

## Comparative Annual Statistical Reporting 2018-2020

Reporting Periods: 1 October 2019 – 30 September 2020 vs. 1 October 2018 – 30 September 2019

### Independent Betting Adjudication Service (IBAS)

#### a. Dispute Volumes

Dispute Source	2019-20	2018-19
Domestic Consumers to Domestic Operators	<b>4,475</b>	5,235
Domestic Consumers to Overseas Operators	<b>0</b>	0
<i>Overseas Consumers to Domestic Operators: NB - legislation requires that statistical data below relates to domestic disputes</i>	<b>1,198</b>	1,052

Any company licensed in the UK is classified as a 'domestic operator' for this purpose.

Dispute Status	2019-20	2018-19
Completed	<b>2,511</b> <b>(56%)</b>	3,196 (61%)
Rejected/Discontinued Without Conclusion	<b>1,964</b> <b>(44%)</b>	2,039 (39%)

#### b. Types of Complaint

Dispute Type	2019-20	2018-19
Disputed Settlement Criteria/Bet Instructions	<b>1,048</b>	1,396
Price Dispute	<b>341</b>	559
Late Bets	<b>165</b>	241
Customer Identity	<b>945</b>	774
Bonus or Promotional Offer Terms	<b>368</b>	512
Cash Out Mechanism	<b>128</b>	306
Game/Machine Malfunction	<b>110</b>	202
Alleged Cheating/Match-Fixing/Crime	<b>93</b>	156
Social Responsibility/Self-Exclusion	<b>752</b>	714
Banking/Financial Transactions	<b>300</b>	176
Customer Service Complaints	<b>124</b>	93
Others	<b>101</b>	106

#### c. Disputes Rejected by IBAS

Grounds for Rejection	2019-20	2018-19
Operator's Complaints Process Not Exhausted	<b>604</b>	437
Vexatious/Frivolous Dispute	<b>209</b>	175
Monetary Value Too Low/High	<b>0</b>	0
Dispute Outside 12 Month Time Limit	<b>33</b>	45
Too Complex/Requires Legal/Police Investigation	<b>79</b>	114
Regulatory Matter (e.g. self-exclusion)	<b>653</b>	684
Operator Not Registered with IBAS	<b>54</b>	102
Customer Communication Ceased	<b>315</b>	465
Operator Licence Revoked/Surrendered	<b>17</b>	17

d. Dispute Process Discontinuation

Grounds for Discontinuation (with or without conclusion)	2019-20	2018-19
Technical/Procedural Discontinuation	0	0
Customer/Operator Communication Ceased	315	465
Operator Concession or Compromise Agreed	853	1,058

e. Average Dispute Completion Times

Dispute Completion Time (days)*	2019-20	2018-19
Domestic Disputes	45 days	51 days
Cross-Border Disputes (UK citizen to non-UK operator)	N/A	N/A

\* 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

Average Length of Time to Receive Complete Information**	2019-20	2018-19
	29 days	27 days

\*\* This measures the number of days from when the first question or questions were asked of the gambling business 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). As in previous years, we found that we received the information that we need within ten days for the majority of cases. Some businesses struggled to maintain usual customer service and complaint handling capacities during the early phases of the global Covid-19 pandemic, which resulted in a small minority of disputes being subject to significant delay. However, IBAS maintained a fully interactive service throughout with all staff working remotely for significant periods, resulting in a positively comparable response time despite a logistically difficult year.

g. Rate of Compliance with ADR Decisions

Rate of Compliance	2019-20	2018-19
	>99%	100%

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

There are no current cooperating arrangements in place with non-UK EU-based ADR entities

i. Dispute Outcome Statistics

Dispute Conclusions	2019-20	2018-19
Consumer Complaint Not Upheld	1,350	1,776
Consumer-Satisfactory Pre-Ruling Outcome, e.g. by agreed settlement or operator concession	853	1,058
Consumer Complaint Upheld	308	362

## Notes on Statistical Report

### 2019-20 Trends

#### Growth in Complaints Concerning Customer Identity – The Welcome Bonus Effect

The volume of complaints on this subject has risen steadily in recent years, but rose again in 2019-20. It seems to IBAS to represent a coming together of two key factors – a growth in the number of accounts being operated by third parties and increased efforts by businesses to tackle the issue.

