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# Guidance on sponsorship in Schools

## **These guidelines provide a framework for schools to help them to decide whether or not to accept commercial sponsorship and provide advice on how to manage that relationship.**

Sponsorship in schools could cause concern to parents, as it might lead to marketing directly to children. Schools must ensure that commercial sponsorship does not lead to inappropriate marketing to children and young people.

The International Chamber of Commerce defines sponsorship as:

*Any communication by which a sponsor, for the mutual benefit of sponsor and sponsored party, contractually provides financing or other support in order to establish a positive association between the sponsor's image, brands, products or services and a sponsored event, activity, organization or individual.*

Article 6 of the ICC International Code of Sponsorship states:

*Sponsorship addressed to or likely to influence children and young people should not be framed so as to take advantage of their youth or lack of experience. Furthermore, such sponsorship should not be framed so as to harm children or young people mentally, morally or physically, nor to strain their sense of loyalty for their parents or guardians.*

## **What Forms Can Commercial Sponsorship Take?**

Commercial sponsorship may take on the form of; financial sponsorship, in-kind sponsorship or promotions.

Financial sponsorship is the clearest sponsorship arrangement. In this case, sponsors will provide the school with cash resources to meet a stated aim.

In-kind sponsorship can vary significantly. An example of in-kind sponsorship would be where a company has provided prizes for an event where the company has been allowed to advertise their product.

Promotions between schools and the private sector can work in two directions:

- Voucher schemes: Consumers collect vouchers by purchasing a company's product. Schools can then redeem these vouchers for items such as books, computers or other resources.
- Loyalty/reward schemes: Consumers collect points; in some cases schools provide points for choosing healthy lunch options. Pupils and young people can then exchange them for goods and products that are part of the scheme.



## Costs and Benefits of Commercial Sponsorship

These guidelines start from the premise that commercial sponsorship can be a positive opportunity for schools. Well managed, it can introduce new resources or approaches. However, it also comes with risks which need to be understood and minimised from the outset. Some of the potential benefits and costs are set out in Table 1. The table is not meant to be comprehensive and schools may be able to identify others. Careful management of sponsorship opportunities can eliminate many of the potential costs.

	Potential Benefits	Potential Costs
<b>Pupils and Parents</b>	<ul style="list-style-type: none"> <li>• Improved resources in schools</li> <li>• Improved understanding of the private sector</li> <li>• Better links with local businesses and employers</li> </ul>	<ul style="list-style-type: none"> <li>• Undue influence on consumer behaviour</li> <li>• Impact on vulnerable consumers</li> <li>• Receiving conflicting messages (i.e. on healthy eating)</li> <li>• Pester power</li> </ul>
<b>Schools</b>	<ul style="list-style-type: none"> <li>• Improved resources</li> <li>• Providing added value</li> <li>• Improving understanding of the private sector</li> <li>• Better links with local businesses and employers</li> </ul>	<ul style="list-style-type: none"> <li>• Giving conflicting messages to pupils (i.e. on healthy eating)</li> <li>• Negative media coverage</li> <li>• Hidden costs</li> <li>• No choice of resources</li> <li>• Feeling indebted to the company</li> <li>• businesses and employers</li> </ul>
<b>Sponsors</b>	<ul style="list-style-type: none"> <li>• Increased sales and customer loyalty</li> <li>• Ability to access pupils directly</li> <li>• Enhanced image and reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Negative media coverage</li> <li>• Success is often dependent on the performance of the school (i.e. event management)</li> </ul>

## **Six Principles of Commercial Sponsorship in Schools**

### **Principle 1: The benefits to pupils should outweigh the costs**

Commercial sponsorship should only be entered into if the benefits to the pupils outweigh the costs. Schools need to consider the following potential costs;

- impact on staff time or ongoing maintenance costs for equipment,
- accepting sponsorship from companies which do not support the general school ethos or any specific aims and values of the school, for example health-promoting schools, eco-schools, faith schools and so on,
- accepting sponsorship from companies that have, or associate with those that have, extreme political, racial or religious views or who are known to have unethical production practices.

### **Principle 2: Commercial sponsorship must not undermine health promotion**

Commercial sponsorship should only be entered if it does not undermine the work the school is doing as part of the Welsh Network of Healthy School Schemes (WNHSS), which is the Welsh Assembly Government funded programme working to ensure that every school is a healthy school, promoting the health and well-being of all pupils and staff.

There are specific rules surrounding marketing food and drink to children and young people. Under the British Code of Advertising, Sales Promotion and Direct Marketing, commercial sponsorship;

- must not lead to the advertising or promotion of alcohol to under 18s; and
- must not lead to the advertising or promotion of products to under 16s that are high in fat, saturated fat, salt or sugar.

