EXPLANATORY MEMORANDUM TO

THE REGISTER OF OVERSEAS ENTITIES (PROTECTION AND TRUSTS) AND LIMITED LIABILITY PARTNERSHIPS (APPLICATION OF COMPANY LAW) (AMENDMENT) REGULATIONS 2026

2026 No. [XXXX]

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Business and Trade and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Minister Blair McDougall, Parliamentary Under Secretary of State at the Department for Business and Trade, confirms that this Explanatory Memorandum meets the required standard.

2.2 Nis Bandara, Deputy Director for Company Law & Transparency Policy at the Department for Business and Trade, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Ryan Gordon or Sabeeha Tahir at the Department for Business and Trade can be contacted by email at the following address with any queries regarding the instrument: catpolicy@businessandtrade.gov.uk. Alternatively, the department can be contacted by telephone at 07563 570071.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This statutory instrument makes changes to the legislation governing the Register of Overseas Entities (ROE). It amends the provisions relating to public access to information on trusts held on the ROE by removing the requirement to provide the trust name when applying through the ROE Trust Disclosure Service. This instrument also enables access to trust information when one or more members are under 18 years of age, but the applicant has not demonstrated a legitimate interest. Legitimate interest access applies when an applicant seeks trust information relating to more than one overseas entity or to a person under 18 years of age. In cases where trust information relates to a person under 18 and legitimate interest has not been demonstrated, details relating to individuals under 18 will be withheld from public inspection, and only the remaining trust information will be disclosed.

4.2 This instrument also improves the application process for removing an individual's home address ("usual residential address") from the public ROE by removing the requirement to submit supporting evidence for applications made on grounds that the home address appears on the public ROE, as the Registrar can verify this internally. Applications made on other grounds (risk of violence or intimidation, or that the individual is a minor or lacks capacity) continue to require supporting evidence. The instrument also requires a replacement address to be provided in most circumstances.

4.3 This statutory instrument also reverses a requirement made by earlier regulations for limited liability partnerships (LLPs), in certain circumstances, to provide additional address information.

Where does the legislation extend to, and apply?

4.4 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the whole of the United Kingdom.

4.5 The territorial application of this instrument (that is, where the instrument produces a practical effect) is whole of the United Kingdom.

5. Policy Context

What is being done and why?

Background: The ROE:

5.1 The ROE was established under the Economic Crime (Transparency and Enforcement) Act 2022 ("the Act") and went live on 1 August 2022. Its primary purpose is to enhance transparency regarding the beneficial ownership of overseas entities (i.e. companies or other corporate bodies governed by the laws of a country or territory outside the UK) holding land in the UK. It is a public register; however, other than the name of the trustee, trust information is not published. All trust information remains accessible to law enforcement and His Majesty's Revenue & Customs.

The ROE Trust Disclosure Service:

5.2 To enable greater public scrutiny of trust information, in February 2025, the Register of Overseas Entities (Protection and Trusts) (Amendment) Regulations 2025 were made to establish the Trust Disclosure Service. This service was launched on 31 August 2025 and enables third parties (the public) to apply to Companies House to access unpublished trust information held on the register upon successful application.

5.3 As part of the application, applicants must provide the overseas entity name and ID number, which are publicly available on the register. The original regulations also required applicants to provide the name of the trust. This information is not publicly available on the register and was identified as a barrier to accessing trust information as many applicants are unlikely to have this information, resulting in rejected applications. This instrument resolves this issue by removing the requirement to provide the trust name on application, so only the overseas entity name and ID number are required going forward.

5.4 Furthermore, applicants are required to demonstrate legitimate interest (i.e. that they are investigating money laundering, terrorist financing, tax evasion or breaching of sanctions), in line with guidance set out on GOV.UK, to access trust information relating to relating to more than one overseas entity or to a person under 18 years of age. Where legitimate interest has not been demonstrated, the presence of trust members under the age of 18 has prevented third party access to other information relating to the trust. The instrument makes amendments so that in cases where trust information relates to a person under the age of 18 and legitimate interest has not been demonstrated, details relating to individuals under the age of 18 will be withheld from public inspection, and only the remaining trust information will be disclosed. Applicants must still demonstrate legitimate interest to access information on any trust member under the age of 18.

