

Press release: CMA launches enforcement action against gambling firms

As it steps up its investigation of the £4.5 billion sector, the Competition and Markets Authority (CMA) is acting because it believes people aren't getting the deal they expect from sign-up promotions and operators are unfairly holding on to people's money.

This follows a joint programme of work between the Gambling Commission and the CMA to tackle a shared concern about whether people are being treated fairly by online gambling operators.

Sign-up promotions are designed to attract players onto casino-like gaming websites by offering bonus cash when they put in their own money. However, the CMA is concerned that people often don't get the deal they are expecting as the promotions come with an array of terms and conditions that are often confusing and unclear and, in some cases, may be unfair.

Customers might have to play hundreds of times before they are allowed to withdraw any money, so they don't have the choice to quit while they're ahead and walk away with their winnings when they want to.

Even when players haven't signed up for a promotion, there are concerns that some operators are stopping customers taking money out of their accounts. The CMA has been told by customers that some firms have minimum withdrawal amounts far bigger than the original deposit, or place hurdles in the way of them withdrawing their money.

Nisha Arora, CMA Senior Director for Consumer Enforcement, said:

We know online gambling is always going to be risky, but firms must also play fair. People should get the deal they're expecting if they sign up to a promotion, and be able to walk away with their money when they want to.

Sadly, we have heard this isn't always the case. New customers are being enticed by tempting promotions only to find the dice are loaded against them. And players can find a whole host of hurdles in their way when they want to withdraw their money.

That's why we are today launching enforcement action where we think the law has been broken. We are also asking people who have had difficulties withdrawing their money when they've gambled online to tell us about it, and help probe this issue even further.

Gambling Commission Chief Executive, Sarah Harrison, added:

Gambling operators must treat customers fairly – but some have been relying on terms that are unclear with too many strings attached.

Whilst the CMA takes enforcement action on how consumer legislation is followed, the gambling industry should be under no illusion that if they don't comply with consumer law, we will see this as a breach of their operating licence, and take decisive action.

The CMA [opened an investigation into the gambling sector's compliance with consumer protection law](#) towards the end of last year after hearing about a range of concerns that suggested some operators were not treating their customers fairly. As well as hearing from around 800 unhappy customers, it has also demanded companies answer questions about how they operate, and closely examined the play on a range of websites.

Having identified a number of operators engaging in practices likely to be breaking consumer law, the CMA is now taking enforcement action and has a range of powers at its disposal to bring any illegal activities to an end.

This investigation is part of a joint programme of work with the Gambling Commission to tackle issues around fairness and transparency in the gambling industry. As well as the enforcement cases, the investigation may lead to further action, from the CMA or the Gambling Commission, to improve practices across the online gambling sector.

All information relating to this investigation can be found on the [case page](#). This also sets out how people can get in touch with information on the concerns identified above.

Notes for editors

1. 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](#), [Facebook](#), [Flickr](#) and [LinkedIn](#).
2. 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.
3. 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. The

CPRs contain a general prohibition against unfair commercial practices and specific prohibitions against misleading actions, misleading omissions and aggressive commercial practices. Part 2 of the Consumer Rights Act aims to protect consumers against unfair contract terms and notices, and requires contract terms to be fair and transparent.

4. The CMA has not reached a final view on whether the terms and practices it is concerned about breach consumer protection law, and will listen to operators' responses to its concerns. If necessary the CMA will take action through the courts to enforce that law under Part 8 of the Enterprise Act 2002. Ultimately, only a court can rule that a particular term or practice infringes the law.
5. The CMA can give Notice to any person under Part 3 of Schedule 5 to the Consumer Rights Act 2015 requiring that person to provide the information specified in the Notice to enable it to exercise, or consider whether to exercise, its consumer protection law enforcement functions under Part 8 of the Enterprise Act 2002. If a person fails to comply with such a Notice, the CMA may make an application to the court. If it appears to the court that that person has failed to comply with the Notice, the court may make an order requiring the person to do anything the court thinks it is reasonable for the person to do to ensure that the Notice is complied with. Any company officer responsible for the failure may also be required to meet the costs of the CMA's application.
6. The online gambling sector has grown by around 150% since 2009. It is now worth £4.5 billion, and more than 6.5 million people regularly log on to gambling websites.
7. Media enquiries to the CMA should be directed to press@cma.gsi.gov.uk or 020 3738 6798.
8. Media enquiries to the Gambling Commission should be directed to Benjamin Glass (bglass@gamblingcommission.gov.uk or 0121 230 6700).
9. The CMA [wants to hear from people who have had difficulties withdrawing their money](#) when they've gambled online by 31 August.