

ABI AND THATCHAM RESEARCH JOINT RESPONSE TO THE LAW COMMISSION AND SCOTTISH LAW COMMISSION'S JOINT CONSULTATION PAPER 2 ON AUTOMATED VEHICLES: PASSENGER SERVICES AND PUBLIC TRANSPORT

About the ABI

The ABI is the voice of the UK's world-leading insurance and long-term savings industry. A productive, inclusive and thriving sector, we are an industry that provides peace of mind to households and businesses across the UK and powers the growth of local and regional economies by enabling trade, risk taking, investment and innovation.

The UK insurance industry is the largest in Europe and the fourth largest in the world. It is an essential part of the UK's economic strength, managing investments of over £1.8 trillion and paying nearly £12 billion in taxes to the Government. It employs around 300,000 individuals, of which around a third are employed directly by providers with the remainder in auxiliary services such as broking.

About Thatcham Research

Thatcham Research is the motor insurers' automotive research centre. Established by the motor insurance industry in 1969, the centre's main aim is to contain or reduce the cost of motor insurance claims whilst maintaining safety standards.

A founding member of the international 'Research Council for Automobile Repairs' (RCAR), Thatcham Research has also been a member of the European New Car Assessment Programme (Euro NCAP) since 2004.

Executive Summary

We agree in principle that the term "HARPS" is appropriate to encapsulate the idea of a new service. However, we do not believe that the definition of "highly automated vehicle" is necessary as the system's responsibilities and capabilities can adequately be catered for by differentiating between driver assistance and automation.

We further agree that there should be a single national body administering the licencing of HARPS operators. This body should also consider the minimum safety standards of the automated driving system (ADS) under the proposed new safety assurance scheme.

As a matter of principle, it is unlikely to be necessary to treat HARPS operators any differently than current vehicle hire providers which have a driver in the vehicle apart from responsibilities relating to the ADS. This should include a duty to maintain ADS software and install safety-critical updates.

There are difficulties arising from a general duty to safeguard passengers and we oppose the introduction of such a duty on HARPS operators. Such a requirement may not be feasible,

pose a disproportionate burden on operators and could have unintended consequences regarding the availability and accessibility of HARPS.

Without the presence of a human driver, there is a potential for the unsafe and inappropriate use of automated passenger service vehicles that may result in injuries if there are no effective measures to prevent issues such as overcrowding. We would expect sufficient provisions to be made both as part of the vehicle and/or software safety assurance scheme and the HARPS operator licencing regime to mitigate against such risks.

The point at which an ADS can be deployed without a User-in-Charge – whether for private purposes or in the context of automated passenger services or public transport – should only be once safety has been properly tested and established. Limiting the number of vehicles within a given ODD or for a certain period should in no way be taken to mean that further safety validation is required.

Important questions regarding the capture of vehicles on the Secretary of State’s list (as required under the Automated and Electric Vehicles Act 2018), liability determinations in various handover scenarios and access to in-vehicle data remain. Some of the issues outlined in the consultation paper (e.g. relating to peer-to-peer leasing of automated vehicles) are unlikely to materialise in the short term and we believe that higher priority should be given to resolving outstanding issues to enable the effective sale, use and insurability of automated vehicles.

Introduction

1. We welcome the opportunity to respond to the Law Commission and the Scottish Law Commission’s joint consultation paper on automated vehicles. The insurance industry is a key stakeholder in this debate, having contributed to the Automated and Electric Vehicles Act 2018, and continues to be involved as partners in trials across the United Kingdom.
2. Insurers wholeheartedly support the development of automated vehicles, as they have the potential to significantly reduce the large number of road accidents caused by driver error and deliver substantial societal benefits.
3. Whilst appreciating the fact that the Law Commissions’ terms of reference limit the scope of this consultation on passenger transport, automated transport of freight is likely to be one of the first areas where automated vehicles will be deployed. We would therefore urge the Law Commissions and Department for Transport to consider regulatory issues related to these activities as soon as practicable.
4. While we agree that questions around the impact of automated passenger services on active travel and accessibility are important, we would expect that some of the scenarios considered as part of this consultation paper are unlikely to cause issues in the near term. We would strongly encourage the Law Commissions to consider outstanding questions regarding vehicle data (particularly in the context of collision data) and questions of handover and liability which urgently need to be addressed to ensure that the UK’s legal framework is fit for the first wave of automated vehicles.

