

Government launches consultations to crack down on company fraud and improve corporate transparency

- Three new consultations will support reforms to clamp down on fraud and give businesses greater confidence in transactions
- further consultation on new powers for Companies House to query information and take steps to improve the quality and value of financial information it holds
- government to take forward plans to restrict the use of corporate directors on company boards, to stop criminals from hiding behind complex corporate structures

Plans to combat fraud and give businesses confidence in who they are working with have been announced by the Government today, with the launch of three consultations on reforms to the UK's register of company information.

Today's announcement follows the [publication](#) in September of the government's wider plan to reform the Companies House register.

Under the new proposals, directors cannot be appointed until their identity has been verified and the register's powers will be expanded so that it can query, investigate and remove false or inaccurate information.

Minister for Corporate Responsibility Lord Callanan said:

Today's proposals set out further detail on our far-reaching reforms to ensure the Companies House register is fit for the 21st century – allowing us to crack down on fraud and money laundering, while providing businesses with greater confidence in their transactions.

One of the consultations opened today will seek views on how the new discretionary power for the register to query new, submitted information will work in practice. The proposals will help close loopholes that lead to abuse of the register, facilitating a crack down on the misuse of corporate structures by criminals.

The proposals also look to reduce the administrative burden on businesses and boost the quality of data on the register by making the filing process more consistent, with one consultation exploring how the quality and value of accounts filings can be improved. The plans also propose making Companies House a fully digital organisation, with all companies required to submit accounts to the register online.

A further consultation on corporate directors will take forward plans to

restrict the use of opaque chains of corporate control. Under the plans, only companies whose boards comprise real people with verified identities will be allowed to act as corporate directors of other companies. The move will stop criminals from concealing their true identities behind complex corporate structures, while continuing to allow law-abiding companies to use corporate directors for legitimate purposes.

Where any new controls are introduced as part of the reforms, Companies House will keep the burden on business as low as possible and will continue to look for ways to make access to its services as smooth, quick and efficient as possible.

View the 3 consultations here: