

United Kingdom Register of People with Significant Control: transparency in the public integrity system

Title of the governance practice: Register of People with Significant Control (PSC)

Summary of the governance practice

On 6 April 2016, the United Kingdom became the first G20 country to require private companies to create a People with Significant Control (PSC) register and make that information publicly available. People with significant control, or beneficial owners, are the person or persons who ultimately own or control the company and benefit from it. The information is available in open-data format on the Companies House website. Registers of beneficial ownership aim to tackle crimes such as tax evasion, corruption and money laundering by preventing people from hiding assets and income.

Short description of the governance practice

The United Kingdom has central registers of beneficial ownership for three categories of assets: companies, properties and lands and trusts. As part of the Small Business, Enterprise and Employment Act 2015, the UK established a register of beneficial ownership for companies. The register launched in 2016 as the first of its kind among G20 countries and is known as the People with Significant Control register. The information regarding beneficial ownership is available in open-data format on the Companies House website. To find out who has significant control (beneficial ownership) over a company, one can search the company on the Companies House website and click on the “people”. Alternatively, the entire PSC register can be downloaded.

Achievement/outcome of the governance practice

Prior to the PSC register, similar information could only be obtained by looking at a company’s annual return with full list of shareholders. These shareholders could be other companies, hiding the identity of the beneficial owner. Thanks to the PSC register, the ultimate owners can be identified.

In August 2019 the Department for Business, Energy and Industrial Strategy published a Review of the implementation of the PSC Register. According to this review, 22% of businesses surveyed had used the PSC register to look up other businesses. All Law Enforcement Organisations surveyed had used the PSC register to inform their work. Similarly, all Financial Institutions interviewed had used the PSC register. Overall, all civil society organisations, most law enforcement organisations and some financial institutions felt that the introduction of the PSC register has had a positive effect on their work.

Stakeholder suggested that the PSC register could be improved by introducing a validation and verification process to make the register more useful. Stakeholders also suggested that the introduction of a unique ID for individuals listed on the register would be a valuable addition to the register as it would enable them to quickly identify all the businesses that an individual is listed as PSC for.

Source: Mor, F. (2019), “Registers of beneficial ownership”, House of Commons Library Briefing Paper No. 8259, London: House of Commons library. <https://researchbriefings.files.parliament.uk/documents/CBP-8259/CBP-8259.pdf>