It’s a year now since IBAS went public on its ambition to become the Gambling Ombudsman and we have sought the views of many stakeholders during that time. A wide range of organisations, including the Gambling Commission, have said it would be preferable to have a single ADR body handling gambling disputes for the sake of clarity and consistency, and we agree.

At present there are eight ADR bodies approved by the Commission. Given the Commission’s antipathy to that situation it’s not clear why there’s been a lack of progress in reducing that number. The review of ADR providers doesn’t appear to have brought about a re-think on this.

We also anticipate that having a single gambling ombudsman would provide a more solid platform for developing the most constructive working relationship with the Gambling Commission. This means exploiting the better organised data available to us through recently completed new case handling system; also addressing problem gambling disputes which currently fall between ourselves and the Commission. I have written to the Commission asking for its intention towards these disputes.

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ibas-uk.com
Managing Director’s View

Richard Hayler

In the reporting period October 2018 – September 2019 we received a similar volume of requests for adjudication to that received in the previous year but observed some notable trends.

Rules requiring greater the clarity for promotional terms, adopted by the Gambling Commission in early 2018, helped reduce complaints about bonuses and offers for the second year running. Meanwhile, new referral codes introduced by some of the biggest companies in the sector highlighted just how many complaints were referred to IBAS before businesses’ internal complaints procedures had been exhausted. 431 requests for adjudication were referred back to the operator in 2018-19 compared to 172 in the previous year and several hundreds more were initially rejected but accepted later once a code had been issued.

Most strikingly, we received 80% more complaints from consumers who claimed that a gambling operator had treated them in a manner that they considered to be irresponsible – and potentially in breach of the Gambling Commission’s licence conditions and codes of conduct.

80% increase in complaints that a gambling operator had treated them in a manner that they considered to be irresponsible

At the time of writing, problem gambling is one of the warmest issues on the media agenda. In the wake of a successful campaign to reduce the maximum permissible stake on betting shop gaming machines, concern about the growth and impact of online gambling seems to be one of the few issues that unites both sides of the House of Commons and has the Daily Mail and Guardian campaigning in tandem.

During the past 12 months we have had MPs, GPs and PCs write to IBAS asking about specific cases relating to individuals of interest to them. The most common question is ‘how was this person allowed to lose as much money as they were?’

To anyone who has followed the last year’s media coverage of gambling it is striking how many questions are asked and how few meaningful solutions are proposed. Welcome calls for more treatment facilities dedicated to examining and tackling gambling addiction have prompted greater engagement by the NHS, but most often what is being sought by a complainant is not assistance to manage a gambling problem; typically we are approached in hope of receiving a return of funds that were lost during periods where that individual’s gambling was said to be out of control or plainly unaffordable to them.

This is a difficult subject to write about. It is indisputably tough just to read some of the accounts that are submitted to IBAS. Every week we receive accounts of great loss, in every sense. Huge sums of money and damage to relationships, families, careers and lives. It is understandable why public figures in receipt of the same might instinctively respond by saying that some form of correction is required: that money should be repaid, compensation offered or something similar.

However, as we explained in submitting evidence to the House of Lords Enquiry into the Social and Economic Impact of Online Gambling, there are many important questions to ask before we believe that an independent body can begin considering claims for a refund of losses. These include:

1. How should the amount that a person can afford to lose be measured?
2. To what extent should reassurances from a consumer that they are in control of their gambling direct a company’s decision whether to continue to accept their business?
3. Should gambling operators be expected to share data to measure the extent of an individual’s total gambling losses?
4. Is it unfair to refund the losses from a bet or series of bets which the counterparty to the bet would have had to honour those bets had they been successful? Does that create a consumer-biased unfairness or is that just the price of trading irresponsibly?
5. How can an ADR provider practically assess a claim that a person’s gambling was affected by other factors such as mental illness?
6. What level and timing of intervention from a gambling operator should we expect?

We understand that the Gambling Commission, in collaboration with industry trade bodies and operator representatives are beginning to explore some of these questions and we hope that the findings of these working groups may at least help to advance the debate on these subjects.

IBAS, like other ADR providers and Ombudsmen, looks to find a fair settlement to disputes between consumers and businesses. Typically in Alternative Dispute Resolution the ADR provider will look to a combination of legal precedent and regulatory guidance to build a decision making framework. The Gambling Commission took great steps forward in recent years in developing minimum standards for adverts and promotional offers and IBAS frequently refers to the joint CMA/Gambling Commission publication in the decisions that we issue.

In the type of complaint referred to above, regulatory guidance is thinned on the ground. It is not uncommon for a gambling operator to confidently assert that their actions are based on ‘regulatory guidance’ or even ‘regulatory requirements’, when that has not been the impression we have received when seeking an informal opinion from the Commission.

There is some legal precedent. In Calcutt vs William Hill Credit (March 2008) Justice Briggs ruled that the bookmaker was not required to refund losses sustained in a customer who had evidently asked to be self-excluded on several occasions and who was gambling in a manner that most might describe as erratic. His reasoning for the decision should be mandatory reading for anyone who wants to contribute meaningfully to this debate. The effectiveness of self-exclusion has improved substantially since 2008, but it remains far from a perfect system. It is extremely difficult to prevent someone from gambling who – in the moment – is determined to do so.

The final paragraph of Justice Briggs’s ruling said:

The self-exclusion procedure forms a main plank in the social responsibility structure which stands as the quid per quo for the modern policy of the encouragement of gambling as an industry and as a leisure activity. The question whether the limited effectiveness of self-exclusion as a remedy for problem gambling undermines the integrity of that public policy bargain is something for the Gambling Commission and Parliament rather than the courts to decide.
We await with interest the conclusions of current parliamentary enquiries and the latest Gambling Commission initiatives on this subject.

From this debate, one concept that gained significant traction during the year was that a Gambling Ombudsman should be created to provide consumers with greater protection. In the build up to the 2019 General Election, the creation of a Gambling Ombudsman featured as a manifesto commitment by the Liberal Democrats and was cited as a necessary development by outgoing Labour Party deputy leader Tom Watson.

IBAS, now 21 years old, has provided many of the services that consumers could expect from an Ombudsman. We have examined over 70,000 claims from consumers in the UK and abroad of which about 60% have proceeded to a decision or amicable resolution. In 2018-19, we handled almost 95% of the gambling sector consumer complaints that proceeded to ADR.

Since IBAS joined the Ombudsman Association in 2018 I have been reassured to see that the approach we take to dispute resolution and the standards that we aim to achieve are substantially similar to other organisations that bear the name ‘ombudsman’. Our Case Managers are now being trained to the standards set out in the OA’s Caseworker Competency Standards and organisationally, the Standards required to be approved by the Gambling Commission are broadly in line with the OA’s Service Standards Framework.

When Tom Watson first spoke about the creation of a Gambling Ombudsman he did so as if a brand new entity was needed. Unsurprisingly, I would strongly beg to differ. The IBAS service is not flawless, but it performs extremely well on a limited budget. If we can find a way – as I anticipate we will – to reduce the length of the adjudication process without affecting its quality and if the recently concluded website development work succeeds in improving the accessibility of progress updates to consumers, then we have tackled two of very few areas where criticism of IBAS has sometimes been deserved.

Our decision making record stands up well; there is no evidence of more than a handful of the thousands of IBAS rulings ever being challenged in court. There is no evidence of any independent authority concluding that the decisions of our Adjudication Panel are anything but based on fair principles and applied relevant experience. We embrace changes to consumer law and regulatory requirements in our decision making framework. We meet with the Gambling Commission wherever appropriate to understand their regulatory expectations of how operators should act in certain situations. We provide dispute avoidance feedback to operators and recommendations about the clearest way to communicate key rules and terms to consumers. In July 2019 we successfully undertook our first formal dispute mediation process, with a view to expanding our range of ADR services.

If Government, the Gambling Commission or the industry believes that gambling should have an Ombudsman it would make overwhelming sense to develop it from the foundations of the IBAS service.

Our view is that a single service for complaints handling in the gambling sector has significant potential advantages. We believe that it would be more straightforward to understand and deliver a consistent approach to dispute resolution that consumers would welcome. We also believe that by working with the Gambling Commission and other stakeholders to define an expanded remit, a single Gambling Ombudsman could vastly reduce the number of complaints that are being referred onto the Commission by ADR – complaints that are typically not formally closed, leaving consumers both confused and disheartened.

New Appointments
On 1 March 2019 IBAS formally appointed six new members to our Adjudication Panel, each on three year terms. David Ashforth, Nicola Bowes, Rachel Ellis, Richard Hutt, John Samuels and Phil White all bring valuable knowledge and experience to the Panel – some from the world of betting and gaming and others from different but relevant organisations including Citizens Advice, the Financial Ombudsman Service, ACAS and the BBC. You can read more about the members of the Adjudication Panel in the ‘About Us’ section on our website, ibas-uk.co.uk

The work of the Adjudication Panel is overseen by our new Head of Adjudication Brian Wright. Brian joined IBAS on 1 February 2019 from the Remote Gambling Association, having previously served at DCMS and the Home Office in roles overseeing the gambling sector. Brian has led a transition in the way that Panel rulings are formatted and presented, with a view to substantially increasing the number of anonymised decisions that will be published on the IBAS website. He is currently producing an updated version of the ‘Guidelines for Adjudication Panel Members’ which will also be published on our website when completed.

In July 2019 we were pleased to welcome Jim Cremen to the IBAS team. The Former Racing Post Greyhound and Betting Industry Editor joined in the newly created role of ‘Submissions Assessor’, whose objective is to quickly identify any disputes or complaints that IBAS cannot deal with and to inform the affected consumer at the earliest opportunity where their complaint might be better directed. The role is also designed to provide more helpful advice to those whose complaints involve gambling harms and to identify any ‘emergency’ betting disputes, where the matter under dispute is due to be resolved in short order and so where a pre-event decision may be substantially more satisfactory to both disputing parties. Jim has provided his reflections on his first six months at IBAS in an article later in this Annual Review.

Also in July 2019 we formally extended the appointment of Angela Barrett, whose administrative work is invaluable to the effective operation of the service. Many of those who telephone the IBAS office will speak first to Angela, who is also responsible for ensuring that all new claims and supporting evidence are collated, recorded and distributed to a member of the case management team.

I would like to extend my gratitude to everyone in the IBAS office, those who sit on the Adjudication Panel and the members of our Board of Directors for working together to deliver a successful and progressive 21st year for this successful service.
How IBAS supports safer gambling

By Elaine Smethurst, IBAS Director and previously Managing Director, Gordon Moody Association

IBAS has been providing alternative dispute resolution (ADR) services to the gambling industry and its customers for 21 years and is by far the largest gambling ADR in the UK.

IBAS is empowered by the Gambling Commission to fulfill its role and works closely with the Commission, reporting on emerging trends and specific issues which need attention. IBAS liaises with industry operators to adjudicate on disputes brought to its attention by gambling customers.

ADR is a low cost and less complex alternative to legal action and most disputes can be resolved by IBAS without customers having to take that costly and stressful next step.

IBAS exists to champion fair play. We call on gambling operators to ensure that they offer fair terms and that the conditions of play are communicated clearly and without ambiguity. Customers have a right to enjoy their gambling as a pleasurable leisure pursuit and to feel secure in the knowledge that the rules are clear and that they will not be cheated. IBAS will intervene at the customer’s request should any dispute remain unresolved.

How IBAS supports safer gambling

Gambling can be fun and is a legitimate form of entertainment which gives pleasure to most of the men and women who visit bookmakers, go to casinos and bingo halls, play poker or slot machines and gamble online. However, gambling can be risky – the risk of losing is counterbalanced by the thrill of awaiting the outcome of the bet and, with luck, the thrill of the win.