Although we do not currently have the resources to conduct a full and thorough investigation, there are patterns of complaints observed by our Case Managers and Submissions Assessors which indicate IBAS is receiving ever more complaints from groups or syndicates which gather identity profiles of consumers in order to open accounts and obtain multiple ‘welcome bonuses’, from online casinos and betting websites.

Although we recognise that this type of offer is enjoyed by a large number of consumers, we remain of the view that it would be preferable for casinos and betting websites to offer different types of bonus schemes that reward player loyalty (without encouraging excessive gambling) or to compete using innovative games, products or betting markets instead of offering up front free credit on the back of minimal KYC information. If welcome bonus offers were prohibited we believe that there would be a significant reduction in the number of complaints and disputes.

Aside from dissuading the almost industrial opening of new accounts and the complaints that are generated from those accounts, it should also mean that fewer other customers were caught up in what can be an excessive and time-consuming ID checking process developed by businesses to identify those they believe are registering using falsified details or details which are not their own. An [article on our website](#) touches on the apparent alternative to reduce belated ID checking – making consumers register or obtain some form of licence to gamble.

#### Delayed Withdrawals

Our submissions assessment team have noted that over half of the disputes which are discontinued by the consumer before the formal ADR process begins, involve situations where a gambling business has delayed payment of funds while identity or other checks are completed.

This indicates that:

- delays to withdrawals remain an understandable issue of concern to consumers
- consumers believe that conducting identity checks only when a withdrawal is requested is unreasonable
- a meaningful number of gambling businesses believe that they are entitled to be making these checks, despite Gambling Commission requirements to avoid delaying checks that could have been conducted at an earlier stage
- typically these issues are resolved before the formal ADR process begins
- a significant number of consumers appear unaware that complaints about gambling businesses need to exhaust the business’s internal complaints process before proceeding to ADR

#### Efforts to Promote Deadlock References

We have found that the introduction of ‘deadlock’ letters/emails by certain gambling businesses – communications explaining when the internal complaints process of a business has been exhausted – have been largely effective where introduced.

However, more can and should be done to explain to consumers that where they have a complaint, ADR should not be the very first port of call. Almost 20% of all requests for ADR were either rejected or cancelled by the consumer because there was evidence that the complaint had not yet been dealt with by the business.

Additionally, many hundreds more complaints that did enter the formal ADR process were initially referred back to the business for the same reason and then only entered the ADR process when it was clear that the complaint had – subsequently – been considered and rejected by the business.

We would like to see businesses conclude any communication with a customer about a complaint or dispute – by email, live chat, over the phone or in person – with an explanation of the next step(s) if they remain dissatisfied.

### Social Responsibility

These published statistics only cover formal requests for adjudication, where the complainant completes a Claim Form on the IBAS website or posts a signed form to the IBAS office. **Some 500-1000 informal requests for assistance regarding unaffordable gambling were received by telephone and email in addition to this during the reporting period.**

Enquiries peaked with increased media interest in June/July, when parliamentary groups and committees published several reports calling for more to be done to protect consumers and – more significantly – to offer redress in situations where businesses had fallen short of required standards.

New regulatory measures introduced in April 2020 also prompted increased enquiries, in particular about gambling from electronic wallets funded by credit cards and gambling funded by reversing previously requested withdrawals, practices prohibited for UK-licensed businesses by the Gambling Commission.

It is clear that consumers are increasingly well-informed about regulatory and parliamentary comment on the subject. Consumers frequently quote individuals or reports which believe that the shortcomings of a gambling business should mean they are entitled to some form of financial redress.

To date, we have seen no indication in either regulation or case law that supports refunding gambling losses to a consumer on the basis of a company's failure to treat the consumer with due responsibility and concern for their level of spend. However, we are aware that in some cases gambling businesses have offered discretionary payments to certain customers who have complained on this basis. We believe that this is indicative – at least – of the scope for sector-wide standards to be set against which businesses can be measured and decisions about potential redress can be taken.

Complaints that a gambling business has acted irresponsibly are currently referred to the Gambling Commission, but this process does not allow for individual consideration and case specific conclusions to be public. This causes understandable disappointment and dissatisfaction from affected consumers.

We believe that this situation can be improved and we would like to play a role in improving it. The Department for Digital, Culture Media and Sport (DCMS) is currently consulting on this subject and we will contribute to the review of gambling legislation with suggestions for how IBAS could apply our experience and understanding of the sector – consumers and businesses – to consider and address more of these complaints, rather than referring affected consumers to a complaints process dead end.