



## **GREATER LONDON AUTHORITY AND TRANSPORT FOR LONDON SPONSORSHIP POLICY**

### **1 PURPOSE**

- 1.1 This policy applies to both Greater London Authority (“GLA”) and Transport for London (“TfL”). References to “the Authority” throughout this policy means the GLA and TfL, each in relation to sponsorship of their respective services, facilities or activities.
- 1.2 This policy outlines the principles that must be followed when the Authority is contemplating entering into an arrangement for its services, facilities or activities to be sponsored.

### **2 SCOPE**

- 2.1 This policy applies when the Authority is the recipient of sponsorship as opposed to when the Authority is providing sponsorship to a third party.
- 2.2 It applies to the Authority, its subsidiaries and contractors and agents of the Authority providing services, facilities or activities. It does not apply to the London Transport Museum (and its subsidiaries, contractors and agents) which is a charitable body and subject to its own policies and procedures.
- 2.3 All sponsorship arrangements entered into by the Authority must be in accordance with this policy.

### **3 DEFINITIONS**

**GLA Act** means the Greater London Authority Act 1999.

**Sponsor** means the person or entity that is sponsoring the Authority's service, facility or activity.

**Sponsorship** means a commercial arrangement whereby a Sponsor provides a cash or in-kind contribution to support a service, facility or activity of the Authority in return for certain specified benefits.

### **4 THE PRINCIPLES**

4.1 The principles that must be adhered to are:

- (a) Principle 1: The Authority may only enter into sponsorship arrangements when it is in its best interest to do so.
- (b) Principle 2: Sponsorship arrangements may only be entered into when it is lawful to do so.
- (c) Principle 3: Sponsorship opportunities must support or further the Authority's objectives and priorities.
- (e) Principle 4: Sponsorship must represent value for money and any benefits conferred on the sponsor must be proportionate to the value of the sponsorship.

### **5 PRINCIPLE 1: THE AUTHORITY MAY ONLY ENTER INTO SPONSORSHIP ARRANGEMENTS WHEN IT IS IN ITS BEST INTEREST TO DO SO**

5.1 The Authority should only accept sponsorship when it is in the public interest for it to do so and so long as its ability to exercise its statutory functions impartially and with integrity will not be compromised by the arrangement.

5.2 This rule is particularly relevant to:

- (a) the types of services, facilities and activities that may be considered as appropriate for sponsorship; and

(b) the types of sponsors that the Authority may align itself with in the delivery of a service, facility or activity.

### **Appropriate sponsors**

- 5.3 The Authority will not enter into sponsorship arrangements that may, or may be perceived to, have a detrimental impact on the Authority's ability to discharge its functions impartially or may put the Authority's reputation at risk.
- 5.4 The Authority will not put itself in a position where it might be said that a sponsorship has or might have or may be thought to have:
- a) Influenced the Authority or employees in carrying out its statutory functions in order to gain favourable terms from the Authority in any business or other agreement;
  - b) Aligned the Authority with any organisation that conducts itself in a manner that conflicts with or undermines its strategic priorities, aims and objectives;
  - c) Aligned the Authority with any organisation that promotes messages relating to public controversy and sensitivity, and/or is a controversial organisation that is likely to cause widespread or serious offence to members of the public on account of its services, products or values;
  - d) Limited the Authority's ability to carry out its functions fully and impartially; or
  - e) Personally benefitted individual Authority employees, or their friends or family.
- 5.5 The Authority will not enter into agreements for sponsorship from:
- a) Political parties and pressure groups;
  - b) Organisations in financial, planning, legal or other conflict with the Authority;
  - c) Organisations involved in the illicit production and sale of weaponry including firearms;
  - d) Organisations involved in unlawful discrimination against people with one or more protected characteristics within the terms of the Equality Act 2010;

- e) Manufacturers or sales of tobacco; and
- f) Organisations deriving income from pornography, or immoral activities.

The above list is not exhaustive and the Authority retains the right to decline sponsorship from any organisation or individual or in respect of particular products or projects which it, in its sole discretion, considers inappropriate for whatever reason.

- 5.6. In identifying a sponsor the Authority will generally seek to consider the appropriate balance of the commercial offer, the strategic fit of the bidder and their plans for activation of the rights on offer.
- 5.7 It is essential that a potential sponsor is sufficiently vetted including gaining information about its associated businesses, other activities or interests and financial position so that a complete picture can be established and a proper assessment of the sponsor done prior to any arrangement being formalised. These checks should continue during the currency of the sponsorship agreement.

## **6 PRINCIPLE 2: SPONSORSHIP ARRANGEMENTS MAY ONLY BE ENTERED INTO WHEN IT IS LAWFUL TO DO SO**

- 6.1 As a statutory body, the Authority may only act when a relevant statutory basis for doing so can be identified. In most circumstances, the Authority will only be able to enter into a sponsorship arrangement if the arrangement facilitates or is conducive, incidental, necessary or expedient to the exercise of an express power such that an ancillary power can be relied on.

## **7 PRINCIPLE 3: SPONSORSHIP OPPORTUNITIES MUST SUPPORT OR FURTHER THE AUTHORITY'S OBJECTIVES AND PRIORITIES**

- 7.1 The Authority must assess a sponsorship proposal in light of the purpose for which the particular service, facility or activity to be sponsored is used or is being developed or the particular activity to be sponsored is being undertaken. If sponsorship will benefit the realisation or furtherance of that purpose then sponsorship of the asset or activity will most likely be legitimate.

