

Press release: Businesses and consumers to be given increased protections from criminal activity

- Major upgrade of Companies House register aimed at tackling misuse and ensuring its accuracy
- As part of reforms, business owners will benefit from new protections from fraud
- New package of measures will boost the reputation of the UK's business environment and ensure the reliability of the UK's company register

Companies will be better protected from fraud, under new Companies House reforms that will do more to safeguard the personal data of business owners and ensure the accuracy of the register.

Business Minister Kelly Tolhurst today (Sunday 5 May) unveiled a substantial package of reforms to Companies House. With the clear aim of minimising the burden on law abiding companies, the reforms will contribute to UK efforts to tackle economic crime by increasing the traceability of company ownership and management while offering business owners and businesses greater protection from fraud.

The proposed reforms, unveiled today, will help increase the accuracy and usefulness of the information available on the companies register, which last year was accessed 6.5 billion times and, as of March 2018, included over 4 million limited companies.

In the last three years there have been almost 10,000 complaints to Companies House from people concerned about their personal details, with worries including fraud and use of personal details topping the list.

The package of proposed reforms include:

- Knowing who is setting up, managing and controlling companies: Those who have a key role in companies will have their identity verified
- Improving the accuracy and usability of data on the register: Companies House will now be able to query and corroborate information before it is entered on the register. This will also mean it is easier and quicker to remove inaccurate information from the register
- Protecting personal information on the register: In a minority of cases the register can be misused to identify personal information, which can then be used for criminal purposes. Under these proposals Directors will be given additional rights over their information, for example personal home addresses, while ensuring this information is still available in a transparent manner to public authorities where appropriate.
- Improving the detection of possible criminal behaviour: Better information sharing by Companies House, other Government bodies and financial institutions will better protect businesses and ensure faster

and more sophisticated identification of possible criminal activity – benefitting businesses and consumers.

Business Minister Kelly Tolhurst said:

The UK already has some of the strongest protections in the world against money laundering. We are ranked as one of the top countries worldwide for cracking down on economic crime – protecting businesses and consumers.

The reforms announced today will support the fight against the use of dirty money in the UK and enhance the protections for entrepreneurs and directors from criminal activity.

Knowing that a company's information is accurate and transparent is a fundamental part of a leading business environment – giving entrepreneurs and businesses the confidence they need to do business in the UK.

Chief Executive of Companies House Louise Smyth said:

The register already plays a vital role in contributing to the UK's economy through the investment decisions which rely on our data. This package of reforms represent a significant milestone for Companies House as they will enable us to play a greater part in tackling economic crime, protect Directors from identity theft and fraud and improve the accuracy of the register.

The UK has one of the highest ratings for cracking down on anonymous companies, and the government's proposed measures build on the Britain's world-leading anti-corruption activity. In 2016, the UK became the first country in the G20 to introduce a public register of company ownership, while new protections against identity fraud for company directors were introduced in 2018.

City Minister John Glen said:

Tackling economic crime is a key priority and by strengthening the register we are building on our already world-leading approach to weeding out dirty money.

This will help us to better identify criminal behaviour and ensure the strongest protections for businesses, so they don't fall prey

to fraudsters.

Interim Director General of the Institute of Directors Edwin Morgan said:

We welcome the thrust of these proposals. The IoD receives regular complaints from its members concerning the misuse of data published by Companies House. Transparency is a key feature of UK-registered companies, but if that transparency can be exploited by criminals or fraudsters, then trust in the legal framework of business is undermined.

We look forward to working with Companies House on new powers to monitor and control company information on its register, which will help to provide a more secure and reliable repository of corporate data.

Director of Policy Transparency International UK Duncan Hames said:

That the Government have brought forward these proposals for consultation is most welcome. We are pleased that public concerns about the accuracy of the company register have clearly been heard, and efforts are underway to act upon them.

The abuse of UK companies to launder stolen wealth has been evident in major global money laundering scandals, and well documented in our own research. Addressing these concerns therefore is an important move against 'dirty money' in the UK, which compliments the Government's widely supported plans for a new register of who ultimately owns the overseas entities that own property here.

Like us, those with an interest in the transparency and quality of company information will surely want to take this opportunity to share their insights from practical experience of using the UK's company register.

CEO of UK Finance Stephen Jones said:

Reliable company information is critical to the financial and banking sector in meeting know-your-customer requirements and helping to protect customers from fraud. This consultation is an important step in helping to strengthen the Companies House regime and we will continue to work closely with the Government,

regulators and law enforcement to develop more effective approaches to tackling economic crime

The proposals will be underpinned by a major transformation programme to upgrade digital services at Companies House alongside a complete review of its staffing and skills requirement. This package of proposals, if brought forward would be the largest change to our system of setting up and operating companies since the register was created in 1844.

