

# UBER

Ms Rachel Reeves MP  
Chair, Business, Energy and Industrial Strategy Committee  
House of Commons  
London  
SW1A 0AA

08 November 2017

Dear Ms Reeves,

Following my attendance at the Committee's recent evidence session on the Taylor Review of Modern Working Practices, Uber is pleased to provide some more detail on the questions raised.

I wanted to reiterate that Uber supports the Taylor Review and sees it as a thoughtful and important contribution to the policy debate. We welcome its proposals for greater legal clarity over employment status, as well as its recognition of the positive impacts of flexible work - including for people often excluded from the labour market. We also agree with the Report's calls for more support for the self-employed, including making it easier for them to pay tax, save for a pension, study and retrain, and access careers support.

We are already working on many of these points. For example, in April 2017 Uber launched a partnership with IPSE (the self-employed and freelancer association) to offer discounted illness and injury cover to drivers who use Uber. Drivers who choose to join the scheme pay £2 a week and receive access to a range of benefits and protections (the package is worth £8 a week). This provides illness and injury cover of up to £2,000 if unable to drive for two weeks or more, as well as Jury Service cover, occupational accident and accidental death coverage. Uber is the first private hire operator in the UK to invest in an offer of this kind for drivers.

### ***Support for drivers***

We know that we need to do more to support the licensed drivers who use our app, and this starts with listening to them. We hold monthly events in London and regular roundtables and events in cities outside of London. More than 1,000 drivers have attended a roundtable, over 1,500 have attended one of our Expo events, and there have been more than 250,000 listens to our weekly podcast for drivers. Based on feedback from drivers, we have introduced a large number of valuable partnerships and changes to the app, to give drivers more control, and offer access to a range of benefits and protections.

The Committee asked for more information about these initiatives. Here is a summary of the changes made so far this year:

### **In February 2017:**

- **Earnings Advice Sessions.** Drivers can get advice, including from other drivers, about how to maximise the money they make using the app. This is open to all drivers, and Uber also pro-actively contacted and invited individual drivers making less than the hourly average.
- **Driver destinations.** Driver Destinations matches drivers with a passenger going the same way, making it easier for drivers to earn money if they need to go to a particular part of town or to an appointment.
- **Flexpay.** Flexpay allows drivers to cash out their fares at any time, rather than waiting until the end of the week.
- **Free skills courses.** Uber has partnered with FutureLearn to provide access to hundreds of online courses from the world's top universities. For drivers who have made more than 500 trips with Uber and completed a free course within the year, we pay for their Certificate of Achievement.
- **Help saving for the future.** Uber has partnered with Moneyfarm - an online investment platform - to offer Uber partners discounted products from ISAs to pensions, along with improved access to financial education.
- **Partner Appeals Panels.** While ending our partnership with a driver does not happen very frequently, it's sometimes necessary - such as when serious incidents have been reported and investigated. We want to ensure that this process is as transparent and as fair as possible. That is why we launched Appeals Panels to enable drivers who have seen their partnership with Uber ended the right to appeal certain decisions to a panel of other drivers.
- **Uber Community Guidelines.** We've updated our Community Guidelines to ensure that both drivers *and* riders know what's expected of them. As part of these ground rules, for the first time we've published a policy explaining why riders can lose access to Uber - just as we already do with drivers.
- **Free English Language Courses.** We have partnered with busuu - an online language training provider - to offer free English language courses to drivers.

### **In April 2017:**

- **Partnership with IPSE to offer discounted illness and injury cover.** Uber has partnered with IPSE, the Association of Independent Professionals and the Self-Employed, to give drivers access to a range of benefits and protections. Uber is making a significant contribution towards the cost, with drivers who choose to join the scheme paying just £2 a week (the package is worth £8 a week). Uber is the first private hire operator in the UK to invest in an offer of this kind for drivers. The benefits of joining the scheme include:
  - Sickness and injury cover of up to £2,000 if unable to drive for two weeks or more
  - Jury service cover of up to £2,000

- Access to free advice and support on paying tax as well as personal finance issues such as mortgages, pensions and saving for the future
- Occupational accident cover of £300 per week for up to 52 weeks – if an accident takes place during a trip or while logged into the Uber app
- Accidental death or permanent total disablement cover of £50,000 – if an accident takes place during a trip or while logged into the Uber app
- Drivers will become members of IPSE – the largest organisation representing the interests of the self-employed community.