In its corporate strategy Making Gambling Fairer and Safer published in 2018 the Gambling Commission states that: “The rates of problem gambling in Britain are not reducing and the impact of gambling-related harm is wide ranging. Greater focus is needed, not just on problem gamblers but also problem gambling – and on the impact of problem gambling on family life, access to public services and costs to the community and the economy. Similarly, a different and more dynamic approach to vulnerability is required which means placing a greater focus on vulnerable people, who due to their personal circumstances are especially susceptible to detriment, particularly where a business is not acting with appropriate levels of care.”

On 25 April 2019 the Gambling Commission launched a new three year strategy to “bring a lasting impact on reducing gambling harms” and moved the language used away from problem gambling (which focused on the gambler) to gambling harms (which focuses on the harms potentially caused by gambling products). The change of emphasis was deliberate and useful as it makes the point that anyone is at risk of gambling harm if appropriate safety nets are not in place.

In championing fair play and clear communication IBAS is in a unique position to identify the gambling transactions which most frequently cause issues for gambling customers and practices which may put people at risk of gambling harm. IBAS can offer advice on measures to support Safer Gambling and highlight to operators and the Commission newly emerging practices which may be cause for concern.

Loss of money is only the first of the list of harms which can be caused by excessive gambling:

Breakdown of relationships with families, children and partners, and friends

Loss of employment, whether individuals become so obsessed by gambling that they can’t focus on work or because they steal from their employer to fund their gambling habit

Physical and mental health issues – anxiety, depression, poor physical health caused by personal neglect such as not eating properly or not sleeping

Criminality – one of the biggest financial costs to society is that many excessive gamblers end up in the criminal justice system because they steal or commit fraud to fund their habit or they damage property out of rage and frustration

Gambling harms can be devastating and far reaching. When people reach the stage where they are severely addicted to gambling and need treatment they have lost almost everything. If they don’t seek treatment they can actually lose everything including their lives – suicide, and thoughts of suicide, amongst addicted gamblers is very high.

Most people gamble for fun and enjoyment. However, some people think of gambling as a way to make money, spend more than they can afford, or use gambling to distract themselves from everyday problems.

Following these tips can help you to gamble more safely.

1. **Don’t think of gambling as a way to make money**
   The venue is using gambling to make money. It’s not designed to work the other way around. Over time you will give away more money than you receive! Think of gambling as an entertainment expense – just like buying a movie ticket.

2. **Only gamble with money you can afford to lose**
   Gamble within your weekly entertainment budget, not with your phone bill or rent budget.

3. **Set a money limit in advance**
   Decide how much you can afford to lose before you go to play. When it’s gone – it’s over! If you win, you’ve been lucky, but don’t be disappointed if your luck doesn’t continue.

4. **Set a time limit in advance**
   It’s easy to lose track of time when you’re gambling. Set a time limit or alarm, and when time’s up – quit! Odds are that the more time you spend gambling, the more money you will lose.

5. **Never chase your losses**
   If you lose your set money limit and then try to win some of it back before you leave, then you haven’t really set a money limit. Chasing your losses will usually just lead to bigger and bigger losses.

6. **Don’t gamble when you’re depressed or upset**
   Decision-making can be more difficult when you’re stressed or emotionally upset. Make sure you only gamble when you’re feeling happy and clear headed.

7. **Balance gambling with other activities**
   When gambling becomes your only form of entertainment, it’s unlikely that you’ll still just gambling for the fun of it, and your gambling may even be a problem. Make sure gambling isn’t your only pastime.

8. **Don’t take your bank card with you**
   This is a good way to safeguard your money limit and not let being “in the moment” warp your judgment.

9. **Take frequent breaks**
   Gambling continuously can cause you to lose track of time and perspective. Step out for some air or a bite to eat at regular intervals.