Consultation Question 1

Do you agree that Highly Automated Road Passenger Services (HARPS) should be subject to a single national system of operator licensing?

3. Whilst appreciating the fact that the Law Commissions intend to return to the definition of “self-driving” in the next consultation paper, we do not believe that the definition of “*highly* automated vehicle” is necessary as the system’s responsibilities and capabilities can adequately be catered for by differentiating between driver assistance and automation. We refer to our definition of automation in paragraph 6 of our response to Consultation Paper 1: “automated driving refers to systems that are capable of operating in clearly defined automated mode(s) which can safely drive the vehicle in specified design domains without the need to be controlled or monitored by an individual.” Any vehicle that does not meet the criteria for automation¹ requires the driver to remain actively engaged in the dynamic driving task and monitor the road environment. Such vehicles are not automated and should not fall under the HARPS operating regime.
4. While we agree in principle that the term “HARPS” is appropriate to encapsulate the idea of a new service, we would therefore encourage the Law Commissions to review the terminology.
5. We agree with the aim of avoiding the creation of a fragmented licencing system, as it currently exists for various forms of operators. We agree that all organisations wishing to establish or run a HARPS should be subject to the same, national, system of operator licencing. As stated in our response to question 11 of Consultation Paper 1, it would be preferable to move to a model where a single authority provides both safety assurance and a licence to operate these vehicles as far as is reasonable possible.
6. There is merit in exploring to what extent the provisions of a HARPS system of operator licencing would be appropriate for non-road-based passenger services (air, marine or railways).

Consultation Question 2

Do you agree that there should be a national scheme of basic safety standards for operating a HARPS?

7. Yes. This should consider both the minimum safety standards of the automated driving system under the new safety assurance scheme proposed in Consultation Paper 1 and set a national standard for the operation of a HARPS.
8. For the former, it will be critical that strong active and passive safety requirements are set out clearly to protect passengers and other road users. This scheme should build on type approval requirements which we expect to include cybersecurity standards.

¹ [Defining Safe Automated Driving: Insurer Requirements for Highway Automation.](#)

As set out in our response to question 8 in Consultation Paper 1, any changes to a vehicle's capabilities post-sale (e.g. because of software updates) must be recorded at VIN level on the Secretary of State's list of automated vehicles. This will be vital to ensure ongoing safety monitoring, regulation of ADSEs and HARPS operators and enable a workable insurance framework for these vehicles.

9. For the latter, minimum standards for remote supervision, supervisor training, vehicle maintenance and passenger information should be set.

Consultation Question 3

Do you agree that a HARPS operator licence should be required by any business

which:

- (1) carries passengers for hire or reward;**
- (2) using highly automated vehicles;**
- (3) on a road;**
- (4) without a human driver or user-in-charge in the vehicle (or in line of sight of the vehicle)?**

10. Partly.

11. Regarding the definition of “*highly* automated vehicles”, we refer to our answer to question 1.

12. There remains a question around the appropriateness of limiting the requirement for a HARPS operator licence to businesses carrying passengers on a road. Vehicle manufacturers or operators may develop autonomous off-road capability and should operators be legally able to offer such services, they should be subject to the same licencing and safety assurance regime.

13. There has been much debate around compulsory motor insurance requirements for vehicles being driven off the road in light of CJEU caselaw (in particular, *Vnuk*,² *Rodrigues*³ and *Torriero*⁴) and negotiations to determine the future scope of what constitutes “use of a vehicle” for the purposes of compulsory motor insurance are still underway. We would ask the Law Commissions to take these developments into account to avoid discrepancies between liability provisions for insurance purposes and operator licencing requirements.

² *Damijan Vnuk v Zavarovalnica Triglav* (C-162/13)

³ *Rodrigues De Andrade v Salvador & Others* (C-514/16)

⁴ *José Luis Núñez Torreiro v AIG Europe Limited, Sucursal en España, formerly Chartis Europe Limited, Sucursal en España, UNESPA, Unión Española de Entidades Aseguradoras y Reaseguradoras* (C-334/16)

Consultation Question 4

Is the concept of “carrying passengers for hire or reward” sufficiently clear?

