

Comparative Annual Statistical Reporting 2020/21 and 2021/22

Reporting Periods: 1 October 2020 – 30 September 2021 vs. 1 October 2021 – 30 September 2022

Independent Betting Adjudication Service (IBAS)

a. Dispute Volumes

Dispute Source	2020-21	2021-22
Domestic Consumers to Domestic Operators	4,840	3,826
Domestic Consumers to Overseas Operators	0	0
<i>Overseas Consumers to Domestic Operators: NB - legislation requires that statistical data below relates to domestic disputes</i>	1,155	574

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

Dispute Status	2020-21	2021-22
Completed	2,303 (48%)	1,694 (45%)
Rejected/Discontinued Without Conclusion	2,537 (52%)	2,112 (55%)

b. Types of Complaint

Dispute Type	2020-21	2021-22
Disputed Settlement Criteria/Bet Instructions	846	798
Price Dispute	268	149
Late Bets	44	139
Customer Identity	1,706	1,068
Bonus or Promotional Offer Terms	329	208
Cash Out Mechanism	88	36
Game/Machine Malfunction	42	112
Alleged Cheating/Match-Fixing/Crime	65	117
Social Responsibility/Self-Exclusion	702	859
Banking/Financial Transactions	341	192
Customer Service Complaints	272	74
Others	137	54

c. Disputes Rejected by IBAS

Grounds for Rejection	2020-21	2021-22
Operator's Complaints Process Not Exhausted	1,752	1,011
Vexatious/Frivolous Dispute	71	117
Monetary Value Too Low/High	0	0
Dispute Outside 12 Month Time Limit	5	23
Too Complex/Requires Legal/Police Investigation	17	39
Regulatory Matter (e.g. self-exclusion)	532	539
Operator Not Registered with IBAS	64	104
Customer Communication Ceased	60	279
Operator Licence Revoked/Surrendered*	36	0

*During 2021/22, in each case that an operator surrendered their licence, we were able to reach a satisfactory arrangement with the operator to manage any remaining customer disputes

d. Dispute Process Discontinuation

Grounds for Discontinuation (with or without conclusion)	2020-21	2021-22
Technical/Procedural Discontinuation	0	0
Customer/Operator Communication Ceased	60	279
Operator Concession or Compromise Agreed (Known)	820	715

e. Average Dispute Completion Times

Dispute Completion Time (days)**	2020-21	2021-22
Domestic Disputes	31 days	21 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***	2020-21	2021-22
	15 days	12 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).

g. Rate of Compliance with ADR Decisions in Consumer's Favour

Rate of Compliance	2020-21	2021-22
	92%	97%****

**** Details of the disputes in question were supplied to the Gambling Commission earlier in the reporting year. The business in question disputes whether IBAS was acting outside of its remit in adjudicating on certain types of complaint.

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	2020-21	2021-22
Consumer Complaint Not Upheld	1,276	873
Consumer-Satisfactory Pre-Ruling Outcome, e.g. by agreed settlement or operator concession	820	715
Consumer Complaint Upheld By Written Decision	207	106
% Consumers Receiving ADR Outcome to Satisfaction	45%	48%

Observations on Dispute Trends to Report to the Competent Authority

Issues Raised in 2020/21 - Updates

Gambling when Self-Excluded

Our concerns reported in [last year's Annual Statistical Report](#) remain. We do not condone the practice of providing false personal details when attempting to open new online betting accounts and we recognise that there will be a division in the cases we consider between those who are genuinely struggling to control a gambling addiction and those who see the self-exclusion system as an opportunity to gamble risk-free, strategically, with the safety net of an argument for refunds of any future losses they sustain.

However, we still believe that the number of people who claim to be able to have gambled while self-excluded points to vulnerabilities in the systems used by many operators (though not all) to verify account holders at the point new accounts are opened. In some operators there seems to be a greater emphasis on avoiding false positives than on making sure that all realistic checks are conducted to prevent self-excluded people from gambling. The Gambling Commission requires that anyone seeking to open a new online account has their name, address and date of birth verified. Again, while not condoning the act of providing false personal information, if someone is able to open an account and gamble by supplying an inaccurate spelling of their name or a mistyped date of birth, that individual cannot have been verified. They may have been part-verified, but that would seem to us not in the spirit of the regulations. We recommend that operators are provided with clear information about what the new account/customer verification process is required to establish. A more rigorous verification process not only helps reduce the number of disputes and complaints but better helps to protect potentially vulnerable people.