10. **Don’t drink or use drugs when gambling**
    Drugs and alcohol cloud judgment, and good judgment stands as your main line of defence against letting gambling get out of control.

Source: BeGambleAware website

How to get help

The good news is that a gambler whose gambling is out of control can find help to change their behaviour though he or she must first acknowledge that they want to change. There are self-help tools available such as self-exclusion, blocking software, getting the support of family and friends and attending GA meetings (www.gamblersanonymous.org.uk).

The Gambling Commission regulates the gambling industry and expects companies to adopt terms and conditions which safeguard the consumer from harmful play. Responsible gambling (safer gambling) messages are required to be promoted whenever gambling is made available and gambling operators must provide links on their websites to sources of information and treatment. There are leaflets and posters in bookmakers and casinos.

The key agencies which provide support in the UK are:

BeGambleAware: https://www.begambleaware.org/
National Gambling Helpline: 0808 8020 133
GamCare: https://www.gamcare.org.uk/
Gordon Moody Association: www.gordonmoody.org.uk
National Problem Gambling Clinic: https://www.cmrl.nhs.uk/cmrl-national-problem-gambling-clinic/
In September 2019 a second NHS-based clinic opened in Leeds (https://www. leedsandynorplyft.nhs.uk/our-services/ northern-gambling-service/)

If you are concerned about how gambling is causing harm to you, or to someone you know, more help and information are available from the above organisations.

You are not alone and something can be done. The first step is often the hardest.

IBAS is playing its part by highlighting practices which may encourage risky behaviour and by sharing knowledge on emerging issues with the Gambling Commission, industry trade bodies and gambling support organisations.
### A. Dispute Volumes

<table>
<thead>
<tr>
<th>Dispute Source</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Consumers to Domestic Operators</td>
<td>5,235</td>
<td>5,186</td>
</tr>
<tr>
<td>Domestic Consumers to Overseas Operators</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Overseas Consumers to Domestic Operators: NB – legislation requires that statistical data below relates to domestic disputes only</td>
<td>1,052</td>
<td>1,323</td>
</tr>
</tbody>
</table>

### B. Types of Complaint

<table>
<thead>
<tr>
<th>Dispute Type</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disputed Settlement Criteria / Bet Instructions</td>
<td>1,396</td>
<td>1,554</td>
</tr>
<tr>
<td>Price Dispute</td>
<td>559</td>
<td>661</td>
</tr>
<tr>
<td>Late Bets</td>
<td>241</td>
<td>222</td>
</tr>
<tr>
<td>Customer Identity</td>
<td>774</td>
<td>698</td>
</tr>
<tr>
<td>Bonus or Promotional Offer Terms</td>
<td>512</td>
<td>629</td>
</tr>
<tr>
<td>Cash Out Mechanism</td>
<td>306</td>
<td>233</td>
</tr>
<tr>
<td>Game / Machine Malfunction</td>
<td>252</td>
<td>206</td>
</tr>
<tr>
<td>Alleged Cheating / Match-Fixing / Crime</td>
<td>156</td>
<td>190</td>
</tr>
<tr>
<td>Social Responsibility/Self-Exclusion</td>
<td>714</td>
<td>396</td>
</tr>
<tr>
<td>Banking / Financial Transactions</td>
<td>176</td>
<td>174</td>
</tr>
<tr>
<td>Customer Service Complaints</td>
<td>93</td>
<td>132</td>
</tr>
<tr>
<td>Others</td>
<td>106</td>
<td>91</td>
</tr>
</tbody>
</table>