Removal of home address:

5.5 Individuals whose information is included on the ROE may make an application to Companies House to remove their home address from the public register ("suppression"). This is necessary to protect the privacy of that individual and mitigate the risk of harm, but this information remains available to Companies House, law enforcement, and His Majesty's Revenue & Customs.

5.6 This statutory instrument introduces new requirements for applicants (the individual whose home address it relates to, or the relevant overseas entity acting on their behalf) to remove their home address from the ROE.

5.7 When a suppression application is made concerning an individual's home address on the UK register of companies, supporting evidence is not required as part of the application. Additionally, in most cases, a replacement correspondence address must be provided in such an application.

5.8 This instrument removes the requirement for an application concerning an individual's home address on the ROE to provide evidence that they live at this address. This requirement imposed an unnecessary administrative burden on the applicant as the Registrar already holds the necessary information.

5.9 This instrument also introduces a requirement where in most cases, applicants must provide a replacement service address for correspondence purposes, when requesting the removal of a home address from the ROE.

5.10 There are limited, proportionate exceptions to this requirement. A replacement address is not required if the application relates to an overseas entity that has been removed from the ROE or if the relevant individual is no longer the beneficial owner or managing officer of the entity. These exceptions are considered proportionate because, in such cases, the information has limited value.

Removal of service address requirement for LLPs:

5.11 This instrument also amends the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009 to remove service address (an address at which legal documents may be served upon a person) requirements for other registrable persons and registrable relevant legal entities. These requirements were introduced by the Limited Liability Partnerships (Application and Modification of Company Law) Regulations 2025), inadvertently before Companies House systems had been developed to receive the relevant information. Regulations to reinstate requirements will be laid in due course once system changes have been made and tested.

What was the previous policy, how is this different?

Third party access to trust information:

5.12 Under the previous policy, Companies House could not release any trust information if the name of the trust was not provided. Legitimate interest access applies when an application seeks trust information relating to more than one overseas entity or to a person under 18 years of age. Where legitimate interest is demonstrated to access information relating to an individual under the age of 18, the policy has not changed; however, this instrument makes an amendment to realise the original policy intention by ensuring that Companies House can disclose trust information even when one or more members are individuals under the age of 18. In cases where trust information relates to a person under 18 and legitimate interest has not been demonstrated, details

relating to individuals under 18 will be withheld from public inspection, and only the remaining trust information will be disclosed.

5.13 These changes make trust information more accessible, supporting public scrutiny and helping to combat the misuse of trusts for money laundering purposes.

Removal of home addresses:

5.14 Under the previous policy, an application to suppress an individual's home address on the public ROE was required to set out the grounds for the request and required the applicants to provide supporting evidence. It did not, however, require the applicant to provide a replacement address. This instrument removes the requirement to provide supporting evidence for applications made on grounds that the usual residential address appears on the public ROE, as the Registrar can verify this internally by checking the address against the non-public register. Applicants must still state the grounds for their application. Applications made on other grounds (risk of violence or intimidation, or that the individual is a minor or lacks capacity) continue to require supporting evidence. The instrument also introduces a requirement for the applicant to provide a replacement service address for correspondence purposes in most cases, with proportionate exceptions where the overseas entity has been removed from the register or the individual is no longer a beneficial owner or managing officer of that entity.

5.15 These changes align the process for removal of home addresses from the ROE more closely with the approach taken for the UK register of companies.

Removal of service address requirement for LLPs:

5.16 The policy for LLPs has not changed. Companies House systems have not collected service addresses during the period these requirements were in force. Transitional provisions will be added when these requirements are reintroduced.

6. Legislative and Legal Context

How has the law changed?

6.1 Part 2 of this instrument amends the Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022 to remove the requirement to provide evidence when applying for a home address to be removed from the public register. It also requires a replacement address to be provided in most circumstances which was not previously the case.

