulations and regularly reviewing them.
34. With regard to Connected and Autonomous Vehicles, the UK is recognised as a global leader in the technology, largely as a result of the £400 million invested by government and industry in recent years. Any slowing of investment now will result in the UK importing this technology and adopting foreign regulation in the future rather than being a global provider.



Government should continue this investment to ensure the UK remains a tech maker rather than a tech taker.

Question 4.2

a) Can you provide evidence for further measures that are required for the standardisation and interoperability of data, for example the routing, ticketing and timetabling data, to deliver Mobility as a Service?

b) Who should lead these further measures (e.g. central government, local government, industry, or other)? Please explain why.

35. AXA believes that a holistic approach is required to take these measures further including input from central and local government, industry leaders and trial operators. Trial bodies across the UK have been working with user groups to understand the demands and expectations of potential users, this experience should be drawn upon to develop new measures.

36. More generally, AXA firmly believes that the approach to smart data sharing needs to be fair and inclusive to all users, particularly those that are vulnerable. The value of smart data sharing is already seen in a number of sectors, opening up new opportunities to aggregate multiple players into new ecosystems helping to optimise efficiency and user service. However, to harness data sharing, risks associated with control, protection, security, legality and accessibility need careful consideration.

Question 4.3

In your opinion, is the roll out of the integrated style of ticketing required to facilitate Mobility as a Service prevented by any regulatory or commercial barriers? If so, please provide details. Only GDPR issues and the sharing of personal data

37. AXA believes industry would need to consider responsible data-sharing as they develop plans for integrated ticketing.

Question 4.4

What competition concerns do you think Mobility as a Service might present that could be difficult to address through existing regulations?

38. AXA believes there could be challenges to address related to the provision of further services due to data sharing. Regulation will be required in order for data to be stored, protected and shared responsibly.

Question 4.5

In your opinion, does the current framework for consumer protection need to be expanded to include liability for multi-modal journeys?

39. AXA believe the framework for consumer protection does need to be expanded to cope with multi-modal journeys. Current frameworks are based on individual, specific modes of transport, but as the need for this review identifies, the future is multi-modal and changes to the framework would be necessary to keep pace.

40. There is a risk of gaps between the different modes where there is a lack of clarity on the current single mode framework. If there is a risk of a gap there is a risk to public confidence, which could impede adoption of multi-modal journeys. AXA believes the expansion of the



framework is required to ensure there is a consistent standard applying across all elements of the Mobility as a Service journey and to boost consumer confidence in the option.

Question 4.6

Could Mobility as a Service present any particular accessibility and/or inclusivity concerns which might be difficult to address through existing regulations? If yes, please provide evidence.

41. Beyond the significant improvements in road safety, AXA became involved in government-funded autonomous vehicles trials such as FLOURISH because they focused specifically on benefits for different user-groups which were set to gain from automation. As the FLOURISH *User Needs Final [Report](#)* states “the advent of fully-autonomous vehicles may help to address the mobility issues experienced by those most at risk of isolation and exclusion, older women, the older old, and those in areas poorly served by alternatives to the car”.
42. All types of transport are open to issues related to accessibility and inclusivity if regulation is not properly drafted and enforced. AXA would urge legislators to carefully assess the regulation for transport service providers to ensure there are protections in place. As discussed in the Law Commission’s consultation on highly automated passenger services and public transport, national minimum standards of accessibility could be developed to ensure consistency and maintain trust.

Question 4.7

a) What actions could help to ensure all sectors of the population can access Mobility as a Service applications?

b) Who do you think should be responsible for delivering these actions (e.g. central government, local government, industry, or other)?

c) What do you think government could do to encourage, incentivise or enforce the delivery of these actions?

43. AXA considers effective legislation and enforcement with appropriate sanctions for those suppliers who do not fulfil their obligations and misuse their privilege. Local government, transport authorities and the transport sector have the power to deliver on these actions. An independent body could be utilised or established to review compliance and enforce sanctions.

Question 4.8

In your opinion, what further action is necessary, if any, to ensure that Mobility as a Service platforms provide:

a) Safe and appropriate use of data? Develop a framework that complies with the GDPR regulations and uses user encryption of personal data

b) Protection of an individual’s information?