### C. Disputes Refused by IBAS

<table>
<thead>
<tr>
<th>Grounds for Refusal</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operator’s Complaints Process Not Exhausted</td>
<td>437</td>
<td>172</td>
</tr>
<tr>
<td>Vexatious / Frivolous Dispute</td>
<td>175</td>
<td>144</td>
</tr>
<tr>
<td>Monetary Value Too Low / High</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dispute Outside 12 Month Time Limit</td>
<td>45</td>
<td>10</td>
</tr>
<tr>
<td>Too Complex / Requires Legal / Police Investigation</td>
<td>114</td>
<td>77</td>
</tr>
<tr>
<td>Regulatory Matter (e.g. self-exclusion)</td>
<td>684</td>
<td>431</td>
</tr>
<tr>
<td>Operator Not Registered with IBAS</td>
<td>102</td>
<td>67</td>
</tr>
<tr>
<td>Customer Communication Ceased</td>
<td>465</td>
<td>685</td>
</tr>
<tr>
<td>Operator Licence Revoked / Surrendered</td>
<td>17</td>
<td>5</td>
</tr>
</tbody>
</table>

### D. Dispute Process Discontinuation

<table>
<thead>
<tr>
<th>Grounds for Discontinuation</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical / Procedural Discontinuation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Customer / Operator Communication Ceased</td>
<td>465</td>
<td>685</td>
</tr>
<tr>
<td>Operator Concession or Compromise Agreed</td>
<td>See Section J</td>
<td>See Section J</td>
</tr>
</tbody>
</table>

### E. Average Dispute Completion Times

<table>
<thead>
<tr>
<th>Dispute Completion Time (days)*</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Disputes</td>
<td>51</td>
<td>54</td>
</tr>
<tr>
<td>Cross-Border Disputes (UK citizen to non-UK operator)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

* In accordance with ADR legislation, this is recorded as the time taken from the point at which the dispute file was completed to the point of an adjudication being published. It does not include time taken to gather evidence from both disputing parties.

### F. Average Length of Time to Receive Complete Information from Gambling Businesses

<table>
<thead>
<tr>
<th>Average Length of Time to Receive Complete Information**</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of Compliance</td>
<td>100%</td>
<td>&gt;99%</td>
</tr>
</tbody>
</table>

** This measures the number of days from when the first question or questions were asked of the gambling operator in relation to a complaint we had received, to the time when the case file was deemed to be complete (and ready to be passed to our adjudication panel). The modal period of time in 2018-19 was less than one week, but some cases can take considerable time to obtain all of the necessary information to adjudicate and so the mean is driven up accordingly.

### G. Rate of Compliance with ADR Decisions

<table>
<thead>
<tr>
<th>Rate of Compliance</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ruling In Operator Favour</td>
<td>1,776</td>
<td>1,923</td>
</tr>
<tr>
<td>Consumer-Satisfactory Pre-Ruling Outcome, e.g. by agreed settlement or operator concession</td>
<td>1,058</td>
<td>1,445</td>
</tr>
</tbody>
</table>

### H. Professional Cooperation With Other ADR Entities (None at Present)

IBAS has not formed any network of cooperation with any non-UK EU-based ADR entity.

### I. Dispute Outcome Statistics

<table>
<thead>
<tr>
<th>Dispute Outcome Statistics</th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Responsibility</td>
<td>362</td>
<td>227</td>
</tr>
</tbody>
</table>

Notes on Statistical Report

**Social Responsibility**

The 2018-19 year saw a marked increase in the number of consumers approaching IBAS with claims that related to alleged failures of gambling operators to adhere to the Gambling Commission’s Social Responsibility Licence Conditions.

The ADR arrangements in the gambling sector are that any complaint about an alleged breach of licence conditions is referred to the Gambling Commission as a regulatory complaint. However, despite efforts to communicate this approach to consumers, more than ever – perhaps fuelled by media interest and political debate – have contacted to ask whether IBAS will consider their claim.

We remain concerned that the current system can leave consumers without a formal conclusion to their complaint – a generally unsatisfactory situation – and we plan to discuss this further with the Gambling Commission and other interested parties in the near future.

Continued overleaf.
Bonus Offer Disputes

While we continue to receive dispute adjudication requests relating to bonus and free bet offers, the publication in 2018 of clear minimum standards by the Gambling Commission and CMA has seen the volume of complaints fall for a second consecutive year, indicating that these offers are generally promoted more clearly and better understood by consumers.

