

## **Guidance note**

### **Formation of new guilds/Companies**

#### **Background to the formation of new Livery Companies**

1. The ethos of the Livery Companies of the City of London is the same today as it was when the various Companies emerged from the early Guilds which were formed to foster and protect crafts and trade in the Metropolis, and to dispense charity in a wide variety of forms where it was most needed. The Livery Companies are therefore not antiquated survivals from the past but institutions full of vitality, whose activities have received commendation by successive Royal Commissions. The constituent liverymen, assembled in Common Hall, carry out a significant function in the election to Office of the City's most important Dignitaries, including certain of its Officers. The combined effect of the Livery Companies' strengthens the corporate life of the City, and it follows that a new Livery Company must be prepared to play its part without reservation.
2. Livery Companies have always been staunch supporters and sponsors of charities. On the educational side, the Livery Companies' contribution to the Country's welfare is not only academic but also commercial and practical to a degree which cannot be overstated.
3. It is certainly true that Livery Companies have collectively influenced the tide of history in the City of London and beyond.
4. The coming into being of a new Livery Company must not be confused with the formation of a Club, which, in time, could cease to exist through lack of interest and the necessary support, or be wound up at the will of the members from the time being. One of the main characteristics of a Livery Company is continuity, and if a Petition for recognition as a City Company or for Grant of Livery Status is to be successful, the Court of Aldermen will require sufficient length of time to justify the purpose that it is intended to be permanent in nature, and that the members are not already represented by an existing Guild or Company of the City of London.
5. It is very important that the interest and intentions of the petitioning body should not conflict with those of an existing Livery Company. The trade, craft or profession of the persons comprising the potential Company must not already be represented among the existing Companies. It is essential that new Guilds consult with existing Companies with a potential overlap in membership prior to seeking Company status. It is normal for the petition to be accompanied by letters of support from existing Companies/Livery Companies.
6. The Constitution and Ordinances annexed to the Petition to the Court of Aldermen must conform in all respects with the Custom of London. This, among other things, requires the jurisdiction of the Court of Aldermen to be

accepted in all matters affecting the Livery of the City of London. The proposed objects, constitution and ordinances when petitioning for recognition must be appropriately updated to reflect the relevant status. It is also normal for byelaws to be submitted although these should be separate to the Ordinances as any changes to the Ordinances require the approval of the Court of Aldermen (but this is not required for the bye-laws which essentially deal with the day to day running of the Company).

7. The evolution of the square mile from being a manufacturing and trading centre into a modern commercial and financial metropolis of international predominance has resulted in certain institutions, which represent the professions throughout the Country, becoming increasingly involved within the City of London.
8. The professional activities of some of these bodies have had a considerable degree of participation in the affairs of the commercial City. Where this has happened an interest has been proved in the formation of a Livery Company by more than one representative Professional Institution.
9. The principle of seeking recognition of City Company and Livery status is a serious matter and it should not be embarked upon by any applicant except after mature consideration, and with full support from the Petitioning Body's membership.

#### **Procedure – City Guild Status**

10. There is no formal procedure for a prospective guild or representative Professional Institution seeking to become a recognised City Guild, and it is not until such an organisation seeks City Company status that it is required formally to petition the Court of Aldermen. However, to avoid raising false expectation, it is recommended that any such organisation wishing ultimately to be a City Livery Company should seek the views of the Aldermen and Magistracy Sub-Committee regarding its intention. A letter of intent is then submitted to the Court of Aldermen giving background information; details of membership; aims and objectives; and finances. However, the letter of intent should only be submitted once the views of the Aldermen and Magistracy Sub-Committee have been sought and a Sponsoring Alderman identified.
11. Once the letter of intent is approved by the Court of Aldermen, the body becomes a formally recognised guild of the City of London and can then proceed to the next stage of becoming a company without Livery.
12. The prospective guild or representative Professional Institution must have adequate finances. The financial requirements at each stage, with effect from 1<sup>st</sup> January 2017 to new bodies seeking Guild status or to those Companies yet to seek Livery status and have not yet achieved Company without Livery status, are as follows:

	Charitable Fund	General Fund
Recognition by the Court as a Guild	Nil	£10,000
Company without Livery Status	£150,000	£30,000
Livery Status	£300,000	£60,000

*\* The financial requirements will be reviewed periodically and after no more than five years by the Aldermen and Magistracy Sub-Committee.*