14. Yes. The existing test for hire or reward is well-established and the concept captures a range of activities that raise similar road safety concerns.

Consultation Question 5

We seek views on whether there should be exemptions for community or other services which would otherwise be within the scope of HARPS operator licensing.

15. We do not think that there should be any organisation or person offering HARPS without the necessary licence as this could undermine the safe operation of such services.

Consultation Question 6

We seek views on whether there should be statutory provisions to enable the Secretary of State to exempt specified trials from the need for a HARPS operator licence (or to modify licence provisions for such trials).

16. Yes. However, these should be highly restricted and monitored, and scrutinised by relevant agencies prior to exemption.

Consultation Question 7

Do you agree that applicants for a HARPS operator licence should show that they:

- (1) are of good repute;**
- (2) have appropriate financial standing;**
- (3) have suitable premises, including a stable establishment in Great Britain; and**
- (4) have a suitable transport manager to oversee operations?**

17. Yes. It is unlikely to be necessary to treat HARPS operators any differently than current vehicle hire providers which have a driver in the vehicle (apart from responsibilities relating to the ADS). We would expect that a HARPS operator’s “good repute” is established based on detailed guidance and directions similar or identical to those currently provided by Senior Traffic Commissioners and per Schedule 3 of the Public Passenger Vehicles Act 1981 for PSV operators.

18. A number of these factors will depend on the size and type of the business. For example, it may not be necessary to require suitable premises where the HARPS is operated by one person using one vehicle (or, alternatively, the interpretation of “suitable” will vary depending on the type of business) so the requirements will need to be flexible.

Consultation Question 8

How should a transport manager demonstrate professional competence in running an automated service?

19. It may be appropriate to establish a new competency framework for HARPS operators. While it would not necessarily be appropriate to require operators to have in-depth knowledge of automated driving systems, they should be required to demonstrate best business practice of safely running a passenger transport business. This framework could examine the applicant's ability and capability to safely manage an automated service; repairs; and knowledge of legal and regulatory requirements. The skills required may evolve as technology evolves so this issue should be kept under review. It may be necessary to both update the test and require operators to demonstrate professional and technical competence on a regular basis.

Consultation Question 9

Do you agree that HARPS operators should:

- (1) be under a legal obligation to ensure roadworthiness; and**
(2) demonstrate “adequate facilities or arrangements” for maintaining vehicles and operating systems “in a fit and serviceable condition”?

20. Yes. If there are no drivers or Users-in-Charge, then the HARPS operator should be responsible for roadworthiness for each vehicle. We would expect that the same minimum standards for roadworthiness apply to all automated vehicles regardless of whether they are privately owned or in a HARPS context. Similar to existing provisions for taxis, private hire vehicles and other commercial goods and passenger-carrying vehicles, automated vehicles licenced to be used for hire or reward purposes may need be subject to additional requirements commensurate to the risk to road safety they may pose.
21. We would expect that HARPS operators' duty to ensure roadworthiness will include a duty to maintain ADS software and install safety-critical updates.
22. We agree that a certain level of flexibility is needed to accommodate for different components or usage, and particularly in light of the impact that software updates may have on the functionality of the automated driving system. There may further be merit in incorporating an obligation to require the operator to ensure that the software of the HARPS' automated driving systems are up-to-date and that no safety-critical updates have not been installed. This would be in addition to the ADSE's obligation to ensure that software updates are safe and fit for purpose (see our response to Question 12 in Consultation Paper 1).

Consultation Question 10

Do you agree that legislation should be amended to clarify that HARPS operators are “users” for the purposes of insurance and roadworthiness offences?

23. Yes, unless there are exceptional circumstances that would necessitate a different approach.

Consultation Question 11

Do you agree that HARPS operators should have a legal duty to:

- (1) insure vehicles;
(2) supervise vehicles;
(3) report accidents; and
(4) take reasonable steps to safeguard passengers from assault, abuse or harassment?**

24. We agree that HARPS operators should have a legal duty to insure and supervise vehicles, and report accidents. However, there may be difficulties arising from a general duty to safeguard passengers and we would oppose imposing such a general requirement. While operators can take a number of steps to ensure that risks to passengers are minimised by carrying out criminal record checks of drivers, this approach may not be appropriate for HARPS.

