Press Summary

29 July 2025

D.E.L.T.A. Merseyside Limited and another (Respondents) v Uber Britannia Limited (Appellant)

[2025] UKSC 31

On appeal from [2024] EWCA Civ 802

Justices: Lord Reed (President), Lord Briggs, Lord Leggatt, Lord Stephens and Lady Simler

Background to the Appeal

This is an appeal about the correct interpretation of the statutory regime regulating the provision of private hire vehicles ("PHVs"). PHVs, as distinct from traditional taxis, cannot ply for hire on the streets but are booked in advance through an "operator". Uber (one of the parties to this appeal though Uber Britannia Limited, or "UBL") is a well known PHV operator.

The regulatory regime is set out in Part II of the Local Government (Miscellaneous Provisions) Act 1976 as amended (the "Act"). It regulates the PHV trade outside London (and Plymouth) by imposing a "triple licensing lock": operator, driver, and vehicle must each be licensed by the relevant local authority.

Historically, the PHV trade has operated in several different ways: the operator might contract directly with the customer as principal, or do so only as an agent for the driver, or the operator may merely arrange for the driver to attend the customer and leave the contract of hire for them to arrange among themselves.

However, in another case, the Divisional Court interpretated the separate (though in some ways similar) regulatory regime for London as requiring operators not to accept bookings by any means other than by entering into a contract for hire as principal.

On the back of that, UBL successfully requested a declaration from the High Court to the effect that the separate non-London regulatory regime (under the Act) is to be interpreted as imposing that same constraint on operators. The Court of Appeal disagreed.

UBL now appeals to the Supreme Court.

Judgment

The Supreme Court unanimously dismisses the appeal. Lord Briggs, with whom the other justices agree, gives the judgment. Nothing in the Act expressly imposes the constraint contended for by UBL. Nor can it be said to be inherent or implied in the concept of accepting a booking, or necessitated by the regulatory purpose of the Act.

Reasons for the Judgment

All parties to the appeal agreed that Part II of the Act had to be construed as a whole, in the light of the relevant context. They were right to adopt that conventional approach to statutory interpretation rather than to argue by way of detailed comparison with the London regime: the Act is the earlier statute and in any event the decision of the Divisional Court would not bind the Supreme Court, even if the two regimes were identical **[9-10]**.

The Act is essentially silent as to how a licensed operator may deal with persons seeking bookings, other than mandating that they keep records. The only provision of the Act that might be said to have anything to do with regulating how operators accept bookings is s. 56(1) **[24-25]**. It sets out that:

> *"(1) For the purposes of this Part of this Act every contract for the hire of a private hire vehicle licensed under this Part of this Act shall be deemed to be made with the operator who accepted the booking for that vehicle whether or not he himself provided the vehicle."*

But s. 56(1) is clearly a deeming provision: it does not impose a requirement that operators actually do enter into a contract for hire (as principal), but insists that the law will treat them as incurring contractual liability once a contract of hire is made, regardless of the actual mechanics of the contract of hire (whether the operator contracts as principal, or agent, or the contract of hire is made by the driver) **[26-27]**.

UBL also submitted that s. 55A of the Act (dealing with what is loosely termed "sub-contracting"), which refers to "the contract between the person licensed… who accepted the booking and the person who made the booking", suggests that the initial operator must always contract for the hire as principal. That argument is also unconvincing: s. 55A was a deregulatory later addition to the Act – it cannot be used to discover an implied restriction in the Act as originally passed; it is directed at sub-operating/sub-contracting (and not necessarily sub-contracting in its ordinary legal sense) but the proposed restriction is said to apply generally; and the reference to "the contract" may well refer to something other than the contract of hire, such as a contract to use best endeavours to deliver a PHV to the pick-up location **[22]**, **[31]**.

Furthermore, the concept of "operating" or being an "operator" of PHVs is the subject of a precise statutory definition under s. 80 of the Act. It means "in the course of business to make provision for the invitation or acceptance of bookings for a private hire vehicle" **[14]**. UBL contended that the concept and language of "accepting a booking" as used in the Act implies the acceptance of a contractual obligation to fulfil the booking. But that is little more than assertion **[34].**

Finally, UBL argued that their proposed restriction exists to protect the public in situations where a hire contract would never otherwise actually arise, such as if an operator acts as an intermediary and the PHV never turns up. But not only would that be to impose a significant restriction on the operation of the PHV trade, it would ignore the fact that the Act is founded

on protecting customers via a quite different mechanism – the "triple licensing lock" regime **[32-34]**, **[36]**.

All of these arguments are further undermined by the fact that – as no party denied – the sole regulatory purpose of s. 56(1) is to generate "real world" liability for the operator **[29]**. S. 56(1) therefore only makes sense if the Act assumes that the historical range of models for operating private hire vehicles (ie including where the operator is an agent or intermediary) are permissible **[30]**. UBL's proposed restriction would make s. 56(1) redundant **[35]**.

The reasons for the judgment are further summarised at **[36]**.

References in square brackets are to paragraphs in the judgment.