EXPLANATORY MEMORANDUM TO

THE PROTECTION AND DISCLOSURE OF PERSONAL INFORMATION (AMENDMENT) REGULATIONS 2025

2025 No. 874

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 Justin Madders, 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 and Transparency at the Department for Business and Trade, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Carolin Grassmann at the Department for Business and Trade
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can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument will widen the range of circumstances in which individuals may apply to the registrar at Companies House to protect their personal information where it appears on the public register. Protection means that the registrar cannot make the relevant information publicly available.

Where does the legislation extend to, and apply?

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

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

5. Policy Context

What is being done and why?

5.1 Following the Corporate Transparency and Register Reform White Paper published in February 2022, the Economic Crime and Corporate Transparency Act 2023 ("the 2023 Act") reformed the role and powers of the registrar of companies (whose functions are carried out by Companies House). These reforms include measures to prevent the abuse of personal information on the companies register.

5.2 It has always been a key principle that individuals directing companies and equivalent entities should have their details registered at Companies House so that they can be held to account for the entity's affairs. However, there are instances in which having this information visible on the public register puts individuals at increased risk of harm such as identity theft or fraud.

5.3 This instrument introduces the second part of the 2023 Act's privacy reforms, bringing in further measures to protect personal information on the public registers held by Companies House. The instrument expands the already existing address protection regime, enabling the protection of 'usual residential addresses' in most cases where they appear on the register. This instrument also allows for the protection of an individual's signature, business occupation, and day of date of birth.

5.4 Once this instrument is in force, anyone will be able to make an application according to the regulations for protection of their residential address, signature, business occupation, and day of date of birth. Individuals will not need to justify the need for such protection or meet any additional conditions. It is an individual's absolute right to have their residential address, signature, day of date of birth, and business occupation protected. This is because the law does not require this information to either be provided or made publicly available anymore. Companies House will retain all protected information to share with law enforcement agencies and other public authorities when required to.

5.5 However, an individual cannot apply to protect an address that a company must keep on the register, for example a live 'registered office address' or 'single alternative inspection location address', unless it also appears on the register as their own current address (for example their 'service address' as a director). In this case, if the address relates to a current appointment for a live company, the individual must provide a replacement service address in the application to be included on the register.

5.6 Additionally, an individual cannot apply to protect information contained within certain filings related to charges, or that would require the registrar to make an entity's name unavailable for public inspection[1], as set out under regulations 2(3) and 5(6)(a).

5.7 The instrument will also remove the requirement for certain Community Interest Company ("CIC") documents and statements of solvency to be signed, and the requirement for directors of overseas companies to provide a business occupation.

5.8 The instrument also expands the grounds on which People with Significant Control ("PSCs") can make an application to request the registrar to refrain from disclosing their residential address to a credit reference agency. It also makes other minor amendments to secondary legislation relating to PSCs, which are applied to limited liability partnerships ("LLPs") and eligible Scottish partnerships.

5.9 In addition, this instrument makes some amendments to company law provisions as applied to LLPs and unregistered companies. These amendments apply the new provisions relating to protection of personal information to these types of entities with modifications. These amendments will ensure the framework for other entities keeps in step with that for companies.

[1] For example, it will not be possible to protect an address where it forms part of a company name, such as in the case of a flat management company whose name contains the address of the building it manages.

What was the previous policy, how is this different?

5.10 Previously, it was only possible to protect a residential address in certain limited cases, as was set out under regulations 9(1) and 11A(1) of the Companies (Disclosure of Address) Regulations 2009 (SI 2009/214; "the 2009 regulations"). The legislation did not allow for the protection of a business occupation or signature in most circumstances.

5.11 Following the Small Business, Enterprise and Employment Act 2015 (c. 26), only the month and year of a director's date of birth are publicly shown on the register for director appointments filed since 10 October 2015. The "day" element of date of birth information filed before this date remains publicly available in historic filings on the register. Previously, there was no system to allow directors to apply for the day of their date of birth to be protected.

6. Legislative and Legal Context

How has the law changed?

6.1 The instrument is part of a series of Statutory Instruments to be made following the 2023 Act, implementing the reforms within it.

6.2 These regulations extend the existing residential address protection regime laid out in the 2009 regulations, as recently expanded by the Companies and Limited Liability Partnerships (Protection and Disclosure of Information and Consequential Amendments) Regulations 2024 (SI 2024/1377).

