

IN THE WESTMINSTER
MAGISTRATES COURT

BETWEEN:

UBER LONDON LIMITED

Appellant

-and-

TRANSPORT FOR LONDON

Respondent

THIRD WITNESS STATEMENT OF HELEN KAY CHAPMAN

I, Helen Kay Chapman, of Transport for London ("TfL"), 230 Blackfriars Road, London, will say as follows:

1. This is my third witness statement in this appeal. Since my last statement, I have now been appointed Director of Licensing, Regulation and Charging. I make this statement to respond to specific points made by Uber London Limited ("ULL"), the Appellant, in the fourth and fifth witness statements of Thomas Elvidge, and to update the Court on progress made and issues arising since my first witness statement of 29 March 2018.
2. The facts and matters in this witness statement are within my own knowledge, except where I indicate otherwise. In such cases, I indicate the source of my belief and understanding and I believe the facts and matters stated to be true. I am duly authorised to make this witness statement for TfL as the Respondent in these proceedings.
3. There is now produced and shown to me a consecutively paginated bundle of documents marked "HC-3", divided into various tabs, containing the documents to which I refer in this witness statement. I refer to these documents in the format [HC-3/x/y] where "x" is the tab number and "y" is the page number.

4. I have read the fourth and fifth witness statements of Mr Thomas Elvidge made on behalf of ULL, the Appellant. I refer to the statements in the format “[Surname ¶x]”, where “Surname” is the name of the person making the statement and “x” is the paragraph number. I refer to the exhibits to those statements in the format [EX4/x/y/z], where “EX4” refers to the exhibits to the relevant statement, “x” refers to the bundle number in the Appellant’s appeal bundles, “y” refers to the tab and “z” refers to the page number.

SUMMARY OF POSITION

5. TfL’s overall position on this appeal remains the same as in my first witness statement. TfL was correct to decide in September 2017 that it would not renew ULL’s licence, by reference to its historic conduct and practices: ULL was not, on the evidence available at that time, a “fit and proper” person to hold a London PHV operator’s licence. ULL has largely accepted many of TfL’s findings. In recognition of TfL’s findings, ULL has updated many of its policies, changed some of its senior leadership team, admitted its past mistakes, recognised that it had a flawed approach to TfL and regulation more generally and has announced steps it plans to take or has already taken which are aimed at transforming its corporate culture.
6. As I explained in my first witness statement, it is difficult for TfL to assess ULL’s changes to its corporate culture and approach, because they will take time to become embedded within the business. This remains an area of uncertainty for TfL, in respect of ULL’s future conduct.
7. In the remainder of this statement, I provide an update for the Court on the following issues, and set out TfL’s conclusions in respect of each. I also provide observations on some of the other points made by Mr Elvidge in his Fourth Witness Statement.
 - (a) The 2016 data breach;
 - (b) ULL’s review of historical complaints regarding drivers;
 - (c) Reporting of criminal behaviour;
 - (d) The Voice Contact Requirement;
 - (e) TfL’s recent compliance inspection of ULL;

- (f) ULL's notification of arrangements for English Language support for drivers; and
- (g) The April 2018 press story concerning hacking of individual ULL accounts.

THE 2016 DATA BREACH

- 8. In my first witness statement, I referred to the data breach, which occurred in 2016 [Chapman1 ¶¶277-301].
- 9. I understand since that date, that Uber has been communicating with and assisting the Information Commissioner's Office ("ICO") with its investigation into whether there have been any breaches of UK data protection laws by ULL and other relevant Uber entities.

- 10. My current understanding as of the date of this statement is that:
 - a) The ICO is seeking to establish the extent to which ULL, Uber Britannia Limited (UBL), Uber Scot Limited and/or Uber NIR Limited were responsible data controller(s) at the time of the breach;
 - b) There is also an ongoing and parallel European investigation, co-ordinated by a working group of national data protection authorities;
 - c) The ICO is working with the above working group, which includes the Dutch Data Protection Authority, to co-ordinate investigative activity. This includes consideration of Uber BV's role.

- 11. It is unlikely that the ICO's investigation will be completed before the hearing on 25 June 2018. TfL remains interested in the outcome of the ICO's investigation, and continues to liaise with the ICO in order to obtain updates on the progress of the investigation. I will update the Court further if there is any additional information at the time of the hearing.