Cash Out

The number of complaints from consumers relating to their inability to ‘cash out’ (or ‘cash in’) a bet increased in 2018-19 and we anticipate it rising further next year.

These complaints are extremely rarely upheld. They are typically based on a view that a consumer believes that because a sports betting website has offered mid-event cash-out offers in the past, their failure to do so on a particular occasion should either make the original bet null and void or should result in a retrospective offer being made in a situation where the consumer argues that they would have taken a cash out offer if one had been available.

However, the poor success rate of consumers in this area should not indicate that the industry has no room for improvement. We believe that as the cash out product grows in popularity, the emphasis on betting operators to show greater empathy to consumers when their system fails is all the greater. We also continue to believe that more could be done to educate consumers more about the principles of cashing out an open bet.

Non-Exhaustion of Operator Complaint Processes

These statistics indicate that about 8.7% of all betting and gaming disputes we are asked to consider reach us before the consumer has fully exhausted the company’s internal complaints procedure. We estimate the true figure to be between 25% and 30% of all disputes. However, where we refer a consumer back to the company to complete the process and where that dispute is then properly escalated to IBAS for a second time, the dispute is reclassified and the statistic recorded in this report is reduced accordingly.

Many of the premature complaints that we receive are the result of a consumer simply moving to ADR too quickly rather than addressing the matter addressed at the earliest opportunity.

We do believe that some of the responsibility rests with some gambling operators. We believe that while some complaints processes are clear and transparent, in other cases it is far from clear that there is a formal process to be officially completed before ADR should be contacted.

In the course of reviewing dispute files, we see numerous emails between consumers and operators’ customer service agents where there is no indication of what their customer should do if he or she remains dissatisfied with the situation after reading that company’s response. When the operator points out that their customer has contacted us before they were issued with a ‘deadlock’ letter, we will sometimes be left asking how that customer could possibly have known that they needed to receive one.

Some operator complaints processes have improved immeasurably since new relevant additions were made to the Gambling Commission’s Licence Conditions and Codes of Practice (LCCP) but others could do considerably more to help consumers understand when the time is appropriate to ask a service like IBAS for assistance.

Links Between Categories

On a similar theme to above, we acknowledge that there is a potential relationship within these statistics between the following categories:

a) “Dispute Refused because Operator’s Complaints Process Not Exhausted”

b) “Dispute Discontinued because Customer Communication Ceased”

c) “Consumer Satisfactory Pre-Ruling Outcome”

We suspect that many of those logged as b) could probably have also been logged as a). We see quite a strong correlation between disputes that fall into category b) and disputes concerning non-payment of winnings by the company on, e.g. grounds of concern about the consumer’s identity. In such cases we do not log those cases as having been settled by the operator although we suspect it is likely that most have been resolved.

Similarly, we recognise that many of the disputes resolved in accordance with c) were so because the dispute had not been fully or properly considered by the company until IBAS became involved. This may reflect a failing on the company’s part in dealing with a complaint that they should have addressed earlier or more thoroughly. It might also indicate impatience on the consumer’s part to have the matter considered by ADR and as a result a failure to adhere to the complaints process that they should have.

Small Reduction in Consumer-Satisfactory Outcomes

In 2017-18, 46.5% of conclusions reached by IBAS resulted in the consumer receiving an outcome that they either initially wanted or later accepted. The same was true for 44.4% of conclusions reached in 2018-19. We attribute this slight reduction to the gambling industry taking further steps in response to regulatory and customer feedback to handle complaints reasonably. It is clear that gambling operators are keen to avoid receiving an adverse IBAS ruling and will generally decide that a settlement or goodwill gesture should be offered to the consumer if they believe that the tone of ADR correspondence indicates that IBAS seems to be favouring the consumer’s position.