6.2 Part 3 of this instrument amends regulation 4 of the Register of Overseas Entities (Protection and Trusts) (Amendment) Regulations 2025 so that third parties applying for access to trust information on the registers no longer have to provide the name of the trust.

6.3 Part 3 also amends the above regulation to enable access to trust information to be granted even when one or more members are under 18 years of age. Legitimate interest access applies when an application seeks trust information relating to more than one overseas entity or to a person under 18 years of age. In cases where trust information relates to a person under 18 and legitimate interest has not been demonstrated, details relating to individuals under 18 will be withheld from public inspection, and only the remaining trust information will be disclosed.

6.4 Part 4 of this instrument reverses a requirement made by the Limited Liability Partnerships (Application and Modification of Company Law) Regulations 2025 for

LLPs, in certain circumstances, to provide additional address information. These requirements as they relate to companies are on hold pending the development of a mechanism for Companies House to receive and record the information. Their extrapolation to LLPs was inadvertent and will be reinstated once appropriate systems are in place.

Why was this approach taken to change the law?

6.5 This approach provides the simplest and most appropriate method of making the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 Discussions were held with Companies House and key stakeholders to identify the appropriate changes to be made.

7.2 In December 2023, the government conducted a consultation on the transparency of land ownership involving trusts, which closed for responses in February 2024: https://www.gov.uk/government/consultations/transparency-of-land-ownership-involving-trusts-consultation. The scope of this consultation was wider than the ROE Trust Disclosure Service, but the views expressed by respondents were considered when developing these changes. A government response to this consultation will be published in due course.

7.3 Consultations with Scottish and Northern Irish Ministers have taken place in accordance with section 24 of the Act.

7.4 The Information Commissioner's Office (ICO) has been consulted pursuant to Article 36(4) of the UK General Data Protection Regulation (UK GDPR).

8. Applicable Guidance

8.1 Online GOV.UK guidance will be updated to reflect the new requirements: https://www.gov.uk/guidance/ask-companies-house-for-information-about-a-trust, https://www.gov.uk/government/publications/register-of-overseas-entities-guidance-on-registration-and-verification and https://www.gov.uk/guidance/set-up-and-run-a-limited-liability-partnership-llp.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because the cost of these regulations upon business is negligible. These regulations relate to changes to the Act and to company law which have been made by the Economic Crime and Corporate Transparency Act 2023 ("ECCTA"). ECCTA was subject to a full impact assessment which can be found online: https://www.legislation.gov.uk/ukpga/2023/56/impacts.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies from the amendments that relate to the ROE because the amendments to the application process for access to trust information, or suppression of a home address make these services more straightforward for the user.

9.3 There is no, or no significant, impact on business, charities or voluntary bodies from the amendment to that relates to LLPs because this measure reverses a requirement made by earlier regulations and will mean LLPs will not yet be required to deliver additional information in certain circumstances.

9.4 The legislation does not impact small or micro businesses.

9.5 There is no, or no significant, impact on the public sector because the regulations primarily modify pre-existing processes to more closely match the original policy intention.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is to regularly review this with Companies House and key stakeholders in order to monitor the impact of the ROE reforms and ensure they meet the policy intention and remain effective.

10.2 Monitoring the LLP measure will involve oversight of progress on Companies House transformation to evaluate when this requirement can be implemented.

10.3 The instrument does not include a statutory review clause and, in line with the requirements of the Small Business, Enterprise and Employment Act 2015, Blair McDougall, Parliamentary Under Secretary of State at the Department for Business and Trade, has made the following statement: *"A statutory review clause is not included in the instrument since the additional requirements are not extensive and are considered to meet the government's 'de minimis' regulatory impact criteria, meaning no impact assessment is required".*

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 Blair McDougall, Parliamentary Under Secretary of State at the Department of Business and Trade, has made the following statement regarding Human Rights: *"In my view the provisions of the Register of Overseas Entities (Protection and Trusts) and Limited Liability Partnerships (Application of Company Law) (Amendment) Regulations 2026 are compatible with the Convention rights."*

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").