

This note is one of a series placed in the Clerks' Almanac by the Livery Committee. This one is written by the Aldermen and Magistracy Sub-Committee. They are intended to be of guidance to livery clerks, especially new ones, or those seeking advice on a particular topic. They are not prescriptive, and how individual companies choose to conduct their affairs is, of course, entirely up to them.

Royal Charter Guidance

There are in excess of 900 Chartered Bodies. A Royal Charter is a way of incorporating a body, that is turning it from a collection of individuals into a single legal entity. A body incorporated by Royal Charter has all the powers of a natural person, including the power to sue and be sued in its own right. Royal Charters were at one time the only means of incorporating a body, but there are now other means (becoming a registered company, for example), so the grant of new Charters is comparatively rare. New grants of Royal Charters are these days reserved for eminent professional bodies or charities which have a solid record of achievement and are financially sound. In the case of professional bodies they should represent a field of activity which is unique and not covered by other professional bodies.

At least 75% of the corporate members should be qualified to first degree level standard. Finally, both in the case of charities and professional bodies, incorporation by Charter should be in the public interest.

This last consideration is important, since once incorporated by Royal Charter a body surrenders significant aspects of the control of its internal affairs to the Privy Council. Amendments to Charters can be made only with the agreement of The Queen in Council, and amendments to the body's by-laws require the approval of the Council (though not normally of Her Majesty). This effectively means a significant degree of Government regulation of the affairs of the body, and the Privy Council will therefore wish to be satisfied that such regulation accords with public policy.

Applying for a Royal Charter

An application for a Royal Charter takes the form of a Petition to The Sovereign in Council. Charters are granted rarely these days, and a body applying for a Charter would normally be expected to meet a number of criteria. Each application is dealt with on its merits, but in the case of professional institutions the main criteria are:

(a) the institution concerned should comprise members of a unique profession, and should have as members most of the eligible field for membership, without significant overlap with other bodies.

(b) corporate members of the institution should be qualified to at least first degree level in a relevant discipline;

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(c) the institution should be financially sound and able to demonstrate a track record of achievement over a number of years;

(d) incorporation by Charter is a form of Government regulation as future amendments to the Charter and by-laws of the body require Privy Council (ie Government) approval. There therefore needs to be a convincing case that it would be in the public interest to regulate the body in this way;

(e) the institution is normally expected to be of substantial size (5,000 members or more).

It should be stressed that appearing to meet these criteria does not mean that a body will automatically be granted a Charter.

Preliminary Steps

The fact of a formal Charter application will be published by this office, to allow other interested individuals or organisations to comment or to lodge counter-petitions. Because the process of Petitioning for a Charter is thus a public one, and can also be expensive in terms of the preparation of the formal documents, this Office encourages institutions to have taken soundings among other bodies who may have an interest, in order to minimise the risk of a counter-petition. Any proposal which is rendered controversial by a counter-petition is unlikely to succeed.

The Privy Council Office should be approached informally at an early stage so that we can give advice on the likely chances of success of a formal Petition. What is required for this purpose is a memorandum covering:

(a) the history of the body concerned;

(b) the body's role;

(c) details of number of members, grades, management organisation and finance;

(d) the academic and other qualifications required for membership of the various grades;

(e) the body's achievements;

(f) the body's educational role both within its membership and more widely;

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(g) an indication of the body's dealings with Government (including details of the Government Department(s) with the main policy interest, or which sponsor(s) the body, together with contact details of officials who deal with the body), and any wider international links;

(h) evidence of the extent to which the body is pre-eminent in its field and in what respects;

(i) why it is considered that the body should be accorded Chartered status, the reasons why a grant would be regarded as in the public interest and, in particular, what is the case for bringing the body under Government control as described above.

At this stage if the draft Charter and by-laws are available they should be emailed to enquiries@pco.gov.uk along with the memorandum.

Formal Petition

If, after these preliminary discussions, the body wishes to proceed to petition for a Charter the following are the General Rules of Procedure (also at this stage, should the PCO have not yet seen the draft Charter and by-laws they will have to be sent so that the drafting can be agreed):

The application should be made in the form of a Petition, which should commence:

“To The Queen’s Most Excellent Majesty in Council.

The Humble Petition of

Sheweth as follows:-”

and should conclude:

“YOUR PETITIONERS therefore most humbly pray that Your Majesty may be graciously pleased in the exercise of Your Royal Prerogative to grant a Charter (or Supplemental Charter) to Your Petitioners in the terms of the draft herewith submitted or in such other terms as may to Your Majesty seem proper.

And Your Petitioners will ever pray, etc.”

The Petition should state the authority (e.g. resolution of a meeting of members) under which it is submitted and should contain sufficient information to enable the

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Privy Council to make a recommendation to Her Majesty. In the case of bodies which do not already have a Charter, this information should always include:

- (a) date of the body's foundation and how, if at all, at present incorporated;*
- (b) details of past achievements and extent and character of present activities;*
- (c) size and composition of, and existing qualifications or requirements for, membership;*
- (d) financial position; and*
- (e) generally the grounds on which it is submitted that the grant of a Charter is desirable and justified.*

In the case of a Petition for the grant of a Supplemental Charter (or where a Charter is being re-written) the reasons for what is proposed should be stated.

Where the petitioning body is already incorporated, the Petition should be submitted in the name of the body concerned and be under its corporate seal duly attested. In the case of an unincorporated association, the Petition should be in the names of the Chairman or President and one or more responsible officers, who should each sign the Petition at the end of the Prayer, and should be sent to The Clerk of the Council, Privy Council Office, Room G/04, 1 Horse Guards Road, London, SW1A 2HQ. The text should also be sent by e-mail in electronic Word format. The e-mail address is enquiries@pco.gov.uk

In the case of a Petition for the grant of a Supplemental Charter electronic copies of any previous unrevoked Charters will also be required for purposes of reference.

In the case of first Charters, and Supplemental Charters which replace the whole or most of existing Charters, the Petitioner will be asked to pay for the cost of printing the formal documents and to complete and return a Payment Authorisation form to the printers, this should be done promptly to avoid any delay in the printers' preparation work. No charges are made by the Privy Council Office, but fees are payable to the Crown Office in respect of sealing the Charter.

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Was this note helpful? Do you have comment?
Email Lorraine.Brook@cityoflondon.gov.uk