We note that sometimes offers that are made to resolve customer complaints can be the cause of further, future disputes, i.e. “You paid me out in this situation last time, why won’t you do it again now?” However, we welcome all offers to resolve disputes amicably and so we would never discourage their being made.

Eye-catching cases

IBAS considered almost 50 disputes concerning bets on the name that Theresa May ceased to be leader of the Conservative Party. Confusion was caused by whether she remained part leader between the date of her resignation and the election of a successor.
Financial Statements 2018
Year ended 31 December 2018

Independent Betting Adjudication Service Limited
A Private Company Limited by Guarantee
Officer and Professional Advisers
The board of directors
R Hayler
A G C Chevis
D M Bradshaw
A Fraser
E Smethurst
M N Parkes
Company secretary
London Registrars Ltd

Registered office
Independent Betting Adjudication Service Limited
Suite A
6 Honduras Street
London
EC1Y 0TH

Auditor
Edmund Carr LLP
Chartered Accountants & Statutory Auditor
146 New London Road
Chelmsford
Essex
CM2 0AW

Statement of Comprehensive Income

<table>
<thead>
<tr>
<th>Note</th>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
<td>2017</td>
</tr>
<tr>
<td>Turnover</td>
<td>931,903</td>
<td>909,450</td>
<td>909,450</td>
</tr>
<tr>
<td>Gross profit</td>
<td>931,903</td>
<td>909,450</td>
<td>909,450</td>
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<tr>
<td>Administrative expenses</td>
<td>847,896</td>
<td>800,241</td>
<td>800,241</td>
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<tr>
<td>Operating profit</td>
<td>84,007</td>
<td>109,209</td>
<td>109,209</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>84,007</td>
<td>109,209</td>
<td>109,209</td>
</tr>
<tr>
<td>Tax on profit/(loss)</td>
<td>16,139</td>
<td>21,715</td>
<td>21,715</td>
</tr>
<tr>
<td>Profit for the financial year and total comprehensive income</td>
<td>67,868</td>
<td>87,494</td>
<td>87,494</td>
</tr>
<tr>
<td>Retained earnings at the start of the year</td>
<td>229,103</td>
<td>141,609</td>
<td>141,609</td>
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<tr>
<td>Retained earnings at the end of the year</td>
<td>296,971</td>
<td>229,103</td>
<td>229,103</td>
</tr>
</tbody>
</table>

All the activities of the company are from continuing operations.

Statement of Financial Position

<table>
<thead>
<tr>
<th>Year ended 31 December 2018</th>
<th>Year ended 31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>£</td>
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<tr>
<td>Tangible assets</td>
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<tr>
<td>Current assets</td>
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<tr>
<td>Debtors</td>
<td>7</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
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<tr>
<td></td>
<td>413,086</td>
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<tr>
<td>Creditors: amounts falling due within one year</td>
<td>8</td>
</tr>
<tr>
<td>Net current assets</td>
<td></td>
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<tr>
<td>Total assets less current liabilities</td>
<td></td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
</tr>
<tr>
<td>Capital and reserves</td>
<td></td>
</tr>
<tr>
<td>Profit and loss account</td>
<td></td>
</tr>
<tr>
<td>Members funds</td>
<td></td>
</tr>
</tbody>
</table>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies’ regime and in accordance with FRS 102: ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’.

These financial statements were approved by the board of directors and authorised for issue on 11 June 2019, and are signed on behalf of the board by:

A Fraser
Director
Company registration number: 04826792
INDEPENDENT ADJUDICATION:

ATHLETICS
BINGO
BOXING
CASINO GAMES
CRICKET
CYCLING
DARTS
ESPORTS
EXCHANGE BETTING
FOOTBALL
GAMING MACHINES
GOLF
GREYHOUND RACING
HORSE RACING
LOTTERIES
MOTOR RACING
NOVELTY BETTING
NUMBERS BETTING
ON-COURSE BETTING
POOL BETTING
RUGBY
SNOOKER
TENNIS
US SPORTS
VIRTUAL SPORTS