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Press release

Gambling sector told to raise its game after CMA action

Following a CMA investigation, gambling firms must now stop unfair online promotions that trap players' money.

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Competition and Markets Authority (<https://www.gov.uk/government/organisations/competition-and-markets-authority>)



As part of a major overhaul of how the gambling industry operates online, three leading operators - Ladbrokes, William Hill, and PT Entertainment - have formally committed to change the way they offer bonus promotions to ensure players can always access and release their own money.

These landmark changes must now be adopted across the sector. Firms not doing so will face regulatory action from the Gambling Commission. The Competition and Markets Authority (CMA) and the Gambling Commission have been working in collaboration to improve conditions for players gambling online.

The changes come in response to an investigation by the CMA to make sure the sector was not breaking consumer protection law, and mean players can be sure they can withdraw their own money when they play as part of a bonus promotion.

The firms involved have also agreed to be more upfront and clear in the terms and conditions of their bonus promotions. In particular, the changes mean:

- Players won't be required to play multiple times before they can withdraw their own money
- Gambling firms must ensure that any restrictions on gameplay are made clear to players, and cannot rely on vague terms to confiscate players' money
- Gambling firms must not oblige players to take part in publicity

The promotions under particular scrutiny are designed to attract players onto casino-like gaming websites by offering bonus funds when players put in their own money. The CMA found that certain terms in these promotions were likely to be 'unfair', in breach of consumer protection law, and could mislead consumers.

There was particular concern people could be made to play for longer than they had bargained for before being able to withdraw their own money.

These problems were found to be common across the £4.7 billion online gambling sector and in October 2016 the [CMA](#) launched an investigation, in collaboration with the Gambling Commission, to tackle the shared concern around transparency and fairness.

The Gambling Commission has made clear that firms across the whole sector must promptly adopt similar changes to address the concerns identified.

George Lusty, Project Director, said:

Gambling always carries a risk, but players should never face unfair restrictions that prevent them from getting at their money. Firms mustn't stack the odds against players, by putting unfair obstacles in their way, or making it difficult for them to stop gambling when they want to.

The [CMA](#) is here to make sure businesses' terms and practices are fair for their customers. We welcome the commitment from these leading firms to address the problems our investigation uncovered, by making important changes to their terms and conditions.

We now expect others to follow, and look forward to the Gambling Commission's continued work to make sure all operators in this sector play fair with their customers' money.

Gambling Commission Executive Director, Sarah Gardner, said:

We back the action taken by the [CMA](#) today. Gambling firms must treat their customers fairly and not attach unreasonable terms and conditions to their promotions and offers.

We expect all Gambling Commission licensed businesses to immediately review the promotions and sign up deals they offer customers and take whatever steps they need to take, to the same timescales agreed by the three operators, to ensure they comply.

Operators should be very aware that we will continue to work closely with the [CMA](#) to ensure customers are getting a fair deal across the gambling industry.

Further enforcement activity by the [CMA](#) in the sector is ongoing. The [CMA](#) will continue to look at obstacles facing customers trying to withdraw their money after gambling online – whether as part of a promotion or not.

This includes considering terms that force players to withdraw prize money in small instalments over a long period of time, and terms which allow firms to confiscate funds if they haven't been played with for a few months.

Notes for editors

1. The key pieces of consumer protection legislation relevant to the [CMA](#)'s investigation are the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and Part 2 of the Consumer Rights Act 2015 (CRA). The CPRs prohibit certain unfair commercial practices – in particular misleading acts or omissions, but also behaviour that is contrary to the requirements of professional diligence. Amongst other things, the CRA prohibits unfair contract terms in consumer contracts and requires that terms be transparent.
2. The [CMA](#) opened an investigation (<https://assets.publishing.service.gov.uk/media/594bccc7ed915d0baa000031/online-gambling-consumer-enforcement-case-information.pdf>) into the gambling sector's compliance with consumer protection law in October 2016 after hearing about a range of concerns that suggested some operators were not treating their customers fairly. This investigation heard from over 1,000 customers with concerns about a large

- number of different gambling firms, required companies to answer questions about how they operate, closely examined the advertising and terms on a range of websites, and asked companies to give it demonstrations of the consumer journey and consumer play on their sites.
3. This investigation led to [CMA](#) announcing in June 2017 that it had opened cases against a (<https://www.gov.uk/government/news/cma-launches-enforcement-action-against-gambling-firms>) number of operators and a new line of enquiry to look further into obstacles that people face when they try to withdraw their money after depositing funds and gaming or betting online (whether as part of a promotion or not).
 4. The [CMA](#) is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For [CMA](#) updates, follow us on Twitter [@CMAgovuk](https://twitter.com/CMAgovUK) (<https://twitter.com/CMAgovUK>), Facebook (<https://www.facebook.com/CMAgovUK/?fref=ts>), Flickr (<http://www.flickr.com/photos/cma-gov-uk/>) and LinkedIn (<https://www.linkedin.com/company/3352301?trk=tyah&trkInfo=tas%3ACompetition%20and%20Markets%20Authority>).
 5. As a result of these cases, three operators have provided undertakings (<https://www.gov.uk/cma-cases/online-gambling?cachebust=1517389428>) to the [CMA](#). They are Ladbrokes Betting & Gaming Limited, trading as Ladbrokes ("Ladbrokes"), WHG (International) Ltd, trading as William Hill ("William Hill"), and PT Entertainment Services Limited, trading as titanbet.co.uk and winner.co.uk ("PT Entertainment").
 6. The provision of these formal commitments ('undertakings') by the three operators is not an admission of a breach of the law. Nor does the [CMA](#)'s view amount to a binding ruling - ultimately only a court can rule that a particular term or practice infringes the law.
 7. The [CMA](#) acknowledges the co-operation and positive engagement of these operators throughout the investigation, and welcomes their constructive approach.
 8. The Gambling Commission regulates gambling in Great Britain in partnership with licensing authorities. It also regulates the National Lottery. Its regulations are aimed at ensuring gambling is crime-free, fair and open and children and other vulnerable people are protected. It advises central and local government on the impact of gambling and its regulation. It holds operators to account; it ensures operators meet licensing standards and takes action against those that don't. It ensures that National Lottery returns to good causes are maximised.
 9. The Gambling Commission reports that in 2016 the online gambling sector was worth £4.7 billion (Gross Gambling Yield) and accounted for 34% of all gambling. It also reports that there are over 28 million active accounts for licensed facilities in Great Britain and that just over 9 million people had gambled online in the 4 weeks up to 30 September 2017.
 10. The [CMA](#) has produced a '60-second summary' (<https://www.gov.uk/government/publications/online-gambling-promotions-advice-for-gamblers>) to help all gambling operators review their practices and ensure their terms and conditions are in line with consumer protection law. It has also produced 'advice for gamblers' (<https://www.gov.uk/government/publications/online-gambling-promotions-dos-and-donts>) and a short video guide (<http://bit.ly/2GysZWg>) for consumers.
 11. If you are a member of the public with a query please email general.enquiries@cma.gsi.gov.uk or call 02037376000.
 12. Media enquiries to the [CMA](#) should be directed to press@cma.gsi.gov.uk or 020 3738 6798. Media enquiries to the Gambling Commission should be directed to Nikita Jan njan@gamblingcommission.gov.uk or 0121 230 6700.

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