We also remain concerned about the variety of practice within the industry for dealing with situations where self-excluded customers of online businesses are able to open new accounts and gamble. We are aware that different operators rely on several different approaches:

- Allowing bets to stand, which is perhaps contractually correct and arguably fairest, but which fails to recognise the significant moral difficulty of allowing a self-excluded person to place and potentially benefit from further bets.
- Cancelling all bets and refunding deposits, which has been the IBAS Panel's preferred approach. It is theoretically the right balance of safety and fairness but we recognise that it potentially encourages some people to 'try their luck' and operators argue that they have seen examples of people receiving winnings and then latterly revealing their true identities and requesting refunds.
- Confiscating all deposits and winnings and donating them to charities which support those affected by gambling disorder. This is an approach that provides an effective deterrent to attempt to gamble in a way that doesn't benefit the business either, but it is a blunt instrument which results in a position where an individual can lose money from gambling but cannot win.
- Confiscating deposits and/or winnings and retaining them, e.g. to offset the costs incurred in conducting identity checks.

We are concerned in particular about the unfairness of the final approach, where a business financially benefits from allowing a self-excluded person to gamble. We are also concerned that some businesses have terms which are ambiguous in which they reserve the right to take one of a number of approaches depending on the circumstances of the situation. We acknowledge that such terms are not always applied unfairly, but they have the potential to be. Guidelines provided by the Gambling Commission on promotions and offers prohibit the use of terms which grant full discretion to the operator, and we believe that the same caution should be applied here.

Technical Faults – Warning Consumers

We have received very few disputes about cash out offers in 2021/22 and those we have received seem not to concern technical failures. We welcome any work undertaken by gambling businesses to either guard against the loss of the cash out service or – more importantly – to warn their customers when the service is unavailable more effectively.

Those complaints we have received relating to ‘cash out’ offers have largely concerned the opening of betting markets after a goal has been scored in football and before it has been established whether the goal has been confirmed by VAR. We have seen examples where betting operators have said “any cash out offer made on the strength of our belief that a goal has been scored stands on that basis”, and examples where other operators have said, “we have cancelled or corrected cash out offers on the basis that they were made on the mistaken belief that a legitimate goal has been scored.”

Neither of these conflicting approaches seems to us unfair as long as it is applied consistently, but it would be helpful for operators to appreciate that different approaches exist and to make as clear as possible which policy their company follows.

Sporting Statistical Betting

As at the end of 2020/21, we remain concerned about the lack of a mechanism for consumers to contact the providers of statistical data to challenge decisions that they reasonably believe to be mistaken.

Disputes received during 2021/22 have also highlighted the complications that can be caused by statistical providers issuing corrections to data after an event has finished. We have provided advice to betting operators to use their betting rules to stipulate a cut-off point after which corrections will not be taken into account similar to the way that horse racing results are confirmed *for betting purposes* at the ‘weigh in’.

Customer Identity Disputes

Our [Annual Statistical Report in 2020/21](#) highlighted the growth in disputes of this nature and we concluded:

“We believe that the growth in volumes of complaints about customer identity justifies an investigation into the cause.”

That remains our position and recommendation. We recognise that there can be many valid reasons for operators to delay withdrawals, including where there are legitimate concerns about potential criminality. However, the spike in cases in the past two years indicates that changes in operating practice are at least a factor.

Additional Observations for 2021/22

Clearer Understanding of Complaints Processes

The reduction in the volume of complaints received, combined with a significant reduction in the number of requests for ADR refused because a company’s complaints process was not yet exhausted, indicate a growing familiarity among gambling consumers with the requirement to only contact ADR when they have completed the company’s complaints process.

Issues Reported to the Gambling Commission During the Course of Year 2021/22

During the course of the year, we have contacted the Gambling Commission to report a number of issues or disputes relating to the themes outline above. Additionally, we have made contact with the Commission for a number of reasons such as to:

- Explore the extent of the remit of ADR in dealing with cases that involve consumers gambling while self-excluded and to seek clarification about whether the Commission has a preferred approach or explicitly prohibits any particular approach to dealing with these cases.
- Seek advice on what happens or should happen if a jackpot prize is won by someone who is later identified as having breached the rules or terms of the website? Is the jackpot prize reinstated for someone else to win or should the business do something else with the money?
- Report increased numbers (in the 'dozens') of apparently UK based consumers contacting IBAS for assistance about disputes they have with businesses unlicensed in the UK and based in other jurisdictions such as Curacao.
- Report receipt of a claim from a consumer concerning a product that seemed clearly targeted at children.
- Establish whether the Commission's guidelines on the use of credit betting impact on customers who pay for online gambling at specialist casinos through their mobile phone contract.
- Seek advice on whether ADR is expected to adjudicate on certain types of dispute that we think justify police involvement.
- Participate in the consultation on Licensing and Compliance Policy.
- Share several examples of where consumers have claimed to have been allowed to gamble significant sums of money without sufficient checks being conducted.
- Seek advice on a fair approach for dealing with other individual dispute-specific situations.

We would welcome the re-introduction of meetings between the Commission and its approved ADR providers which were suspended at the UK outbreak of the Covid-19 pandemic.