- 12. As I explained in my first witness statement, TfL considers that the data breach remains relevant to ULL's fitness and propriety.

ULL'S REVIEW OF HISTORICAL COMPLAINTS REGARDING DRIVERS

13. In my first witness statement [Chapman1 ¶¶267-271], I referred to ULL's review of all historic complaints received by ULL regarding its drivers, in order to determine whether the correct action was taken by ULL at the time. This review was undertaken at the request of TfL, as acknowledged by Mr Jones in his first statement [Jones1 ¶62]. I also described the more extensive analysis carried out by ULL to identify concerning patterns of driver behaviour. Finally, I set out the contents of ULL's letter of 26 March 2018, in which ULL gave an update on its review and indicated the number of driver accounts that had been reviewed and the number that required further detailed investigations.
14. On 25 May 2018, ULL wrote to TfL again with the final results of the review [EX4/14]. ULL confirmed that it reviewed 1,148 driver accounts for "Category A" complaints and decided to deactivate, i.e. dismiss the drivers and remove them from ULL's platform, 251 driver accounts. "Category A" complaints relate to the most serious complaints (such as allegations of sexual incidents or touching, accidents with injuries, verbal or physical altercations with or without injuries or physical stalking and serious dangerous driving). Of the 1,402 "Category B" complaints in relation to two separate patterns of behaviour – allegations of dangerous driving and allegations of inappropriate interpersonal conduct – ULL confirmed that it will be deactivating 201 driver accounts. It is not clear from ULL's letter how many of the 201 driver accounts that were removed related to allegations of dangerous driving and how many related to allegations of inappropriate interpersonal conduct. TfL will be writing to ULL for further clarification.
15. ULL also explained in its letter that it held a meeting with the Metropolitan Police Service ("MPS"), to review driver accounts that were flagged as a result of alleged behaviour that it is now reporting to the MPS under its new reporting policy [EX4/14/87-88]. It confirmed that there were 207 driver accounts for which this was the case and, of these, ULL agreed to report a total of 58 allegations to the MPS. It is unclear from the letter whether these allegations are separate from the "Category A and B" allegations. TfL will be writing to ULL for further clarification.
16. Mr Elvidge confirms in his fourth statement [Elvidge4 ¶15] that all of the reports to the MPS referred to in that letter have now been made.

17. ULL explained in its letter of 25 May 2018 that of the 58 allegations, 57 drivers were dismissed. ULL explained briefly the circumstances concerning the one remaining allegation for which a notice of driver dismissal form had not been provided to TfL. It said that the allegation was made by a passenger who was highly intoxicated at the time and did not have a clear memory of the relevant events, and as such was unsure of how to handle the allegation. ULL discussed the case with the MPS, which asked ULL to report it to enable the MPS to conduct further inquiries. It confirmed that the report had now been made, and the driver's account had been suspended but not deactivated. It is unclear from the information provided in its letter when this incident took place.
18. ULL also confirmed it has agreed with the MPS that, in the future, it will contact the MPS for guidance as to whether or not a report should be made if it is uncertain how to handle any allegation. TfL expects responsible operators to take the initiative and contact the MPS for such advice, as soon as possible, rather than not take any action at all about the allegation. I note that in Mr Jones' first statement [Jones1 ¶38], he refers to the liaison with the MPS and the role of the Law Enforcement Response Team and its work with the police. It is reassuring to note that ULL has now established a new protocol in this area, with the MPS. However, it is also disappointing that this case was not discussed earlier with the police, particularly given ULL's established links to the MPS and TfL's expressed concerns about criminal reporting.
19. ULL explains that of the 149 allegations that will not now be reported to the MPS (all of which have already been reported to TfL with a notice of dismissal form):
 - a) 22 related to conduct complaints and not criminal allegations;
 - b) 96 were already reported to the police in any event, either by ULL, the customer, or TfL;
 - c) 4 related to third parties where the driver was a witness to an incident;
 - d) 13 were outside the MPS's jurisdiction and ULL has considered whether to report them to the relevant police force. ULL's police liaison officer plans to discuss these with the relevant regional forces in the next two weeks.
 - e) 14 were too historic to report now based on the guidance of the MPS (these were typically allegations of minor common assault cases).

