

## **Comparative Annual Statistical Reporting 2017-2019**

Reporting Periods: 1 October 2018 – 30 September 2019 vs. 1 October 2017 – 30 September 2018

### **Independent Betting Adjudication Service (IBAS)**

#### a. Dispute Volumes

Dispute Source	2018-19	2017-18
Domestic Consumers to Domestic Operators	<b>5235</b>	5186
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 only</i>	<b>1052</b>	1323

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

Dispute Status	2018-19	2017-18
Completed	<b>3196</b>	3595
Refused/Discontinued	<b>2039</b>	1591

#### b. Types of Complaint

Dispute Type	2018-19	2017-18
Disputed Settlement Criteria/Bet Instructions	<b>1396</b>	1554
Price Dispute	<b>559</b>	661
Late Bets	<b>241</b>	222
Customer Identity	<b>774</b>	698
Bonus or Promotional Offer Terms	<b>512</b>	629
Cash Out Mechanism	<b>306</b>	233
Game/Machine Malfunction	<b>202</b>	206
Alleged Cheating/Match-Fixing/Crime	<b>156</b>	190
Social Responsibility/Self-Exclusion	<b>714</b>	396
Banking/Financial Transactions	<b>176</b>	174
Customer Service Complaints	<b>93</b>	132
Others	<b>106</b>	91

#### c. Disputes Refused by IBAS

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

d. Dispute Process Discontinuation

Grounds for Discontinuation	2018-19	2017-18
Technical/Procedural Discontinuation	0	0
Customer/Operator Communication Ceased	465	685
Operator Concession or Compromise Agreed	See Section j	See Section j

e. Average Dispute Completion Times

Dispute Completion Time (days)*	2018-19	2017-18
Domestic Disputes	51	54
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**	2018-19	2017-18
	27 days	Not measured

\*\* 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

Rate of Compliance	2018-19	2017-18
	100%	>99%

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

Dispute Conclusions	2018-19	2017-18
Ruling In Operator Favour	1,776	1,923
Consumer-Satisfactory Pre-Ruling Outcome, e.g. by agreed settlement or operator concession	1,058	1,445
Ruling in Consumer Favour	362	227

## **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.

### **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 8.3% 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 in their eagerness to have the matter addressed at the earliest opportunity.

However, 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.