25. While appropriate employment processes need to be in place to safeguard passengers from drivers or operators with aberrant intent, it would not be appropriate to impose a policing requirement on drivers or operators. In practice, this may also not be achievable. Consider the following scenarios:

- a. Scenario 1: passengers A and B are using a HARPS and engage in a heated discourse during which passenger B becomes abusive and passenger A physically distressed. How would the operator intervene?
- b. Scenario 2: multiple individuals queue for a HARPS and a fight breaks out. Some of these individuals may already have booked a journey and others may be prospective passengers. Would the HARPS operator be expected to safeguard some (or all) of the individuals?
- c. Scenario 3: three passengers are using a HARPS and a fight breaks out. As they are all passengers, must the HARPS operator safeguard all of them?

26. Some HARPS operators may, for example, decide to carry out background checks of all passengers where they operate a shared service to comply with this duty because there would not be a driver present to intervene. This may be overly onerous and effectively enforce a car pooling business model on HARPS operators. Careful consideration further needs to be given to the proportionality of such a duty to balance the need to safeguard passengers with the need to avoid undue limitation of accessing HARPS and concerns around potentially (unintended) discriminatory practices.

27. Other measures, such as in-vehicle monitoring through CCTV, may be deemed more proportionate. However, it is unclear to what extent such measures could effectively

safeguard passengers in the scenarios outlined above. Would deployment of such monitoring systems be deemed to satisfy the “reasonable step” requirement even if there is no reasonable prospect of successful intervention to safeguard passengers in practice?

28. Should the Law Commissions decide that a duty to safeguard passengers must be imposed despite these issues, it would be preferable for the necessary steps that a HARPS operators must undertake to comply with this duty to be clearly set out in statute to avoid any unnecessary ambiguity and litigation.

Consultation Question 12

Do you agree that HARPS operators should be subject to additional duties to report untoward events, together with background information about miles travelled (to put these events in context)?

29. Yes. We would expect that any incidents would automatically be captured by the ADS and transferred to relevant third parties. This duty to report should include events or incidents which may not be directly linked to the driving task (e.g. dangerous or illegal passenger behaviour).
30. Reporting untoward events or near misses may prove more difficult but should, as far as technologically feasible, be reported by the HARPS operator and/or ADSE. This would allow the operator licencing authority/safety assurance authority to monitor and benchmark the performance of particular ADS and HARPS operators, and take action where appropriate.

Consultation Question 13

Do you agree that the legislation should set out broad duties, with a power to issue statutory guidance to supplement these obligations?

31. Yes.

Consultation Question 14

We invite views on whether the HARPS operator licensing agency should have powers to ensure that operators provide price information about their services. In particular, should the agency have powers to:

- (1) issue guidance about how to provide clear and comparable price information, and/or**
(2) withdraw the licence of an operator who failed to give price information?

32. Other organisations are better placed to respond to this question.

Consultation Question 15

Who should administer the system of HARPS operator licensing?

33. It would be preferable to move to a model where a single authority provides both safety assurance and a licence to operate these vehicles as far as possible. We have no strong views as to which organisation is best suited for this task. A purpose-designed organisation may be most appropriate.

Consultation Question 16

We welcome observations on how far our provisional proposals may be relevant to transport of freight.

34. There is merit in seeking to align existing freight operating rules and regulations with those for automated freight service providers. Similarly, where there is a proven need to reconsider existing provisions due to technological developments, the principles that inform the regulation of HARPS operators should equally apply to automated freight service providers.
35. The existing framework for freight operators appears to be broadly fit for purpose for automated transport of freight but we note that provisions enabling operators to carry goods internationally will require careful consideration and collaboration to ensure that UK licences are accepted abroad – and vice versa – without diluting safety standards.
36. In this context, we note that Part 1 of the Automated and Electric Vehicles Act 2018 extends only to Great Britain. Regulatory and legislative alignment between Northern Ireland and Great Britain would help facilitate the movement of goods and people, and this should be borne in mind when considering provisions for HARPS or transport of freight.
37. Automated transport of freight may not be limited to roads so there is merit in exploring to what extent the provisions of automated road transport of freight licencing are relevant for other services (air, marine or railways).