20. TfL is concerned that there remain 13 outstanding allegations that have not been reported to the relevant police force. TfL will continue to monitor these cases, and will seek clarification as to whether and when they have been reported.
21. TfL is also concerned about the 14 historic cases, which are now too old to report to the MPS. These appear to involve criminal conduct that may have presented a risk to public safety. It is unclear how long those drivers continued to drive following the relevant incidents (though they are no longer driving for ULL). The existence of this cohort of cases underlines, in my mind, that TfL was correct to be concerned about ULL's historic failure to report allegations of criminal conduct.
22. TfL will also revert to ULL seeking further information about the 22 allegations that related to driver conduct. As things stand, TfL does not yet have sufficient information to be confident about ULL's response in historic cases.
23. From 7 March to 31 May 2018, TfL has received 607 driver dismissal forms from ULL. TfL is reviewing the conduct of each of those drivers who were dismissed by ULL and, where TfL was not previously aware of the incident, is considering whether to take licensing enforcement action against them. To date, TfL has immediately suspended 221 drivers, due to immediate safety concerns with their behaviour, and has revoked 18 licences.
24. The lack of historic reporting by ULL reinforces my view that TfL was right to be concerned about this issue. As regulator, TfL takes public safety extremely seriously but also has to consider the seriousness of suspending a licence with immediate effect as this prevents a driver from working. In 221 cases, each considered on its own merit, TfL has had reason to immediately suspend a driver from working. TfL has not been able to take action before so as to protect the public because ULL has taken so long to report these driver dismissals to TfL. In addition, it has caused some confusion for drivers where their historic behaviour has led to their licences now being immediately suspended, as they may not recall the incident or be aware that a complaint has been made. TfL is now dealing with the representations made by the drivers affected as well as any appeals made by the drivers. Had ULL adopted the approach it now recognises it should have done from the beginning, these significant public safety risks would not have occurred.
25. I consider that ULL's review of past driver behaviour is relevant to two questions:

- (a) The fact that a significant number of drivers have been removed from the ULL platform, following the review, suggests that ULL's historic systems were inadequate, and were not identifying drivers that should not be providing services. Those historic failings are relevant to ULL's fitness and propriety now;
- (b) TfL continues to have concerns about some of the historic cases, in particular those that have not been notified to police forces outside London. ULL's review of past complaints following a request from TfL represents a step in the right direction towards reform.

REPORTING OF CRIMINAL BEHAVIOUR

26. In its letter of 8 May 2018, ULL confirmed that the ULL Board had now formally approved a new police reporting policy, which ULL considered addresses the concerns raised by the MPS on this issue [EX4/3]. Mr Elvidge refers to this in his fourth statement at [Elvidge4 ¶13]. ULL explained in its letter of 8 May 2018 that it has refined the way in which it identifies offences and improved its operational processes. Based on lessons learned from real incidents, ULL has been reporting under its new policy since the start of the year. It explained that it planned to re-train its complaints handling staff within 14 days of the letter, with a view to implementing changes to the policy in June 2018. Mr Elvidge confirms in his fourth statement that ULL has trained all of its UKI Safety Liaison Officers and General Managers who are responsible for executing the relevant processes under that policy [Elvidge4 ¶13].
27. ULL has demonstrated a willingness to improve its practice with respect to reporting potentially criminal conduct. Whether ULL's new corporate culture and policies are effective will take time for ULL to prove and it is of course too early to draw conclusions from this. At this stage, I consider the process by which the new criminal incidents reporting policy was put in place provides an example of ULL reacting more appropriately to TfL as its regulator, as well as other statutory authorities (the MPS) and appears to now be in line with what we would expect.

TELEPHONE REQUIREMENT

28. In his third witness statement, Mr Elvidge refers to ULL's commitment to introduce a telephone contact line for customers, which can be used when passengers have safety concerns arising out of issues such as lost property (emergency medicines), inappropriate behaviour by drivers or being left in an unsafe area by a driver [Elvidge3

[53-56]. On 14 May 2018, ULL wrote to TfL with an update on ULL's plans for the telephone contact line explaining how it will work, including how to call Uber and what will happen when a passenger is connected to a support agent **[EX4/5]**. ULL explained that users can report a safety issue in the conversation they have with the support agent regardless of which menu option is selected. If a safety issue is reported, the user is immediately transferred to ULL's Incident Response Team.