### **Procedure – Moving to City Company without Livery**

13. A recognised guild seeking to be recognised as a City Company without Livery should have functioned satisfactorily for at least four years and satisfy the following conditions:
- (i) its trade, craft or profession must not already be represented among the Livery Companies (*previously demonstrated at Guild stage*);
  - (ii) it must demonstrate a commitment to the Civic City and, where relevant, wider London; as well as demonstrating its commitment or future plans in respect of charity, education and finance;
  - (iii) the majority of members of the Company must always be persons engaged in the trade, craft or profession of the Company. Evidence of its efforts to foster the trade, craft or profession must show beneficial results. The petition should be accompanied by a list of members giving details of job titles to demonstrate their trade connections;
  - (iv) its meetings should be held within the City of London boundaries but it is not necessary for their office to be based in the City;
  - (v) it must consist of a body of persons fit and proper to be created a City Company and which normally can show that it has some City connections. The reason for the strong City connection is that they are expected eventually to be recognised as Livery Companies which still form a vital part of the civic constitution as it is their liverymen who participate in Common Hall and form the electorate for the election of the Lord Mayor and Sheriffs and other City officers;
  - (vi) it must have a total membership of not less than one hundred;
  - (vii) its annual corporate income and invested charitable and educational funds must be adequate to enable the Guild to foster its trade, craft or profession effectively (see figures below);
  - (viii) it must supply satisfactory evidence that its efforts to foster the trade, craft or profession (in addition to furthering technical education) have produced beneficial results; and
  - (ix) a comprehensive business plan must be presented when petitioning for Company status with four years' audited accounts (this should be updated when seeking full Livery status).

14. A guild must formally petition the Court of Aldermen to be recognised as a City Company without Livery. All of the above criteria will be taken into consideration by the Court of Aldermen, as well as the views of the Sponsoring Alderman.
15. Again, the financial requirements at this stage will also be scrutinised (paragraph 11).

#### **Procedure – Moving to City Company with Livery Status**

16. A City Company (recognised as a City Company without Livery) may after four years of operation as a City Company seek a Grant of Livery.
17. After the interval of four years from recognition as a City Company, it may further Petition the Court of Aldermen for the grant of Livery Status. All discussions with the Corporation's Officers on matters of form and procedure are invariably conducted on an unofficial basis, thus preserving the independence of the Court of Aldermen. There is no objection to the appropriate Officers being consulted by either the Sponsoring Aldermen or a Petitioning Body, provided that this is done to obtain informal advice and assistance required in the course of preparations leading up to the submission of a Petition and associated documents in accordance with the Petitioning Body's own resolution to that effect.
18. Again, the financial requirements at this stage will also be scrutinised (paragraph 11).

## Key contact List

19. Further information regarding how an organisation can seek approval to become a recognised Guild of the City of London or a fully-fledged Livery Company of the City of London can be sought from the following officers:

The first point of contact is Murray Craig, Clerk to the Chamberlain's Court who can provide general and overall guidance on the process. Whilst the Clerk to the Chamberlain's Court will provide comprehensive guidance during his preliminary discussions with prospective guilds, the organisations are also encouraged to seek guidance from the Clerks of newly established Companies.

### **Murray Craig**

Clerk of the Chamberlain's Court

020 7332 3055 / [murray.craig@cityoflondon.gov.uk](mailto:murray.craig@cityoflondon.gov.uk)

### **Paul Double**

The Remembrancer

020 7332 1207 / [Paul.Double@cityoflondon.gov.uk](mailto:Paul.Double@cityoflondon.gov.uk)

### **Michael Clarke**

Chamberlain's Budget Division, Senior Accountant

020 7332 1384 / [michael.clarke@cityoflondon.gov.uk](mailto:michael.clarke@cityoflondon.gov.uk)

Michael can provide specific advice on financial matters.

### **Anne Pietsch**

Comptroller and City Solicitor's Department

020 7332 1633 / [anne.pietsch@cityoflondon.gov.uk](mailto:anne.pietsch@cityoflondon.gov.uk)

Anne can provide specific advice relating to legal issues.

### **Elizabeth Scudder**

Principal Archivist, London Metropolitan Archive

020 7332 3822 / [elizabeth.scudder@cityoflondon.gov.uk](mailto:elizabeth.scudder@cityoflondon.gov.uk)

Elizabeth's area of expertise is in the format of the formal petitions to be submitted to the Court of Aldermen.

### **Lorraine Brook**

Principal Committee and Members Services Manager, Town Clerk's Department

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Lorraine is Clerk to the Court of Aldermen.