Consultation Question 17

Do you agree that those making “passenger-only” vehicles available to the public should be licensed as HARPS operators unless the arrangement provides a vehicle for exclusive use for an initial period of at least six months?

38. We agree with the Law Commissions’ aim to set a clear boundary between vehicles that do not require a User-in-Charge being supplied for short-term hire purposes and those being supplied on a long-term lease basis.
39. A time constraint is welcome although the six-month limit to distinguish between the two types and place obligations on the lessee or lessor seems long. Hire or reward generally refers to short-term arrangements or medium-distance journeys.

Consultation Question 18

Do you agree that where a passenger-only vehicle is not operated as a HARPS, the person who keeps the vehicle should be responsible for:

- (1) insuring the vehicle;**
- (2) keeping the vehicle roadworthy;**
- (3) installing safety-critical updates;**
- (4) reporting accidents; and**
- (5) removing the vehicle if it causes an obstruction or is left in a prohibited place?**

40. Yes. However, we would point out that we would expect many of these tasks, or aspects thereof, to be undertaken by the ADSE. A passenger-only vehicle (i.e. a vehicle that cannot be manually driven) that has not installed safety-critical updates, should not be capable of being used in the first instance and the ADS needs to be developed and regulated accordingly. Similarly, we would expect that the ADS would automatically and immediately notify relevant third parties should an accident occur and transmit relevant collision data. Ensuring that the ADSE remain responsible for these tasks will help avoid a disproportionate regulatory burden on private owners or lessees.

Consultation Question 19

Do you agree that there should be a statutory presumption that the registered keeper is the person who keeps the vehicle?

41. Yes.

Consultation Question 20

We seek views on whether:

- (1) a lessor should be responsible for the obligations listed in Question 18 unless they inform the lessee that the duties have been transferred.**
- (2) a lessor who is registered as the keeper of a passenger-only vehicle should only be able to transfer the obligations to a lessee who is not a HARPS operator if the duties are clearly explained to the lessee and the lessee signs a statement accepting responsibility?**

42. While we agree with this proposal in principle, there may be merit in encouraging or requiring a long-term lessee who has exclusive access to the vehicle on a long-term basis to report incidents or the fact that a vehicle is no longer roadworthy should they be aware of any incidents/defects and neither the ADS nor the HARPS operator recognise this.

43. We would further welcome clarification about what the Law Commissions' proposals would mean in the scenario where a lessee has accepted responsibility but is

subsequently unable (either due to change of circumstance or because they did not fully understand the implications) to comply with the rules.

Consultation Question 21

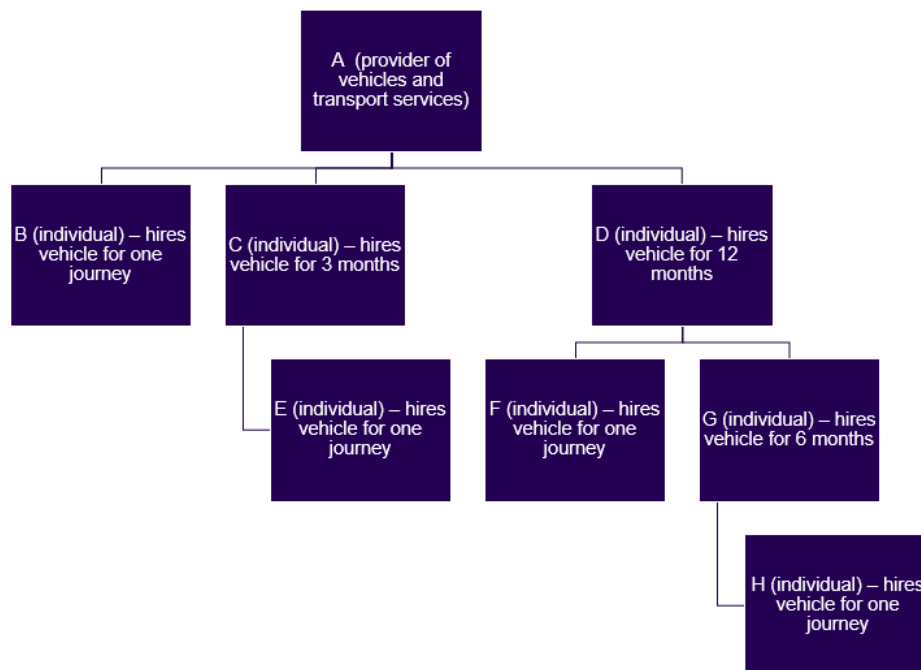
Do you agree that for passenger-only vehicles which are not operated as HARPS, the legislation should include a regulation-making power to require registered keepers to have in place a contract for supervision and maintenance services with a licensed provider?