29. On Friday 25 May 2018, the Court of Appeal handed down judgment in an appeal brought by TfL against a decision of the High Court, which held that TfL had acted unlawfully in amending the Private Hire Vehicles (London) (Operators' Licences) Regulations 2000 by requiring all operators to be available to speak to their customers (whether for emergency calls or otherwise) **[EX4/13]**. The Court of Appeal allowed TfL's appeal (ULL was one of the respondents). The Private Hire Vehicles (London) (Operators' Licences) (Amendment) Regulations 2017 **[HC-3/2]** provide as follows:

"3. Condition

For regulation 9(11) substitute:

"At all times during the operator's hours of business and at all times during a journey, the operator shall ensure that the passenger for whom the booking was made is able to speak to a person at the operating centre or other premises with a fixed address in the United Kingdom or elsewhere which has been notified to the licensing authority in writing if the passenger wants to make a complaint or discuss any other matter about the carrying out of the booking with the operator."

30. All operators are now required to make themselves available for voice calls from their customers during their hours of business. TfL issued a TPH notice on 25 May 2018 **[EX4/15]** about the requirement for operators to have voice contact for customers and stated "*in order to allow operators time to implement any necessary changes following the judgment, they should make sure they comply fully by no later than 1 October 2018. TfL encourages operators to comply fully with the Voice Contact Requirement sooner if possible.*"
31. Prior to the Court of Appeal hearing and irrespective of the judgment, ULL committed to introduce some form of voice contact facility. In its letter of 1 June 2018, ULL advised TfL that in its view the voice contact service that it has decided to implement

as described in its letter of 14 May 2018, will comply with the Voice Contact Requirement in the 2000 Regulations [EX4/18]. TfL will shortly issue guidance for all PHV Operators on how to comply with the Voice Contact Requirement, and once guidance issued, TfL will consider the question of compliance.

COMPLIANCE INSPECTION

32. I consider it would be beneficial for the Court to receive an update on the recent compliance inspection carried out by TfL of ULL's operation.

33. Section 4(3)(e) of the Private Hire Vehicles (London) Act 1998 (the 1998 Act) states:

"A London PHV Operator shall...

at the request of a constable or authorised officer, produce for inspection any record required by this section to be kept"

34. Prior to granting a Private Hire Vehicle (PHV) operators' licence, TfL carries out a pre-licensing inspection of the applicant operator's premises. This check enables TfL to ensure that both the applicant and the premises are fit to be licensed and to check whether the operator is able to adhere to all the licence requirements before a decision is made. The inspection of any proposed operating centre is carried out by a TfL Compliance Officer ("CO").

35. TfL ordinarily carries out its first compliance inspection within six to eight weeks of a licence being granted. Thereafter, TfL will carry out announced or unannounced compliance inspections of licensed PHV operators and their premises from time to time. An unannounced inspection may be carried out as a result of intelligence received or the identification of non-compliance when carrying out on-street checks of drivers and vehicles.

36. Although TfL did not renew ULL's PHV operator licence in September 2017, the effect of s. 26 of the 1998 Act is to suspend the effect of that decision. As a result, ULL has been trading pending the determination of this appeal and TfL has carried out a compliance inspection of its premises.

37. The compliance inspection of ULL's operating centre took place between 9 and 11 May 2018, and was undertaken by 23 COs, who applied the ordinary standard in

inspections of this kind. The purpose of the inspection was to verify that ULL has in place the following as a minimum:

- a) Customer booking confirmation and overall booking processes for all bookings;
 - b) A system for providing accurate fare estimates;
 - c) A system for creating and retaining driver and booking records;
 - d) Any new requirements set out in regulations changes ;
 - e) A full set of vehicle records including insurance certificates and Motor Insurance Bureau records;
 - f) Records of complaints and lost property, which included the complaints that have recently been investigated as referred to above (a thorough check was undertaken on ULL's new driver dismissal and complaints process);
 - g) Advertising to ensure it complies with section 31 of the 1998 Act;
 - h) Relevant documents either held or displayed at the operating centre, such as public and employer liability insurance, operator's licence and VAT registration certificates.
38. During the course of a compliance inspection, each item of non-compliance with the 1998 Act and the relevant PHV regulations is scored. At the end of the inspection, operators are given an overall score between one and seven. Operators are then given a series of follow-up actions within various categories. These are based on the Grading Categories guidelines at **[HC-3/4]**.
39. Operators are given an opportunity to rectify any identified areas of non-compliance during the inspection, before it is finalised.
40. This inspection showed that ULL currently has 41,101 drivers on its platform. The Compliance team undertook a 10% dip sample of these drivers: 4,200 driver and vehicle records were checked for bookings between two separate fifteen minute

periods on two different days. Of these records checked, the inspection did not reveal any areas of concern.

41. The inspection did not reveal any other areas of concern or non-compliance by ULL. TfL provided confirmation of this to ULL at the end of the inspection.

NOTIFICATION OF ARRANGEMENTS FOR ENGLISH LANGUAGE SUPPORT FOR DRIVERS

42. The Private Hire Vehicles (London PHV Driver's Licences) (Amendment) (No.2) Regulations 2016 **[HC-3/1]** amended the Private Hire Vehicles (London PHV Driver's Licences) Regulations 2003 and required new applicants, or those seeking to renew their PHV driver's licence to demonstrate that they can communicate in English at the appropriate level for speaking, listening, reading and writing. This level was set at the Common European Framework Reference Level B1 standard. ULL challenged this provision in the High Court but was unsuccessful and appealed the decision to the Court of Appeal. ULL withdrew its appeal in February 2018. Previously, TfL required that anyone whose application for a new or renewal PHV driver's licence was received on or after 14 October 2016 had until 16 July 2018 to provide evidence that they comply with the requirement to TfL (The Private Hire Vehicles (London PHV Driver's Licences) (Amendment) (No.2) Regulations 2017 **[HC-3/3]**). TfL has recently extended the deadline from 16 July 2018 to 30 April 2019 (The Private Hire Vehicles (London PHV Driver's Licences) (Amendment) (No.2) Regulations 2018 **[HC-3/5]**).
43. In its letter of 21 May 2018, ULL provided information about what it was doing to help its drivers comply with the English language requirement **[EX4/9]**. It explained the support that ULL is providing to drivers with an English language qualification as well as those without such qualifications. In relation to drivers without an English language qualification, ULL explained that it sends a series of emails, and optional assessments and invitations to classes to assist drivers in gaining an English language qualification. It said that it is recommending such drivers take an International English Language Testing System (IELTS) exam, as a qualification approved by TfL. IELTS is a popular and widely accepted English language proficiency test.
44. ULL also explained that it had agreed with International House which provides booking exam halls, hires invigilators, books spaces for drivers and provides booking support, that they will book larger venues for exams (up to 850 capacity), to manage the expected volume. It said that this arrangement will not affect other licensed drivers

from meeting the English language requirement as the exam spaces opened up by International House are additional exam capacity, rather than blocked for any particular candidates.

45. ULL also explained that for those drivers with an existing lower level of English, it supports them in preparing for the exam with optional training provided by International House which includes:
- a) Free briefings provided by International House
 - b) Discounted IELTS classes provided by International House
 - c) Free exam technique classes provided by International House
 - d) Free mock exams for intermediate level partner-drivers provided by International House
46. On 25 May 2018, TfL wrote to ULL about the steps ULL is taking to supporting drivers in satisfying the English language requirement [EX4/12]. In particular, TfL said it was disappointed that this had not been raised before any arrangements had been entered into, and would have expected ULL to have done so. TfL also explained that it had some concerns about the arrangements with International House, noting that ULL had given TfL a clear commitment not to interfere with the licensing process. It was unclear whether ULL's arrangement could impact on the licensing process or arrangements that TfL has in place to deliver that process, and gave information about those arrangements.
47. On 1 June 2018, ULL's response gave an unreserved apology for not providing TfL with advance notification of its intention to contract with International House [EX4/17]. It explained that the decision to enter into the arrangement and execution of the contractual documents took place in June 2017.
48. ULL explained that it had no intention of interfering with the licensing process but instead was intended to help smooth any capacity constraints in order for those drivers needing to obtain a new qualification to have the opportunity to comply with the requirement to take the test in accordance with TfL's arrangements, without unnecessary delay that could jeopardise their ability to earn. It confirms that the

arrangements between Uber and International House have no impact or influence on any element of the TfL IELTS test.

