



Private hire operators' contracts with passengers

The Divisional Court has today (Monday 6 December) given judgment in a case about the role of London private hire vehicle (PHV) operators and the contracts that they enter into with passengers.

The case concerned the Supreme Court's judgment of 19 February 2021 in [Uber BV v. Aslam](#) and the Divisional Court has now confirmed that:

".....in order to operate lawfully under the Private Hire Vehicles (London) Act 1998 a licensed operator who accepts a booking from a passenger is required to enter as principal into a contractual obligation with the passenger to provide the journey which is the subject of the booking."

All London PHV operators will need to carefully consider the Divisional Court's judgment and take steps to ensure that they comply with it, including considering whether any changes to their way of working are required.

Transport for London will be considering the written terms of those applying for or renewing a licence and looking at operators' terms during the period of the licence.

The Court dismissed the United Trade Action Group's (UTAG) Judicial Review claim on TfL's decision to renew FREE NOW's operator's licence and rejected UTAG's claim that PHVs made available via the FREE NOW app were plying for hire.

The judgment has been published on the [Bailii website](#).

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