44. AXA has continuously called for further evaluation and clarity on the issue of data provision and data sharing, especially with regard to the responsibilities of service operators. AXA believe that further focus needs to be placed on the connected element of autonomous vehicles to ensure that the regulatory framework enables data to be shared responsibly and equitably between operators, authorities and insurers when required. A framework is needed that complies with GDPR regulations and uses user encryption of personal data.
45. More widely, to ensure data is responsibly protected but does not inhibit the functioning of the system (e.g. third-parties having sufficient access to standardised accident data) and to



ensure operator duties can be made clear, 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.

Question 4.9

a) Can you provide any further evidence of the positive or negative impacts of Mobility as a Service on active travel and/or sustainable modes? Please provide examples.

b) Can you provide evidence of measures that could be incorporated into Mobility as a Service platforms to encourage active travel and/or sustainable modes?

46. AXA believe consumer confidence in the whole multi-modal journey will encourage take up of active sections. For this to work in practise, the framework would need to be water tight to different modes and the change of modes must come at little inconvenience to the customer. Platforms such as Jelbi in Berlin provide access to a city's entire public transport and sharing services network. By including more active and sustainable forms of travel as integrated elements of the transport network, those alternatives will become more prominent to users. This is particularly the case if users can compare routes on availability, price and sustainability, and can conveniently pre-book multiple services as part of one route. In addition, the Government could work within this framework in order to encourage active and sustainable travel through incentive schemes.

Question 4.10

Do you think guidance, or a Code of Practice for the Mobility as a Service industry would be useful? If so, what content do you believe would be beneficial to include in a Code of Practice?

47. Yes, AXA believe a code of practice would be useful provided it is supported by the ability of enforcement. Vehicle types, time keeping, data usage and standard of service provision should be included in the code of practice.

Section D – Wider issues

Ensuring inclusive future transport

Question 5a.2

In your opinion, how can regulation of future transport technologies and services secure equitable access to transport for people with protected characteristics? Please provide examples.

48. Securing equitable access to transport for people with protected characteristics will most successfully be achieved by full and meaningful consultation with the intended audience from the outset. HM Government's Office for Disability Issues has previously [highlighted](#) that government research on disability issues has failed to focus on the issues of greatest relevance to disabled people. AXA believes this principle to apply across the spectrum of protected characteristics and that proper 'due regard' should be given to involvement of people with protected characteristics in the creation of the regulation to enable it to reach the intended outcome.



Enabling trials of new modes

Question 5b.1

In your opinion, which specific areas of road traffic law might benefit from having a statutory exemption power included to help support safe trials of transport technologies? Why have you suggested these areas?

49. AXA believes vehicle design, user-in-charge responsibilities and vehicle type definitions should be considered for statutory exemption power to help support the safe trials of transport technologies. Vehicle design and type definitions will need to be adapted to accommodate Mobility as a Service platforms. Additionally, the user-in-charge will operate differently than a driver in conventional vehicles and so requires consideration for statutory exemption.

Question 5b.2 In managing the risks of allowing exemptions to transport legislation for trials, what do you believe should be the role of:

- **Local authorities?**
- **Combined authorities or the Greater London Authority?**
- **National government?**
- **Trialling organisations?**
- **Other?**

50. AXA believes national governments can manage risks through legislation and guidance, local authorities can provide guidance specific to local operational domains and trialling organisations can develop effective safety cases that can be communicated effectively with all stakeholders.

Local leadership of new transport services

Question 5c.1

With regard to managing new transport technologies and services, are there powers currently held by national government which you think should be devolved to local authorities, combined authorities or the Greater London Authority? If so, please provide evidence and examples.

51. AXA agrees that decisions on transport needs and deployment of new mobility services should have strong involvement from local leaders. However, AXA believe local authorities already hold considerable regulatory powers. Further powers would require careful consideration within the context of new mobility technologies.

Question 5c.2

Where the local transport authority and the local highway authority are separate local authorities (such as in London and the Combined Authority areas), what should be the balance of powers and responsibilities to maximise the benefits of future transport?

52. As outlined in the above response, AXA agrees that decisions on transport needs and deployment of new mobility services should have strong involvement from local authorities, but the current balance of power seems appropriate. Ultimately, local transport authorities and local highway authorities need to be working towards the same end goal. Careful consideration is needed as government goes forward in this area.



Question 5c.3

In this context, what role might sub-national transport bodies most usefully play, in your opinion?

53. AXA believe sub-national transport bodies can play a role in local planning and the provision of locally based services.

Question 5d.1

Are there any specific, urgent areas of the regulatory framework that you feel we are not addressing through the eight workstreams already announced for the Future of Transport Regulatory Review? Please provide evidence.

54. AXA considers the areas outlined to be appropriate.

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.