49. ULL stated that in order to ensure there are no other pre-existing partnerships or processes that could be of relevance to TfL, it was carrying out a detailed review of all of its pre-existing processes and relationships that relate to regulatory compliance to determine if they warrant notification to TfL.
50. Although ULL says that the arrangement with International House was entered into in June 2017 (i.e. before the licensing decision), it would seem that this arrangement has only recently gone “live”, taking into account a recent increase (in the last few weeks) in the volume of candidates sitting the test with International House. I consider that ULL should have informed TfL of its plans prior to its letter of 21 May 2018. ULL has previously stressed its intention to keep TfL updated on matters that may have an impact on public safety and security, such as this and on this particular occasion they did not meet this intention. I acknowledge ULL has now committed to reviewing existing processes and agreements and notifying TfL of any other matters.
51. As this is a new issue, TfL is still establishing the facts from ULL and International House, and I cannot therefore draw conclusions at this stage. I will update the Court with any relevant information at the appeal.

HACKING OF INDIVIDUAL ULL ACCOUNTS

52. On 30 April 2018, the BBC London reported on an issue about individual Uber customers who had their details hacked, and were charged for journeys they did not take. The report suggested that tens of thousands of Uber accounts are available for sale on the ‘dark web’. A transcript of the news item is at **[HC-3/6]**.
53. Damien Collins, MP and Chair of the Digital, Culture, Media and Sport Select Committee was reported as saying, on this issue:

“The companies themselves have a big responsibility to make sure they keep their users details safe. If they fail to act responsibly then the government and regulators will have to take action.”

54. In response, Uber stated:

“We would like to remind our users to always use unique passwords for different online accounts. As has been highlighted before, when people use the same password on more than one site and one of those accounts is compromised, anywhere else with the same log-in details can also be accessed. It is not possible for anybody who logs into an Uber account to access credit card details and we have made significant changes to reduce the ability for criminals to take trips on compromised accounts. We are always enhancing the ways we protect our users, and will refund trips a customer didn’t book or take.”

55. On 1 May 2018, Mr Elvidge sent an email to TfL, addressed to me and Graham Robinson (General Manager for TPH) [HC-3/7]. Mr Elvidge explained that the BBC London report focused on individuals who live in the South East and whose Uber login details had been obtained by others and used for Uber trips that the account holder had not permitted. Mr Elvidge confirmed that the report did not relate to the 2016 data breach and is not the result of a hack of Uber’s data. Instead, Mr Elvidge described the hacking of individual accounts, in this manner, as an issue affecting all online companies. Breaches of this kind occur when people use the same online credentials on multiple online accounts.
56. Mr Elvidge went on to explain some of the steps that Uber have taken to prevent this type of cyber crime. They include reminding customers to use unique passwords for different online accounts, limiting the information accessible through an Uber account to minimise the potential for harm (such as encrypting and hiding credit card numbers) and 'multi-factor authentication' which asks for another form of authentication when someone tries to log into an Uber account using a password from an unfamiliar device. Mr Elvidge acknowledged that these measures are not 100% effective at preventing data losses, particularly when other companies’ data has been compromised.
57. I was disappointed that ULL had not notified TfL in advance that this item was going to appear in a BBC London report. Given ULL’s profile, and TfL’s role as its licensing body, TfL would have been assisted by understanding the underlying issues, and ULL’s response to them, before the matter was made public.
58. On 17 May 2018, TfL wrote to ULL in relation to Mr Elvidge’s email of 1 May and the BBC London report, setting out those concerns [HC-3/10]. TfL also asked ULL to explain how it was certain that these accounts were not being used following a hack of Uber’s own data and for further information concerning how this is monitored.

