

Companies House begins phased roll out of new powers to tackle fraud

2 years ago



From today, Companies House has new and enhanced powers to improve the quality and reliability of its data and tackle misuse of the companies register.

The first measures under the Economic Crime and Corporate Transparency Act 2023 (“ECCT Act”) came into force on Monday 4 March, 2024.

Changes introduced today include:

- greater powers to query information and request supporting evidence
- stronger checks on company names
- new rules for registered office addresses. All companies must have an appropriate address at all times. They will not be able to use a PO Box as their registered office address
- a requirement for all companies to supply a registered email address
- a requirement for subscribers to confirm they’re forming a company for a lawful purpose when they incorporate, and for a company to confirm its intended future activities will be lawful on its confirmation statement
- greater powers to tackle and remove factually inaccurate information
- the ability to share data with other government departments and law enforcement agencies.

New criminal offences and civil penalties will complement the measures introduced today.

Our priority is cleansing the register to remove details of those appointed without consent.

Companies House CEO Louise Smyth said:

- “These new and enhanced powers are the most significant change for Companies House in our 180-year history.
- “We’ve known for some time that criminals have misused UK companies to commit fraud, money laundering and other forms of economic crime.
- “As we start to crack down on abuse of the register, we are prioritising cases where people’s names and addresses have been used without their consent. It will now be much quicker and easier to report and remove personal information that has been misused.
- “This will make a real difference to individuals.”

Business Minister Kevin Hollinrake said:

- “Companies House now have the tools to take a much harder line on criminals who take advantage of the UK’s open economy and can now ensure the reputation of our businesses is not tarnished by the UK playing host to the world’s scammers.
- “The new reforms, which come into effect today, provide further protection to the public from companies fraudulently using their address and will begin to remove the smoke and mirrors around companies hiding behind false information. This will enhance the UK’s reputation as a great and safe place to do business.”

The phased roll out of new powers and requirements is designed to minimise hassle for legitimate businesses. Many of the changes will be integrated into existing reporting cycles, such as the requirement to update a company’s confirmation statement. As further measures are introduced, we will let people who file information with Companies House know what they need to do to via our communications channels and campaigns.