### **In August 2017:**

- **Tipping.** Once a trip has finished, rider now see the option to leave a tip when they rate drivers. 100% of the tip goes to drivers.
- **No Thanks Button.** Previously, drivers could either confirm they could take a trip request or wait for the request to time-out. Now, a 'no thanks' button lets them decline the trip right away.
- **2 minute cancellation fee.** If a rider cancels a ride two minutes after the driver has confirmed a trip, that city's cancellation fee will apply. Previously drivers would receive a cancellation fee only after 5 minutes.
- **Paid waiting time.** A 20p per minute waiting charge (or the driver's per minute fare amount if that's greater) will now kick in two minutes after the driver arrives at the pick up point until they start the trip.
- **Fairer ratings.** Sometimes riders might give their trip a low rating for reasons beyond the driver's control – such as an issue with the app. Previously, these ratings would have counted towards the driver's overall rating, even if they weren't a reflection of their service. Now, these ratings won't count towards their score. Uber will still get the feedback to help us improve but it won't impact a driver's overall rating.
- **More control over requests.** UberEXEC and UberXL now have option that means they can decide, whenever they want, what kind of requests they are offered.

### **In September 2017:**

- **Long Trip Notifications.** We want to give drivers more information and control. A new feature will alert drivers if a trip is going to last longer than a set time period (60 minutes in London and 30 minutes in the rest of the UK) before they confirm they can do it. If they don't want to do it, they can just tap 'No Thanks', and wait for the next request.
- **In app chat.** Drivers can now send and receive messages to their loved ones directly in the driver app, without having to take calls or write text messages that take them out of the app.
- **12 hour document approvals.** We've been making improvements to our document review process. When drivers upload their documents, they will get approval – or be told why their document hasn't been approved – within 12 hours.
- **Share my trip.** We've introduced a new feature that lets drivers share where they are at any time, from the driver app.
- **Greenlight Hub improvements.** Uber has 36 Greenlight Hubs across the UK, physical locations where drivers can get support in person. We're making changes to

ensure that drivers can get help from their local team of experts more quickly. Now, they can book an appointment at the Greenlight Hub for a convenient time and minimise any waiting time.

- **Driver positioning guides.** We want to give drivers more information about the best times and places to drive, and so have launched guides to provide tips to drivers for each city.
- **Achievement summary letters.** Great drivers are professional, motivated and great with people – all valuable and transferrable skills should they go on to work elsewhere. Now, drivers can take their ratings, trips and rider compliments with them in a certificate to their next opportunity. Included in their letter will be their total trips, when they completed their first trip and their top three rider compliments. Drivers can request a letter within the 'Help' section of the app, and more than 700 of these have been sent to drivers to date.

We know there is more to do, and this list is not comprehensive. We will continue to listen to drivers who use our app, and develop more ways to better support them.

### **Churn**

The Committee asked about the 'churn' of drivers who use the Uber app. Once a driver has been licensed by TfL, has a vehicle licensed by TfL, and has been onboarded to the Uber app, they are able to log in and take trips at the touch of a button. They choose if, when, where, and for how long to drive, as well as what sort of vehicle to use. There is no exclusivity, no minimum commitment and no shifts. This means that there is no such thing as a typical driver, and many choose to take a break from using the app, and return to it later. They may use the app alongside a traditional job, studies, driving with other operators, or anything else.

Of UK drivers currently using the app, 29% began using Uber less than a year ago, 34% began using Uber between one and two years ago, 28% began using Uber between two and three years ago, 9% began using Uber between three and four years ago, and less than 1% began using Uber more than four years ago. A recent \_\_\_\_\_

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change. While partner-drivers would be entitled to a guaranteed national minimum wage and paid holiday there would also be less freedom to decide when and where to drive.

There's a lot of uncertainty as to what being a worker would mean for drivers and there would be lots of complexities to be worked out. But if Uber had to guarantee drivers a wage just for being logged in to our app then we would of course have to ensure drivers took most, if not all, of the trip requests they received and only logged in at times and in places where people want to get a ride.

### ***Driver earnings***

The Committee also asked about earnings of drivers using our app.

Most drivers say that their earnings have increased or remained the same since they started using Uber: one in two (51%) drivers say that since using the app their income has increased, with a further 37% saying it has remained the same. And those who drive at busier times (for example after restaurants and bars have closed) and in high-demand areas are likely to earn more than those who choose to drive in quieter areas or at off-peak times, such as in the middle of the day.