- An assessment of the UK's anti-money laundering and terrorist financing framework last year by the international standard setting body gave the UK the highest rating received by any country to date. This can be viewed here:
<https://www.fatfgafi.org/media/fatf/documents/reports/mer4/MER-United-Kingdom-2018.pdf>
- The UK is already taking a leading role on the world stage to improve corporate transparency and was recognised by NGO Transparency International as one of only 4 G20 countries with the highest rating for cracking down on anonymous companies.
- Back in February 2018 the government announced new protection against identity fraud for company directors, which gave directors the ability to remove their personal addresses from the company register.
- The UK has worked to improve transparency and tackle money laundering through:
 - introducing draft laws last summer for a world-first public register which will require overseas companies that own or buy property in the UK to provide details of their ultimate owners:
 - launching a package of transparency and anti-corruption measures in December including new laws to increase transparency and prevent abuse of limited partnerships
 - introducing a register of People of Significant Control in 2016, which now includes 4.6 million names. The register was expanded in 2017 to include Scottish Limited Partnerships
 - making the UK's company register freely accessible online in 2015, establishing it as one of the most open and transparency company registers in the world – accessed 6.5 billion times in the financial year 2018/19 – meaning company information is under constant scrutiny
 - launching the government's new Serious and Organised Crime Strategy on 1 November, investing at least £48 million in 2019/20 in law enforcement capabilities to tackle illicit finance and enhance our response to serious and organised crime

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Companies House reforms consultation launched today

News story: Trailblazing ideas set to shape the future of aviation and border security

- novel solutions that can enhance security at airports, the border and other screening locations could be eligible for a share of £4.5 million funding
- the competition is part of the wider Future Aviation Security Solutions programme to deliver a step change in aviation security through innovative science and technology
- investment in research and development is one of the main commitments in the government's Industrial Strategy

Academics and industry experts with pioneering ideas capable of producing the next generation of aviation and border security can apply for funding through the Future Screening for Aviation and Borders competition which launches today (5 May 2019).

A funding pot worth £4.5 million is available over the next 2 years for innovative solutions that can enhance the screening of people and goods and strengthen the detection of dangerous, illicit and contraband items.

The competition has been developed by the [Future Aviation Security Solutions](#) (FASS) programme – a joint initiative between the Home Office and Department for Transport (DfT) – and the Defence and Security Accelerator (DASA) to encourage novel ideas that cover all aspects of aviation and border screening – from passengers to cargo, mail, hold bags and more.

With the global shift towards a more integrated transport system, greater autonomy and automation, the competition is also looking for innovations capable of bringing current and future security concepts together.

This could mean a more streamlined and non-intrusive screening experience for passengers and staff with security processes working together to screen individuals as they travel through an airport.

Aviation Minister, Baroness Vere said:

The UK has some of the most advanced aviation security in the world, and we must continue to make it safer and easier for everyone using airports.

We want ambitious and innovative businesses to apply for funding to develop the security technologies of the future.

Screening passengers is an essential part of aviation security but threats to the industry are multifaceted and ever-evolving. By splitting the competition into 5 challenges the FASS programme is inviting innovators to think about different aspects of security.

This includes challenging academia and industry to develop measures that can enhance the screening of cargo, mail or hold bags for prohibited and contraband items and make it even tougher for these to be taken on board an aircraft.

The UK has one of the safest aviation systems in the world and has made one of the largest contributions to driving up global aviation security standards. This competition builds on the government's commitment in both our [Aviation strategy](#) and [Counter-terrorism strategy](#), CONTEST, to continually reinforce UK and international aviation security standards to ensure that the skies remain safer for everyone at home and abroad.

Security Minister, Ben Wallace said:

The FASS is continuing to fulfil its vital role of bringing government, industry and experts together to ensure that the UK continues to be amongst the best in the world at developing technologies which keep us ahead of the threats that we all sadly face.

This competition will help to protect passengers by contributing to keeping dangerous and illegal items off our planes and bolstering our border security, whilst having the added benefit of improving their travel experience.

We know that innovation is vital in our work to protect the British public from harm and that is why initiatives like this are so important.

The Home Office and DfT launched the FASS programme in 2016. This formed one part of the 2015 [Strategic defence and security review](#) commitment to double spending on aviation security.

