LONDONASSEMBLY

John Biggs AM, Chairman of the Budget and Performance Committee

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Boris Johnson Mayor of London Greater London Authority City Hall The Queen's Walk London SE1 2AA

Ref: 199

10 July 2012

Dear Boris

TfL Sponsorship Policy

I am writing to request an urgent response to the Budget and Performance Committee's recent report on TfL's Sponsorship Policy, 'Whose brand is it anyway'. I enclose a copy of the report.

The Committee's investigation highlighted that TfL entered into its recent sponsorship deals without a single clear policy governing the management of risks and opportunities. Although located in different parts of the organisation, TfL said that its current policies covered all of the necessary considerations. The Committee, however, found some inconsistencies in TfL's approach and therefore welcomed the commitment to produce a new single sponsorship policy.

The fine imposed upon Barclays for attempting to rig interest rates in its favour underlines the potential identified by the Committee for reputational damage to sponsors. To help with the production of a robust new sponsorship policy, setting out clear, consistent rules about who gets to associate their brand with London's transport network, the Committee recommended that TfL should:

- 1. Clarify its future sponsorship plans;
- 2. Publish the criteria used to assess the suitability of potential sponsors and explain how it manages a situation where a sponsor suffers reputational damage;
- 3. Set out its policy on product and/or company endorsement;
- 4. Clarify its processes for securing best value from sponsorship deals; and
- 5. Make transparency a requirement of the sponsorship tendering process.

The Committee asked TfL to respond with a copy of its new policy by the end of 2012 or before it enters into further sponsorship deals (whichever comes first). In advance of this, I would now like to request your response in principle to the recommendations in the Committee's report, and the timescale for the completion of TfL's new sponsorship policy.

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The Committee is also yet to receive a response to its request for the immediate release of the estimated costs and revenues produced by TfL at the business case stage for existing sponsorship deals (recommendation five). This was to also include the expected payment profile for sponsorship income.

Finally, following your comments at Mayor's Question Time on 4 July, I look forward to receiving information from you on the value of the various bids to sponsor the Cycle Hire scheme. We also discussed releasing the contract with Barclays and you indicated that you would seek the permission of Barclays to publish it in full. Please could you inform me of the outcome of that request.

I would be grateful if you could let the Committee have the information requested above by Friday 27 July 2012 (copied to the Committee Officer, as per the details below).

Yours sincerely

John Biggs AM

Chairman of the Budget and Performance Committee