Drivers also have control over if, when and where to drive, as well as whether to buy, rent or lease a vehicle, its fuel efficiency, and so on, all of which impact their earnings potential. That being so, we don't have a full picture of the costs drivers face. Ultimately it's up to them to make decisions about what sort of car they want to drive and the insurance policy that suits them. This is, of course, true for all self-employed people. It's also true that in many cases not all of the costs drivers face are directly attributable to their time driving with Uber - for example if someone chooses to rent a car for their work as a PHV driver, they can also use it for the school run, or for other work.

We do know that median fares after payment of Uber's service fee in the UK were £15 per hour last year.

We want to help drivers earn the most that they can. That is why we already give drivers advice on which parts of a city are busier (and where fares are likely to be higher as a result) than others at a given time, and share information that makes it easier for drivers to track their progress and earnings in real time. We also invite all drivers to attend Earnings Advice Sessions, to get personalised advice, including from other drivers, on how to maximise their earnings. We also proactively identify individuals who we think could be earning more and invite them to the sessions.

### ***Driver hours***

The Committee asked about the hours that drivers use the Uber app.

Drivers choose to partner with Uber for many different reasons. Research has shown that independence and flexibility are the main reasons: 94% say they "joined Uber because I wanted to be my own boss and choose my own hours". This preference for independence is also revealed in how drivers use the app, which allows drivers to log in or out when and where they choose. According to a [survey](#) in September, just 14% of drivers say they set themselves a fixed amount of hours each week, while 40% decide how many hours to drive

depending on what else they have going on. Another 32% of these drivers set an earning goal for a given day, week or month and drive until they hit that goal. And 14% decide to drive on the spur of the moment.

And because drivers are able to turn on and off the app at any time, as well as decide when to take requests, an hour logged into the Uber app is not the same as an hour of work in, for example, a shop or restaurant. This is because drivers may be at home, doing other work or simply on a personal trip across town while driving with the app on. They may also be working elsewhere, including for a competitor.

Internal Uber data also illustrates the variety of ways people use the app, showing that across the UK, 21% of drivers in the UK are logged into the app for fewer than 10 hours per week, the median number of hours is 30, and 26% are logged in to the app for more than 40 hours per week. Fewer than 6% of drivers spend more than 60 hours logged in to the app per week.

However, we also understand that drowsy driving is a legitimate road safety concern and this is something we want to address proactively. It is why we currently remind those who drive on the app about the importance of getting enough rest and the fact that driving while tired can impact safety. For over a year we have been deploying an in-app feature that reminds drivers of the importance of taking breaks and getting enough rest - and this information is also included in our Community Guidelines where we explicitly state that "sleep is the only true preventative measure against the risk of drowsy driving" and if they feel tired to take a break.

In March 2017, we announced our plans to put driver hours limits in place. Since then, we've made progress on a tool that can help drivers manage their time on the app. The tool is capable of counting time spent on the app and notifying drivers when they are approaching the limit. Once the limit is reached the app will automatically keep drivers from taking rides until they have been offline for the required period of time. Drivers will still be able to access the app to see earnings, etc. and information about how much time is left before they can begin accepting rides again.

We're continuing to make progress on this and plan to set out more details in the coming weeks.

### **Safety**

Drivers who use our app in the UK are licensed by their local authorities and have gone through the same enhanced DBS checks as black cab drivers. We take any allegations of sexual harassment very seriously, working closely with the police and preventing drivers from using the app while any investigations take place. Our GPS technology also means that every trip - more than one million in London each week - is electronically recorded.

We do not have authoritative details of all the cases investigated by the police. TfL publish annual data on this point. This information has been confirmed and verified by the regulator, private hire operators and the Metropolitan Police. Their most recent figures for 2016 can be found [here](#).

You may have also seen this week that Uber announced a global, multi-year, multi-million dollar campaign and commitment to fund partnerships with leading sexual and domestic violence prevention organisations.

Our “Driving Change” Sexual Assault and Domestic Violence Prevention Campaign will encompass both internal and external initiatives focusing on raising awareness and educating leadership, employees, riders and drivers - encouraging everyone that we all play a role and can be part of the solution.

We are making a \$5 million, multi-year commitment to fund sexual assault and domestic violence prevention programmes. Uber will partner with leading organisations to publicly address and raise awareness of sexual assault and domestic violence including Raliance, NNEDV, NO MORE, Women of Color Network, Inc., Casa de Esperanza, A CALL TO MEN, and The National Coalition of Anti-Violence Programs. Our partners and the funding will also help address critical funding gaps with marginalised communities who are often the most underfunded.

We will provide further detail of the UK activities that come with this campaign shortly.

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Uber