44. Yes.

Consultation Question 22

We welcome views on whether peer-to-peer lending and group arrangements relating to passenger-only vehicles might create any loopholes in our proposed system of regulation.

45. Creating a clear boundary between vehicles that do not require a User-in-Charge being supplied for short-term hire purposes and those being supplied on a long-term lease basis may prove difficult in practical terms as passenger-only vehicles could be sub-leased at various levels to maximise use and the economic benefits of automation:



46. Under the Law Commissions' provisional proposals, our understanding is that individuals B, C, E, F and H would not be subject of any of the proposed obligations. The regulatory status of D and G will partly depend on the arrangements that these individuals have entered into with vehicle provider A (i.e. A will be considered to be the HARPS operator unless A has expressly transferred these obligations onto D) and each other (assuming A transfers the obligations onto D, they will remain with D unless G agrees to the transfer). It is less clear, however, how F and G would be informed about D's regulatory status; or H about G's regulatory status.
47. Clarity over who would be legally responsible for duties arising from the use of such vehicles is necessary to protect consumers' interests. It will be important to ensure that HARPS operators are not able to avoid the obligations introduced by the proposed licencing regime and subject consumers to the proposed obligations, which may be too onerous for private individuals. It will be equally important to ensure that those who hire a vehicle for a short period of time from another private individual can be confident that the vehicle, software and related services comply with the same safety standards as one would expect from a HARPS operator.

Consultation Question 23

We seek views on whether the safety assurance agency proposed in Consultation Paper 1 should be under a duty to ensure that consumers are given the information they need to take informed decisions about the ongoing costs of owning automated vehicles.

48. Other organisations are better placed to respond to this question.

Consultation Question 24

We seek views on how regulation can best promote the accessibility of Highly Automated Road Passenger Services (HARPS)? In particular, we seek views on the key benefits and concerns that regulation should address.

49. Other organisations are better placed to respond to this question.

Consultation Question 25

We provisionally propose that the protections against discrimination and duties to make reasonable adjustments that apply to land transport service providers under section 29 of the Equality Act 2010 should be extended to operators of HARPS. Do you agree?

50. Other organisations are better placed to respond to this question.

Consultation Question 26

We seek views on how regulation could address the challenges posed by the absence of a driver, and the crucial role drivers play in order to deliver safe and accessible journeys. For example, should provision be made for:

- (1) Ensuring passengers can board and alight vehicles?**
- (2) Requiring reassurance when there is disruption and accessible information?**
- (3) Expansion of support at designated points of departure and arrival?**

51. Without the presence of a human driver, there is a potential for the unsafe and inappropriate use of automated passenger service vehicles that may result in injuries if there are no effective measures to prevent issues such as overcrowding. We would expect sufficient provisions to be made both as part of the vehicle and/or software safety assurance scheme and the HARPS operator licencing regime to mitigate against such risks.
52. The ADS used for passenger transport purposes should, for example, be capable of detecting when its maximum authorised mass or passenger number has been reached and not proceed should additional passengers board the vehicle. Similarly, measures need to be put in place to enable the ADS to recognise passengers. For example, if person A books the vehicle to travel, there should be a means of determining that person A actually boards the vehicle. This would be particularly relevant where a vehicle is involved in a collision as a range of organisations, including the ADSE, HARPS operator and insurer would need to know who was in the vehicle when the accident occurred.
53. There may be merit in exploring whether measures need to be put in place to prevent unaccompanied children from boarding.