The Tobacco Advertising and Promotion Act 2002 prohibits the advertising, promotion and sponsorship of tobacco products. This comprehensive ban means it is illegal to enter into any agreement with a tobacco company or any other company which would promote a tobacco product.

### **Principle 3: Extra care should be taken because sponsorship leads to marketing to children and young people**

There is substantial concern about the extent to which children and young people are exposed to marketing messages. There are specific rules covering advertising to children. Commercial sponsorship must not include a direct exhortation to under-16s to buy advertised products or to persuade their parents or other adults to buy advertised products for them ('pester power').

## **Principle 4: Marketing activity should be proportionate**

Schools should consider the following issues in relation to proportionate marketing;

- marketing must not directly state that the school endorses the company or product;
- sponsor logos should be small and should not be larger or more prominent than the school logo or name;
- explicit sales messages such as 'Company X: Number one in our field' should be avoided;
- companies should not be allowed to make claims that their product is superior to others;
- information should not suggest that the sponsor is the only supplier of that type of product or service.

## **Principle 5: Commercial sponsorship should be used for additions or improvements, not for funding core services**

While public opinion supports some commercial sponsorship of public services (in this case schools), most people do not think it is acceptable to use sponsorship to fund core services. The public are more positive when sponsorship is used to fund improvements or additions to core services.

## **Principle 6: Sponsorship must support the curriculum and provide added value to children's learning**

Where commercial sponsors are providing educational material, schools should take care to ensure that these support the curriculum and provide added value to children's learning.



# The Three Procedures for Commercial Sponsorship in Schools

## Procedure 1: Schools should have a policy and procedure on commercial sponsorship

These guidelines are generic. They cannot provide details or answer all questions staff will have about managing commercial sponsorship agreements. The local authority may also have procedures which have to be followed.

Schools should develop their own policies and procedures on commercial sponsorship based on the principles presented in these guidelines and any guidelines or procedures set out by the education authority.

The procedure should describe:

- how commercial sponsorship is to be coordinated within the school and what involvement the education authority should have;
- how the organisation will share and learn from previous commercial sponsorship opportunities;
- how records of commercial sponsorship contracts are to be kept to assist in monitoring or responding to Freedom of Information requests;
- how the school will involve parents and pupils in decisions about commercial sponsorship opportunities; and

In the interests of openness and transparency, and to ensure that their views are taken into account, parents and pupils should be consulted on this policy.

## Procedure 2: Commercial sponsorship must be based on a written agreement

It is vital that schools have a written agreement with the commercial sponsor spelling out the expectations of both parties. This ensures that both sides are clear about the extent and limitations of the sponsorship relationship and provides an opportunity to clarify what the commercial sponsor seeks to gain from the arrangement. The written agreement should be drawn up by the school; they should not rely on standard contracts provided by commercial companies.

The written agreement should be proportionate; for small commercial sponsorship arrangements an exchange of letters may be enough.

Key issues to be covered by the written agreement include:

- a description of the resources to be provided by the commercial sponsor;
- a description of the marketing or other benefits that the sponsor will receive;



- clarification as to which party is responsible for the costs associated with producing marketing materials;
- whether or not there are co-sponsors;
- a description of the licensing and intellectual property rights owned by the parties;
- a clause noting the Freedom of Information responsibilities of the public sector organisation;
- a statement that the sponsor will not receive preferential treatment during tendering processes for commercial contracts;
- details on how, and in what circumstances, either party can terminate the agreement.

### **Procedure 3: Commercial sponsorship must be evaluated**

Schools should evaluate the commercial sponsorship. It is good practice to consider evaluation from the outset of a project and ensure that evidence is gathered to support the evaluation. It is important to record whether or not the sponsorship met the aims, as laid out in the written agreement. This provides a useful opportunity to consider whether similar opportunities should be sought in the future and to make sure that any difficulties can be addressed in future commercial sponsorship arrangements.

**This evaluation could include:**

- Did pupils or parents benefit from the sponsorship?
- Were there any unforeseen costs to the school?
- Did the sponsorship meet the aims and expectations of the sponsoring organisation?
- What did parents and pupils think of the sponsorship?
- Were there any comments or complaints about the sponsorship from them?
- Was the sponsorship mentioned in the media? If so, was this positive or negative?

## Six-Point Checklist

Schools should be able to answer YES to each of the following questions before committing to the commercial sponsorship by setting up a written agreement.

	Yes	Unsure	No
Overall, do the benefits to pupils outweigh the costs?			
Does the sponsorship support health promotion?			
Does the commercial sponsorship conform to the legal regulations and industry codes of practice in relation to advertising and promotion of products to under 16s?			
Is the level of marketing activity proportionate?			
Is the sponsorship for additional services or improvements, not to fund core public services?			
Does the sponsorship support the curriculum and provide added value to children's learning?			