- 7.2 Indicators that will demonstrate that a sponsorship proposal will further the Authority's objectives or priorities include:
- (a) sponsorship will enable the Authority to expand the scope or influence of a project so that it is more effective, in other words, the Authority will be able to better discharge its functions;
  - (b) sponsorship will allow the Authority to communicate with difficult to reach or different audiences;
  - (c) sponsorship will foster innovation and allow the Authority to exercise its functions in a way that might not otherwise have been conceived of or possible if the Authority did not have the benefit of the sponsor's knowledge and expertise or funding;
  - (d) sponsorship will support the Authority engagement with key stakeholders.
- 7.3 The Authority will ensure that any sponsorship arrangement with a Sponsor will not contain any material constraints on the Authority's objectives and priorities and will not compromise its activities. The Authority will also ensure that the sponsorship arrangement complies with the Equality Act 2010.

## **8 PRINCIPLE 4: SPONSORSHIP MUST REPRESENT VALUE FOR MONEY AND ANY BENEFITS CONFERRED ON THE SPONSOR MUST BE PROPORTIONATE TO THE VALUE OF THE SPONSORSHIP**

- 8.1 The value of the sponsorship opportunity must be assessed and offers to sponsor only accepted if they are commensurate with this value. For all significant or high-profile sponsorship opportunities, an assessment of value will be carried out by an accredited, independent third-party. In assessing value, any potential risk to the Authority's reputation of entering into the sponsorship arrangement should be taken into account as well as the costs of servicing the sponsorship arrangement.

- 8.2 As a general rule, the sponsorship of an Authority service, facility or activity is not subject to formal procurement regulations if the sponsor only provides money. However, where the sponsor gives a benefit in kind, procurement regulations may apply depending upon the scale of the sponsorship and whether the prescribed value threshold is reached.
- 8.3 Whether procurement regulations apply or not, sponsorship arrangements will normally be subject to a competitive process and the Authority will generally advertise a sponsorship opportunity if:
- (a) there are numerous potential sponsors in the market;
  - (b) the sponsorship could take numerous forms and advertising provides the appropriate means through which potential sponsors can submit their ideas; or
  - (c) the sponsorship would be in relation to a high profile event, activity or location.
- 8.4 Where sponsorship arrangements are not advertised openly, the Authority will always document the sponsorship arrangements and set out why advertising was not appropriate on that occasion.
- 8.5 Alternative funding options should also be considered if appropriate.

## **9 DISCLAIMER NOTICE**

- 9.1 Acceptance of sponsorship does not imply endorsement of the Sponsor's products and services by the Authority and therefore all sponsorship should carry the following disclaimer:

“Whilst every effort has been made to ensure the accuracy of the sponsorship contained in this publication, the Authority cannot accept any liability for errors and omissions. The Authority cannot accept any responsibility for claims made by advertisers and their inclusion in (name of publication) should not be taken as an endorsement by the Authority.”

## **10 FORMALISING THE SPONSORSHIP ARRANGEMENT**

- 10.1 A sponsorship arrangement must be formally recorded by way of a binding agreement between the Authority and the Sponsor.
- 10.2 The binding agreement should protect the Authority's position, liabilities and reputation

## **11 REPORTING SPONSORSHIP ARRANGEMENTS**

- 11.1 Any sponsorship arrangement that is entered into must be recorded in a central sponsorship register by the Authority employee responsible for co-ordinating the sponsorship arrangement.
- 11.2 When a sponsorship proposal is received, the register must be consulted for the purposes of:
  - (a) ascertaining whether the Authority has previously received sponsorship from the sponsor and if so, how much in the current financial year;
  - (b) ensuring that the proposal will not duplicate or give rise to a conflict of interest with other sponsorship arrangements that the Authority has already entered into;
  - (c) identifying whether greater value for money could be achieved if the sponsorship proposal was combined with other sponsorship arrangements.
- 11.3 The register will also enable the Authority to ensure that there is proper accountability of sponsorship arrangements.

## **12 OTHER RELEVANT POLICIES**

- 12.1 The Authority will have regard to its policies on fraud, corruption and bribery when considering and entering into sponsorship arrangements.
- 12.2 The Authority will also have regard to any advertising policy, if any, where advertising rights are granted as part of the sponsorship arrangement.

## **13 APPROVAL AND AMENDMENT OF POLICY**

- 13.1 This policy was approved by the Governance Group on behalf of the GLA and by the Commissioner of Transport for London on behalf of TfL and applies to all Sponsorship from 28<sup>TH</sup> November 2013 onwards.
- 13.2 This policy will be reviewed on an annual basis or at such intervals as are considered appropriate by the Assistant Director of London Engagement on behalf of the GLA and the Director of Commercial Development on behalf of TfL.

## **14 POLICY OWNER**

- 14.1 This policy is owned by the Assistant Director of London Engagement on behalf of the GLA and Commercial Development Director on behalf of TfL.

## **15 PUBLICATION**

- 15.1 This policy is to be published on the Authority's website and is to be made available to any body or organisation seeking to sponsor the Authority.