Consultation Question 27

We seek views on whether national minimum standards of accessibility for HARPS should be developed and what such standards should cover.

54. Other organisations are better placed to respond to this question.

Consultation Question 28

We seek views on whether operators of HARPS should have data reporting requirements regarding usage by older and disabled people, and what type of data may be required.

55. Other organisations are better placed to respond to this question.

Consultation Question 29

We seek views on whether the law on traffic regulation orders needs specific changes to respond to the challenges of HARPS.

56. Other organisations are better placed to respond to this question.

Consultation Question 30

We welcome views on possible barriers to adapting existing parking provisions and charges to deal with the introduction of HARPS. In particular, should section 122 of the Road Traffic Regulation Act 1984 be amended to expressly allow traffic authorities to take account of a wider range of considerations when setting parking charges for HARPS vehicles?

57. Other organisations are better placed to respond to this question.

Consultation Question 31

We seek views on the appropriate balance between road pricing and parking charges to ensure the successful deployment of HARPS.

58. Other organisations are better placed to respond to this question.

Consultation Question 32

Should transport authorities have new statutory powers to establish road pricing schemes specifically for HARPS? If so, we welcome views on:

- (1) the procedure for establishing such schemes;**
- (2) the permitted purposes of such schemes; and**
- (3) what limits should be placed on how the funds are used.**

59. Other organisations are better placed to respond to this question.

Consultation Question 33

Do you agree that the agency that licenses HARPS operators should have flexible powers to limit the number of vehicles any given operator can use within a given operational design domain for an initial period? If so, how long should the period be?

60. The point at which an ADS can be deployed without a User-in-Charge should only be once safety has been properly tested and established. Limiting the number of vehicles within a given ODD or for a certain period should in no way be taken to mean that further safety validation is required.

61. As stated in our response to questions 11 and 12 in Consultation Paper 1, automated driving systems should undergo rigorous testing to ensure that they are as safe as possible before they are authorised to be used on roads or other public places. We would expect any ADS that is allowed to be used in such circumstances to undergo a

testing regime involving both self-certification and robust third-party testing. This should include simulations, test track use and limited testing on public roads.

62. However, we agree that there may be merit in limiting the number of vehicles to enable the operator to demonstrate that the vehicles can be used safely within a particular design domain.

63. The need to limit the number of a particular type of vehicle within a particular design domain or geographic area will likely depend on a number of factors. These include the HARPS operator and ADSE's safety record, the testing of the particular ADS and the number of vehicles and the circumstances within the design domain. A distinction may need to be drawn between those vehicles that operate on the public road amongst other traffic and those that operate in a defined and confined area. As these factors will vary greatly between individual cases, we would expect the regulatory authority to have sufficient flexibility to decide whether to limit the number of vehicles as well as the period in question. This will likely require close consultation with the relevant local agencies.

Consultation Question 34

Do you agree that there should be no powers to impose quantity restrictions on the total number of HARPS operating in a given area?

64. Other organisations are better placed to respond to this question.

Consultation Question 35

Do you agree that a HARPS vehicle should only be subject to bus regulation:

(1) if it can transport more than eight passengers at a time and charges separate fares; and

(2) does not fall within an exemption applying to group arrangements, school buses, rail replacement bus services, excursions or community groups?

65. Other organisations are better placed to respond to this question.

Consultation Question 36

We welcome views on whether any particular issues would arise from applying bus regulation to any HARPS which transports more than eight passengers, charges separate fares and does not fall within a specific exemption.

66. Other organisations are better placed to respond to this question.

Consultation Question 37

We welcome views on whether a HARPS should only be treated as a local bus service if it:

(1) runs a route with at least two fixed points; and/or

(2) runs with some degree of regularity?

67. Other organisations are better placed to respond to this question.

Consultation Question 38

We seek views on a new statutory scheme by which a transport authority that provides facilities for HARPS could place requirements on operators to participate in joint marketing, ticketing and information platforms.

68. Other organisations are better placed to respond to this question.

**Association of British Insurers and Thatcham Research
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