

# Carmarthenshire Association of Voluntary Services

Your local county voluntary council

## 5. Trustees and governance

### 5.10 Register of People with Significant Control



#### **What is the Register of People with Significant Control?**

A Register of People with Significant Control is a statutory register of the people who own and/or control a corporate entity (the **PSC Register**).

#### **Why is it being introduced?**

At the 2013 G8 Summit it was agreed that there was a need to enhance corporate transparency.

#### **Which entities must comply with the new legislation?**

It will apply to the majority of UK registered companies and LLPs, irrespective of their size or turnover. This includes charitable companies limited by guarantee and community interest companies. It **does not apply** to co-operative societies, community benefit societies and charitable incorporated organisations.

#### **When did the changes come into effect?**

6 April 2016.

#### **What are the obligations on a company/LLP?**

A company/LLP must create and maintain a PSC Register. The PSC Register must be made available for public inspection at the registered office (although some details can be kept confidential in limited circumstances) and anyone can request a copy of the PSC Register.

From 30 June 2016, companies/LLPs will be required to provide certain details about their “persons of significant control” to Companies House on an annual basis when completing its Confirmation Statement (formerly the Annual Return).

Any companies which are incorporated after **30 June 2016** will be required to complete a statement of initial control containing the relevant information from the PSC Register when the company is formed.

The PSC Register must be kept up to date – this includes removing persons who cease to satisfy the criteria and adding any new person who gain “significant control”.

Companies must update their register within 14 days of becoming aware of a change to their persons with significant control. Within 14 days of updating their register, they will have to notify Companies House of when the change was made and what the change involved.

Failure to comply with the regulations is a criminal offense.

## Who is a Person with Significant Control?

Any person has "significant control" if they meet one or more of the following criteria:

1. Someone who owns more than 25% of the company's shares; or
2. Someone who holds more than 25% of the voting rights in the company; or
3. Someone who has the power to appoint or remove a majority of the company's board; or
4. Someone who has the right to exercise or actually exercise significant influence or control over the company; or
5. Where a trust or firm would satisfy one of the first four conditions if it were an individual. Any individual holding the right to exercise, or actually exercising, significant influence or control over the activities of that trust or firm.

## Where a charity or social enterprise, or its trading subsidiary falls within the scope of the PSC rules, you should now:

- Create a PSC Register and keep it updated; the PSC Register must never be empty.
- Inform your trustees of the requirement to keep and maintain a PSC Register.
- Take reasonable steps to identify who may be a PSC and prepare and maintain a PSC register. The Government has produced official guidance which sets out what reasonable steps you should take.
- Review your trustee induction process so that you inform trustees of the new regime, (particularly that the information will be publically available) and obtain the required information from the trustee.
- Consider revising your conflict of interest policy to address the requirements of the register.
- Consider whether information to be held on the PSC Register in respect of a trustee or other party ought not to be publically available. In such cases, we would recommend that specialist advice is sought in relation to the application to prevent the disclosure of information

## What should be recorded on the register?

Name
Full date of birth
Nationality
Country/area of residence
Service address
Residential address
Date became a PSC
Which of the conditions are being met as a PSC
Any restrictions on disclosing the PSC's information that are in place

This information will be available to law enforcement and credit reference agencies.

## **In response to requests for copies of your PSC register, you should provide:**

All entries except for the residential address.

## **The information made publically available by Companies House will include:**

All entries except for the residential address and the full date of birth will instead be displayed as only the month and year of birth.

## **Register – Official wording**

The PSC Register **should never be empty**, official wording has been provided to use as an entry for various scenarios as below:

Your company has no PSCs or registrable Relevant Legal Entity (RLE):

*The company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the company.*

If you are in the process of taking reasonable steps:

*The company has not yet completed taking reasonable steps to find out if there is anyone who is a registrable person or a registrable relevant legal entity in relation to the company*

## **Unconfirmed PSC details:**

*The company has identified a registrable person in relation to the company but all of the required particulars of that person have not been confirmed.*

## **Unidentified PSC:**

*The company knows or has reasonable cause to believe that there is a registrable person in relation to the company but it has not identified the registrable person.*

A link to the official guidance can be found [here](#) and should be consulted if in doubt.

## **Disclaimer**

The information provided in this sheet is intended for guidance only. It is not a substitute for professional advice and we cannot accept any responsibility for loss occasioned as a result of any person acting or refraining from acting upon it.

### **For further information contact**

#### **Carmarthenshire Association of Voluntary Services**

*The Mount, 18 Queen Street, Carmarthen, Carmarthenshire, SA31 1JT*  
**Registered Charity: 1062144**

**Tel:** 01267 245555

info@cavs.org.uk

**Fax:** 01267 245550

www.cavs.org.uk

Produced by WCVA, County Voluntary Councils and Volunteer Centres.

**Last Updated:**16/01/2018



Tel: 0300 111 0124

www.wcva.org.uk