

MAYOR OF LONDON

Andrew Dismore AM

City Hall
The Queen's Walk
More London
London SE1 2AA

Date: 01 AUG 2013

Dear Andrew

Re: The Price of Gold: Lessons from London 2012 Ticket Sales

Further to my letter of 23 May, please see below my responses to the recommendations set out in your publication, 'The Price of Gold'.

On the back of the huge success of the 2012 Olympic and Paralympic Games, London has already secured fourteen major sporting events over the coming ten years, including the 2013 World Triathlon Grand Final, 2015 Rugby World Cup, and the 2017 IAAF and IPC World Athletics Championships.

By building on the lessons of hosting successful Games, the wealth of world-class sporting facilities that the capital has to offer, improved transport links and the accessibility improvements we have made to the city, as well as the warm welcome that we can give to future sportsmen and women, and spectators alike, we can attract many more international sporting events here to make London the host capital of world sport.

Major events bring significant economic benefits to London's economy and to the UK economy as a whole. They also generate a sense of pride and a 'feel good factor' which is no less important. But I want to go one step further to use the catalyst of the stunning pipeline of major events that will visit this city to help bring about a sustained increase in participation across all sports.

Through my Sports team, the GLA is taking a strategic approach to major events, coordinating stakeholders involved in decision making, planning and positioning London as a host of major international sports events. This includes:

- ensuring a single flow of information and recommendations about all aspects of hosting major sports events in London, and
- overseeing the development of a major sporting events strategy for London.

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Recommendations

Recommendation 1

We recommend that ticketing arrangements for future major sporting events in London are much more transparent. Ahead of the sales commencing, organisers should publish the number of tickets for sale in each price category for each session, in a format that enables further analysis. Following the event, organisers should also publish a clear, comprehensive account of how and whether they have met their pledges on ticket prices and availability.

Response

The ticketing strategies for the major events due to be held in London are set by national sports governing bodies and international sports federations. As Mayor, I can advise organisers to make their ticketing processes transparent, and where they are in receipt of GLA funding, also encourage this through our funding agreements. However, event organisers need to consider a wide range of issues in determining their ticketing strategies.

These bodies are tasked to deliver events on budget, and where events are in receipt of public funding, to deliver value for money. Additionally, many hosting contracts include commercial restrictions that are designed to enable organisers to maximise income from the private sector. This may mean that providing information on ticket sales in the run up to, and during events, is commercially sensitive and the right balance must be struck between transparency and respecting the interests of organisers as they seek to minimise any burden on the public purse.

I would support the publication of ticketing analyses following events provided that it is undertaken at a time that is not likely to have a detrimental impact on the interests of the organising body.

It is worth saying that it is unlikely that any of the future events due to be held in London cited in your report, will experience the same ticket pressure as the Olympic and Paralympic Games. So whilst organisers anticipate that there will be strong demand for major events in the Velodrome and Aquatics Centre, in part due to the size of the venues, they do not necessarily expect all sessions, even for these events, to sell out.

Recommendation 2

We recommend that future major sporting events in London use a more consistent approach to pricing, in order to avoid affordable tickets being concentrated in particular sports and sessions. While we accept that medal sessions may be more expensive to attend, there should be a specific pledge about the minimum number of affordable tickets that will be available. All pledges should be based on specific price bands – for instance, the number of tickets below £100, or below £50 – rather than abstract price categories that vary between sessions.

Response

It is in the interests of organisers to make their ticket prices competitive in order to deliver viable events. This is shown by the recent Sainsbury's Anniversary Games which sold out very swiftly with ticket prices as low as £20 (and lower still for concessions), demonstrating the sensitivity of both UK Athletics and the London Legacy Development Corporation working with me to the need to ensure the availability of reasonably priced tickets even when it is likely that demand was such that the market could have borne higher prices.

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Recommendation 3

We recommend that future major sporting events in London implement similar steps to make affordable tickets available for children and older people, and that disabled spectators are able to attend without paying twice. Furthermore, no event relying on public funding should charge customers a booking fee.

Response

The ticketing strategies that organisers adopt may mean that they enter into a commercial deal with a ticketing agency, which will influence ticketing prices. It is normal practice for a booking fee to be paid for a wide range of sporting, as well as cultural events, even where organisers are in receipt of public subsidy. I agree that organisers should consider making special arrangements and pricing for children and older people. At the Sainsbury's Anniversary Games held at the Olympic Stadium concessions were available to children 2-16 years old, seniors over 60 years old, and students with a valid NUS card with tickets costing £18 in Tier 2 and £12 in Tier 3 of the Stadium.

I support the principle that disabled spectators should not pay twice for tickets to attend events, and am working towards ensuring this is always the case at major events in London, as well as improving accessibility for disabled spectators on many fronts.

Recommendation 4

We recommend future major sporting events allocate a minimum proportion of public tickets for each session, as well as an overall target for the entire competition. For instance, organisers could pledge that all sessions have a minimum 75% per cent public allocation.

Response

Broadly, I agree this is a sensible target.

Recommendation 5

We recommend that organisers of future major sporting events publish a detailed breakdown of tickets purchased by specific client groups, including sponsors, public bodies, athletes, officials and the media.

Response

Where the GLA is the lead for, or underwriter of, an event, I agree it is sensible to have as much transparency as possible, whilst respecting any commercially sensitive information whilst organisers are still operating in a commercial environment.

Recommendation 6

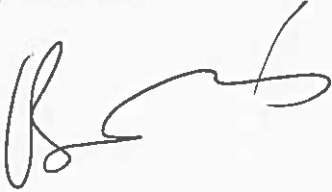
We recommend that for future major sporting events in London where demand is expected to exceed supply, organisers should use a ballot to allocate tickets. Unlike in the early rounds of Olympic ticket sales, customers should initially be limited to buying a maximum number of tickets each, for instance six or eight.

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Response

Where demand is clearly significantly likely to exceed supply, I share the view that a ballot is the correct approach. I would expect organisers to act reasonably in determining what is an appropriate number of tickets per customer depending on the particular circumstances of the event.

Yours ever,

A handwritten signature in black ink, appearing to be 'Boris Johnson', written in a cursive style.

Boris Johnson
Mayor of London