Uber drivers are workers, not self-employed

[et_pb_section admin_label="Section" global_module="136" fullwidth="on" specialty="off" transparent_background="off" background_color="#ffffff" allow_player_pause="off" inner_shadow="off" parallax="off" parallax_method="off" padding_mobile="off" make_fullwidth="off" use_custom_width="off" width_unit="on" make_equal="off" use_custom_gutter="off"][et_pb_fullwidth_code global_parent="136" admin_label="Post Header"][Page_Header_Start] Employment Law News[Page_Header_End][/et_pb_fullwidth_code][/et_pb_section][et_pb_section admin_label="section"][et_pb_row admin_label="row"][et_pb_column type="3_4"][et_pb_text admin_label="Text" background_layout="light" text_orientation="left" use_border_color="off" border_color="#ffffff" border_style="solid"]

Uber drivers are workers, not self-employed

[post_details]

[Social-Share]

Uber drivers in London have been found to be workers of the company rather than self-employed contractors. The Employment Tribunal judgment, which was overtly critical of Uber's approach to the employment status of its drivers, was released on Friday.

A number of Uber's drivers in London brought claims against the company arguing that they had been underpaid the national

minimum wage and denied rights under working time legislation. The company's position was that the drivers were self-employed contractors with no entitlements to such rights. In looking at the specific cases of two drivers, Mr Aslam and Mr Farrar, the Employment Tribunal concluded that the drivers were indeed workers with the associated rights and entitlements.

The Employment Tribunal held that the contractual documentation between drivers and Uber "bears no relation to reality" and was not "a contract at arm's length between two independent business undertakings". Uber claimed that it acted as a kind of agent or introductory service which gave drivers introductions to clients, whereas the reality was that the drivers worked 'for', not 'with' the company.

The Employment Tribunal pointed to a number of features of Uber's relationship with the drivers. At the outset, drivers were selected and interviewed by Uber in something comparable to a recruitment process. Though drivers would supply their own cars, Uber only accepted certain makes and models and stated a preference as to colour (black or silver, incidentally). Once selected, drivers were given an induction and a welcome pack including 'star tips' on how to provide a quality service.

Whilst it is true to say that drivers were not obliged to turn on the app at any particular time, the Tribunal held that once they did, they were subjected to several controls imposed by Uber. Uber controlled the information the drivers were given, including the passenger's identity and the final destination. Its technology also set a route for the drivers to follow – whilst a driver could divert from that route, they could be reprimanded for doing so if a customer complained. They were obliged to follow a cancellation procedure and would be locked out of the app for 10 minutes if they declined 3 pick-up requests in a row.

Many of the procedures outlined in the contractual

documentation were held by the Tribunal to be relabelled versions of standard employment policies. For example, drivers falling below a 4.4 star rating would be subject to a series of ‘quality interventions’ and their accounts could be deactivated if they failed to improve. The Tribunal saw this as a form of performance management procedure which could culminate in dismissal.

Fundamentally, the Tribunal took the view that “the notion that Uber in London is a mosaic of 30,000 small businesses linked by a common ‘platform’ is to our minds faintly ridiculous”.

Whilst this is only a first instance decision which is set to be appealed, it serves as a cautionary tale for businesses forming part of the ‘gig economy’. Similar cases involving couriers and Deliveroo drivers are coming up and could be decided in a similar way.

With that in mind, all businesses may want to take the opportunity to review their contractual arrangements with contractors and ensure that they are a true reflection of the working relationship. If not, the best course is to update and amend contracts at an early stage to minimise the risk of litigation and tax liabilities.

Mr *Y Aslam,* Mr *J Farrar and others v Uber BV, Uber London Ltd & Uber Britannia Ltd 2202551/2015*

[/et_pb_text][/et_pb_column][et_pb_column type=”1_4″][et_pb_sidebar admin_label=”Sidebar” orientation=”right” area=”sidebar-1″ background_layout=”light” remove_border=”off”]
[/et_pb_sidebar][/et_pb_column][/et_pb_row][/et_pb_section]