6.3 These regulations also introduce a protection regime for signatures, business occupations, and day of date of birth.

6.4 The instrument makes corresponding provisions for LLPs by amending the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009 (SI 2009/1804) and for unregistered companies by amending the Unregistered Companies Regulations 2009 (SI 2009/2436).

6.5 It also amends the Community Interest Company Regulations 2005 (SI 2005/1788), the Companies (Reduction of Share Capital) Order 2008 (SI 2008/1915), and the Overseas Companies Regulations 2009 (SI 2009/1801). These amendments remove the requirement for certain CIC documents and statements of solvency to be signed, and the requirement for directors of overseas companies to provide a business occupation, respectively.

6.6 In addition, the instrument amends the Register of People with Significant Control Regulations 2016 (SI 2016/339),the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016 (SI 2016/340), and the Scottish Partnerships (Register of People with Significant Control) Regulations 2017 (SI 2017/694), widening the application grounds for PSCs requesting the registrar to refrain from disclosing their residential address to a credit reference agency and making other minor amendments.

6.7 Further regulations will be made in due course to introduce additional measures preventing the abuse of personal information on the companies register.

Why was this approach taken to change the law?

6.8 This approach provides the simplest and most appropriate method of making the necessary changes to allow for the protection of more information currently displayed on the public register. Existing provisions relating to the protection of usual

residential addresses can be found in the 2009 regulations. Adding the new address protection provisions to the 2009 regulations ensures that all provisions relating to the protection of residential addresses are in one place.

7. Consultation

Summary of consultation outcome and methodology

7.1 In 2019, the Government consulted on a range of options to enhance the role of Companies House and increase the transparency of companies and other legal entities. The consultation received 1,320 responses, and respondents broadly supported the proposals. The proposed measures to protect personal information on the register were strongly supported. A copy of the consultation and Government response can be found here: https://www.gov.uk/government/consultations/corporate-transparency-and-register-reform.

7.2 The initial consultation was followed by three further consultations. These focused on the powers of the registrar, improving the quality and value of financial information on the UK companies register, and implementing the ban on corporate directors. These three consultations opened in December 2020 and closed in February 2021. Respondents were broadly supportive of all the measures proposed.

7.3 A copy of the latter three consultations, a summary of the responses, and an overview of the policy can be found in the Corporate Transparency and Register Reform White Paper: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1060726/corporate-transparency-white-paper.pdf.

7.4 The Government has also engaged with Devolved Governments on matters which fall within areas of devolved competence. All devolved issues have been settled. Legislative consent has been obtained from Welsh and Scottish Governments. As legislative consent from Northern Ireland could not be obtained at the time of passage of the 2023 Act because an Executive had not yet been formed, the Government legislated without consent but secured Ministerial consent for the making of the secondary legislation. There is an agreement between the Department for Business and Trade and the Northern Irish Department for the Economy that the Westminster Government will legislate on behalf of Northern Ireland on matters pertaining to company law, with both parties maintaining engagement.

8. Applicable Guidance

8.1 Companies House already has guidance on protecting personal information on the companies register[2]. Ahead of the regulations coming into force, the guidance will be updated to reflect the changes made by this instrument.

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 measures within this instrument will not cause any cost to business. This is outlined in the Impact Assessment for the primary legislation, which is available here: https://publications.parliament.uk/pa/bills/cbill/58-

[2] https://www.gov.uk/guidance/your-personal-information-on-the-public-record-at-companies-house

03/0154/1.ImpactAssessmentfromDepartmentforBusinessEnergyandIndustrialStrategy.pdf.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies, as individuals would only ask for their information to be protected if the benefits of the action were greater than the cost.

9.3 The legislation does not impact small or micro businesses.

9.4 The impact on the public sector is outlined in the Impact Assessment for the primary legislation. Given the close linkages between Companies House transformation and the suite of reform measures, it is impossible to allocate transformation costs individually and they are therefore treated as indivisible. For more information on the impact on Companies House to deliver the full register reform package, please see the Impact Assessment for the primary legislation.

9.5 No impact on the environment is expected as a result of this instrument.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is that the Department for Business and Trade and Companies House will monitor all the reforms to Companies House enabled through the 2023 Act and will periodically publish research on their impact.

10.2 The instrument does not include a statutory review clause and, in line with the requirements of the Small Business, Enterprise and Employment Act 2015, Justin Madders, Parliamentary Under Secretary of State, 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 Justin Madders, Parliamentary Under Secretary of State, Department for Business and Trade, has made the following statement regarding Human Rights:

"In my view the provisions of the Protection and Disclosure of Personal Information (Amendment) Regulations 2025 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").