UK Seeks to Legislate Liability For Autonomous Vehicles

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As the capabilities and prevalence of autonomous vehicles increase, governments continue to attempt to address the consequences that flow from an increasingly autonomous environment. A recently introduced bill in the United Kingdom, the Vehicle Technology and Aviation Bill, considers how insurance should adapt to a driverless future so that persons injured by vehicles operating in autonomous mode, including the "driver", can recover from the insurer and are not forced to pursue what could be a lengthy and complicated product liability action.

In the UK, insurance is primarily driver-centric — drivers are required to carry insurance to cover injury or damage to third-parties arising out of a driving related incident. Changes to this regime are required to ensure that in circumstances where there is no "driver", coverage to third-parties will remain available.

The Vehicle Technology and Aviation Bill proposes to address this issue by ensuring that where an accident is caused by an autonomous vehicle driving itself, liability will rest with an insurer or the vehicle's owner. Where a vehicle is insured, liability will rest with the insurer. Where a vehicle is uninsured, liability will rest with the vehicle's owner. The consequences of a decision to engage the autonomous capabilities of a vehicle in situations where it is not appropriate to do so will rest with the person in charge of the vehicle who made the decision to do so.

Significantly, this Bill demonstrates an intent to ensure that liability for accidents involving driverless vehicles in automated mode will remain, at least at first instance, within the existing motor vehicle insurance scheme. This means that injured parties will not have to sue the manufacturers and technology companies in order to recover. However, the insurer who pays out the injured party would still have the option of trying to recover against the manufacturers based on product liability. While the intent of the Bill seems directed at protecting injured parties, it may also have the indirect effect of protecting manufacturers of autonomous vehicles and related technology companies.

This Bill has recently passed Second Reading on March 6, 2017. The Bill is next scheduled to be considered by MPs in a Public Bill Committee by March 23, 2017.

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