FASS has funding of £25.5 million over 5 years to deliver a step change in aviation security by investing in innovative science and technology that will prevent illegal weapons, explosives and other threats from being taken onto aircraft.

The FASS programme aims to invest in early stage concepts as well as support novel products through all stages of development.

DASA finds and funds exploitable innovation to support UK defence and security and will continue its longstanding and successful partnership with the FASS programme for this latest competition.

Interested parties are encouraged to submit a proposal to DASA. The competition closes on Monday 1 July 2019 at midday.

Press release: Millions raised from tax evading dog breeders

More than £5 million has been raised by a HM Revenue and Customs (HMRC) taskforce tackling dishonest dog breeders selling pups on the black market.

Press release: Millions raised from tax evading dog breeders

HMRC set up the taskforce in October 2015 after discussions with animal welfare groups suggested tens of thousands of puppies were being reared in unregulated conditions and sold illicitly every year.

Officers uncovered fraudsters selling puppies on a mass scale and for a huge profit, but because of the underground nature of the activity – failing to declare their sales.

Using a full range of civil and criminal enforcement powers, HMRC has recovered £5,393,035 in lost taxes from 257 separate cases since the formation of the taskforce.

Financial Secretary to the Treasury, Mel Stride MP, said:

It is utterly appalling that anyone would want to treat puppies in such an inhumane way and on such a scale. It's also deeply unfair to all of the legitimate businesses who do pay the right tax, and the total recovered by the taskforce is equivalent to the annual salaries for more than 200 newly qualified teachers.

We continue to work hard with other government agencies and our partners to tackle these traders. We urge anyone with information about tax evasion to report it to HMRC online or call our Fraud Hotline on 0800 788 887.

Of those breeders and traders targeted, they include:

- two unconnected puppy breeders in the west of Scotland who were handed tax bills of £425,000 and £337,000
- a puppy breeder in the Midlands who was former Crufts judge, given a £185,000 bill
- a dealer in Northern Ireland told to pay £185,000 in tax
- a Somerset puppy breeder was given a £114,000 bill
- a puppy dealer in the east of Scotland was handed a tax bill in excess of £400,000
- a Swansea puppy breeder was given a £110,000 tax bill

Several arrests have been made in relation to the taskforce's work over the past four years. Durham kennel owner, Kevin Knox, pleaded guilty to the fraudulent evasion of tax and VAT in March 2018.

HMRC is also involved in Operation Delphin – a multi-agency collaboration across the UK and Ireland, designed to tackle illegal puppy smuggling and the consequences it brings. It is led by the Scottish SPCA and includes partners such as the RSPCA, Ulster SPCA, Dublin SPCA, Irish SPCA, HMRC, Border Force, and the police.

The head of the Scottish SPCA's Special Investigations Unit, who cannot be named due to his undercover operations, said:

Unfortunately, the puppy trade is big business with thousands of dogs being brought into the country each year, particularly from Northern Ireland and the Republic of Ireland. It is a multi-million pound industry and many of these poor dogs are bred on large scale puppy farms with little to no regard for their welfare.

We have seized 27 puppies smuggled from Ireland at Cairnryan Port in Dumfries and Galloway as part of Operation Delphin, which is dedicated to ending the illegal puppy dealing industry and bringing those who prioritise profits over animal welfare to justice. It's a barbaric trade which commands huge profit from selling puppies. Often these puppies are kept in appalling conditions and this leads to injuries, health issues and behavioural problems. Some are so far gone that they pass away from complications due to the way they are bred and kept.

The efforts of all involved in the taskforce have helped us to make inroads in to this brutal trade but it is a growing problem.

Last year nearly half of all animals seized by the Scottish SPCA were rescued from puppy farms and I would urge everyone to sign the

pledge [#SayNoToPuppyDealers](#) and send a clear message that this cruel trade has to end.

- HMRC has worked closely with a number of partner agencies including SSPCA, RSPCA, Police, APHA, Trading Standards and other animal welfare groups
- HMRC staff have participated in a number of days of action with our partners at various ports across the UK as part of Operation Delphin
- Operation Delphin is collaboration between the Scottish SPCA, RSPCA, Ulster SPCA, Dublin SPCA, Irish SPCA, HMRC and other authorities. It is designed to disrupt the illegal puppy trade
- Where appropriate, HMRC has shared information with overseas tax authorities where the significant involvement of non-UK citizens has been identified
- Newly qualified teachers in England and Wales earn a minimum of £23,720 per annum – this has been sourced from the [TES website](#)
- Anyone with information about people or businesses involved in tax fraud can contact our HMRC helpline on 0800 788 887