



Culture, Media and Sport Committee

House of Commons, London SW1A 0AA

Tel 020 7219 6188 website www.parliament.uk/cms

Andrew Rhodes
Chief Executive, Gambling Commission

By email

16 November 2023

Dear Andrew,

Thank you for your letter of 13 November following reporting on the Fourth National Lottery Licence Competition. The issues raised in the coverage by Tortoise, and in your letter to the Committee, do not fully align with the evidence given before the Committee on 30 June 2022 in relation to divestments relevant to Allwyn. I am therefore writing to ask you to clarify the evidence given.

In response to a question by Clive Efford on 30 June 2022, John Tanner, the Commission's Executive Director, told us:

*"There is one other facility in Russia that has already been divested, which was an oil terminal that had never operated. That has already been divested of by the company."*¹

However, in your letter of 13 November, you set out that:

*"the Commission was advised in correspondence from KKCG on the 7 June 2022 that they had entered into an agreement to sell this asset and that 'Completion of the disposal is subject to applicable government review and approvals under relevant EU regulations' These approvals came through on the 19 September 2022"*²

It therefore does not appear that the answer given by Mr Tanner on 30 June was correct at the time it was given. We would welcome your clarification on which statement is correct, and where any confusion on the part of the Commission arose.

On another venture, a joint project with Gazprom, Mr Tanner told us on 30 June 2022 that you *"expect an announcement in the next few days to confirm that it has fully disengaged from that, in co-operation with the Czech Government"*, which you also confirmed.³ However, in your letter more than 16 months later, you say *"[a]s referenced in recent coverage, substantial progress has been made towards Gazprom being removed entirely from the ownership of the joint venture."*⁴

While the expectation of the Commission during the evidence session may have been of an imminent announcement, it is now clear that it was not 'fully disengaged' in anywhere close to the timescale implied to the Committee, or indeed now. No reference to the expected

¹ [Q295](#)

² Letter from Andrew Rhodes, Chief Executive, Gambling Commission, relating to [Tortoise](#), dated 13 November 2023

³ [Q294 and Q295](#)

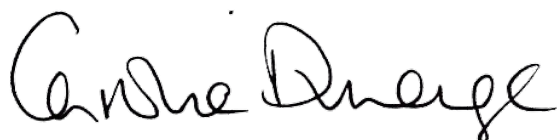
⁴ Letter from Andrew Rhodes, Chief Executive, Gambling Commission, relating to [Tortoise](#), dated 13 November 2023

announcement, or the lack therefore, was included in your subsequent correspondence with the Committee on the Licencing Competition, nor in the Commission's response to our report *What next for the National Lottery*.⁵

Your letter of 13 November 2023 set that "*the Commission does not regard either the former shareholding in Samara or the joint-venture to be relevant to the Fourth National Lottery Licence Competition*"⁶ however, the questions asked in June 2022 were and remain relevant to the Committee's scrutiny of the National Lottery and we are concerned that the Committee was left with inaccurate information on these matters and could have remained so, were it not for the recent media coverage. We would therefore be grateful if you could clarify at what point the Commission was aware that the expected divestment was not happening as planned.

I would be grateful for a response to these issues at the earliest possible opportunity to enable the Committee to consider our next steps.

Yours sincerely,

A handwritten signature in black ink, reading 'Caroline Dinenage' in a cursive script.

Dame Caroline Dinenage DBE MP
Chair, Culture, Media and Sport Committee

⁵ Correspondence of [14 July 2022](#), [20 September 2022](#) and [5 December 2022](#) and Seventh Special Report of Session 2022-23, [What next for the National Lottery?: Government and Gambling Commission Responses to the Committee's Fourth Report](#) (Published 10 March 2023)

⁶ Letter from Andrew Rhodes, Chief Executive, Gambling Commission, relating to [Tortoise](#), dated 13 November 2023