59. TfL and ULL have previously corresponded on this issue, prior to the TfL licensing Decision (see TfL's letter of 30 June 2017 [EX1/B/38/149] and ULL's letter of 14 July 2017 [EX1/B/41/166-167]. ULL responded to TfL's concerns about accounts for sale on the Darknet and explained that cyber crime involving data breaches is a growing issue that is not unique to Uber and is a common problem when people choose to use the same username and password across different accounts and platforms. It described its technical process to identify such attempts, temporarily block the account and pro-actively contact the account holder to change the passwords. It also confirmed that it always refunds any trips that the account holder did not authorise, and that it reminds users to always use a unique password.
60. The correspondence between the parties following the BBC London report was along similar lines. In its letter of 25 May 2018 [HC-3/11], replying to TfL's letter of 17 May 2018, ULL explained that the hack referred to by the BBC London story was not the result of a hack of Uber's data, but referred to incidents in which customers use the same online credentials across multiple online services, one of which is compromised. As a result, the hackers are able to gain access to all other accounts which have the same details. Alternatively, users' data may be obtained through an activity known as 'phishing', for example through a fake login page. ULL said that Uber strives to be 'best in class' at protecting its users from such crime and to empower them to protect themselves.
61. ULL also noted that its previous correspondence with TfL concentrated on user data obtained from other companies, and acknowledged that it could have done better at explaining that user data may also be obtained through phishing and similar criminal practices.
62. ULL also gave an update on the number of reports from customers raising concerns about the integrity of their data and/or that their accounts may have been hacked or compromised in some way. Between 31 July 2017 and 28 May 2018, it received approximately 8,278 reports alleging that London users' accounts may have been compromised in some way: a material increase on the number of allegations received in the previous year. In its letter of 14 July 2017, ULL said that there had been 5,241 reports from customers through the app since 1 July 2016. ULL explained that the increase is due to the increased number of trips over this period, and said that the percentage of rides which gave rise to these reports remains very low (approximately

place a number of sophisticated systems to limit customer harm and to refund victims where incidents do occur.

69. The recent exchanges between ULL and TfL on this topic are relevant to ULL's fitness and propriety, because they demonstrate that while good progress has been made, the process of establishing a clear and transparent dialogue between the parties remains ongoing. As to the question of customer hacking itself, I am satisfied that ULL has put in place a number of sophisticated systems, though the growing number of incidents should be reflected upon by ULL as it raises some valid concerns for TfL.

OBSERVATIONS

70. I have had regard to sections "B Governance" and "C Personnel" of Mr Elvidge's ~~fourth witness statement. I consider that the steps ULL has been taking over the last few months to ensure the new governance arrangements are embedded into the operations of ULL are positive steps. The activities described suggest that there is a commitment to change from senior staff and Directors within ULL, as well as other key individuals in global Uber including Uber's global CEO, Mr Khosrowshahi, its global Chief Operating Officer, Barney Harford and its global Chief Legal Officer, Tony West.~~
71. I note that ULL has now recruited a new Head of Compliance who will be prioritising the implementation of the internal aspects of the Independent Assurance Procedure.
72. In relation to the appointment of the Regional General Manager for Northern and Eastern Europe, Mr Heywood, TfL wrote to ULL [HC-3/9/14] in response to its email of 10 May 2018. TfL asked what relationship Mr Heywood would have with regard to the London operation. Mr Elvidge explained that Mr Heywood would oversee 12 markets across the Northern and Eastern Europe region, including the UK, and that he will have oversight of the London operation from a senior executive level, but will not be involved in managing the day-to-day operations. Mr Elvidge confirmed that he will continue to oversee London, and the rest of the UK and Ireland will report to Mr Heywood [HC-3/9/13].
73. I have also had regard to Mr Elvidge's fifth witness statement, which provides the Court with factual information relevant to the LTDA's written submissions of 21 May 2018. I have also read the LTDA's submissions.

74. TfL's publicly stated position on cross-border hiring is that it generates serious public safety issues, because it may undermine local licensing regimes. It restricts the ability of licensing authorities to enforce effectively, set appropriate safety standards for drivers, vehicles and operators and can undermine the confidence the public have in the licensed taxi and private hire trades within their area. TfL considers that local licensing, and the ability of local licensing authorities to ensure passenger safety and meet local needs, is being undermined and destabilised. TfL explained its position to ULL in its letter of 9 February 2018 [HC-1/A/15/47-48]. TfL continues to press government to bring forward primary legislation to tackle this issue.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true.

Signed:



Date: 7 June 2018

Name: Helen Kay Chapman