



Companies House

Business plan 2017 to 2018



© Crown copyright 2017

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence v.2. To view this licence visit www.nationalarchives.gov.uk/doc/open-government-licence/version/2/ or email: PSI@nationalarchives.gsi.gov.uk

The material must be acknowledged as Crown copyright and you must give the title of the source document/publication. Where third party material has been identified, permission from the respective copyright holder must be sought.

This publication is available at: www.gov.uk/companieshouse

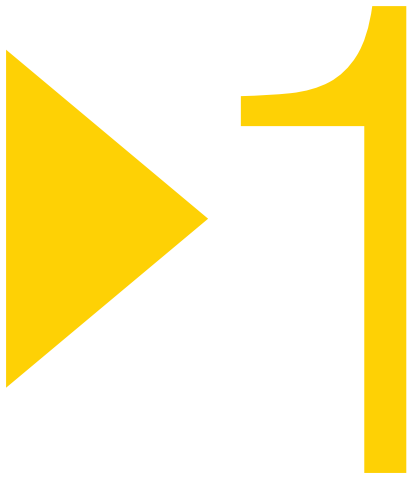
Any enquiries regarding this publication should be sent to us at: Companies House, Crown Way, Cardiff, CF14 3UZ or email: enquiries@companieshouse.gov.uk

Alternative format versions of this report are available on request from: www.enquiries@companieshouse.gov.uk

Companies House is an Executive Agency of the Department for Business, Energy & Industrial Strategy.

Contents

1. Introduction	2
2. Summary	5
3. Our corporate targets	6
4. Excellence in company registration and search	8
5. Making the register as complete and accurate as possible	12
6. Building a high performance culture	15
7. Customer service	18
8. Finance budget	19



introduction

In 2016/17 we revisited our strategy to make sure the direction of travel and specific goals identified in 2013 remained the right ones.

This refresh took account of the progress we had made in delivering changes to improve the integrity of the register, to make our data freely available and to deliver efficiency savings. We also looked at the additional work Companies House had undertaken in the last three years which had not been predicted when we set our original strategy. This included the introduction of the Small Business Enterprise and Employment Act, which resulted in the first public register of beneficial ownership of companies.

Whilst the primary purpose of Companies House remains unchanged—customers file company information with us and we make this information available to the public—the scope of information we collect and the way in which we make it available, has changed considerably, and the register has grown significantly.

The result was a refresh of the strategy, allowing us to refocus our approach around three clear themes, which will help to drive our performance:

1

To provide excellence in company registration and search;

- ensuring customers can do business with us digitally
- providing services that are simple and easy to use
- supporting government's policy objectives



2

To make the register as complete and accurate as possible;

- helping companies provide current, complete and correct information
- working to identify data issues that need to be corrected
- designing out scope for error in services



3

To build a high performance culture;

- striving for excellence
- adapting to and embracing change with confidence
- looking outwards and developing skills to meet current and future needs

By focusing our efforts in these areas we can be sure we are providing the best possible services for customers, supporting the government commitment to make the UK the most transparent place in the world to do business and maintaining our track record in constantly identifying ways to become more efficient in all we do. This business plan sets out the work we will be doing in 2017/18 to make progress in each of these key areas.

In delivering this business plan, we will continue to build on the excellent work our staff already do in delivering services to customers; from the processing of 10 million transactions, including a new record of over 80,000 in one day during December, through to the provision of our digital services that already account for 85% of those filings. We operate a compliance regime that is truly world-leading, with 94% of accounts filed on time, and are proud of our excellent customer service, with a customer satisfaction score of 88%. This year we will invest further in our services, improving usability, efficiency and data integrity and helping the drive to a digital culture by replacing manual processing with digital solutions that give a better customer experience. We will make the services themselves faster and more efficient whilst increasing stability and resilience, improving effectiveness and making company records easier to maintain.



summary

This plan represents the first year of delivering our newly refreshed strategy. Over the course of the year we will be making progress on our digital agenda, working to improve the quality of data on the register and building a high performance culture to deliver for the future.

This year we will be focusing on making it possible for customers to file all accounts types digitally, removing as far as possible the need for paper filings. We will couple this with a campaign to drive take up of our digital services, encouraging companies and their representatives to move towards modern filing systems. This is safer, quicker and more efficient for customers and Companies House.

In our core role as a registry we will have a register that has current information. We already have the most up to date register in the world and intend to maintain this standard. We will be targeting compliance for the key filings of accounts and confirmation statements, both of which are essential for corporate transparency.

Companies House sits at a strategic juncture for a number of Government initiatives and this is resulting in a range of new services being added to those managed by Companies House. In this financial year we expect to add capacity across the organisation to deliver these new services.

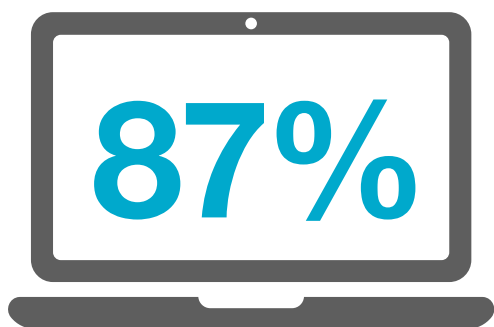
As well as achieving these key goals, we anticipate further growth in the UK register, continuing the welcome trend of recent years. Our plans anticipate around 6% growth in our customer base, the capacity for which is broadly met by our ongoing continuous improvement and efficiency initiatives.



our corporate targets

We set ourselves a number of goals and targets to monitor progress. These corporate targets represent our key goals which are of greatest importance in delivering our strategic aims.

digital take-up



To achieve a take-up of 87% of our digital filing services

ONLINE ACCOUNTS

99%

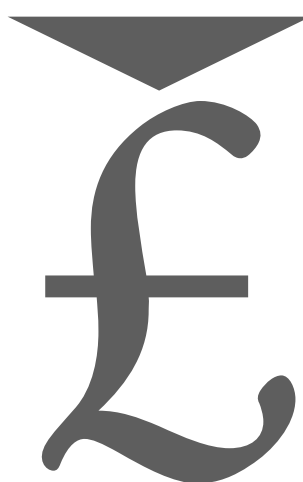


To digitally enable 99% of all possible accounts filings

OUR SERVICES



To ensure our services are available 99.9% of the time



REDUCE THE COSTS

3.5%

To reduce the costs of our baseline activities by 3.5%

COMPLIANCE



75%

To reach a compliance level of 75% of confirmation statements filed early or on time

95%

To reach a compliance level of 95% of accounts filed early or on time

CUSTOMER SATISFACTION



To achieve an annual customer satisfaction score of 88%



////////////////////////////////////

excellence in company registration and search

Companies House is already a leader in digital government. The register is available digitally and free of charge through Companies House Service (CHS), and we are now handling 15 million requests per day for company information.

Key deliverables in 2017/18

DIGITAL ENABLEMENT



Major digital enablement, including the ability to receive 99% of all accounts filings online



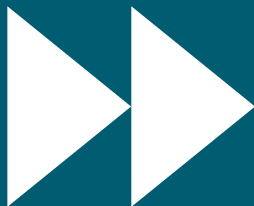
INSIGHT

Insight to increase the number of accounts filed digitally

SIMPLIFYING THE CONFIRMATION STATEMENT



ONLINE VOLUNTARY DISSOLUTIONS

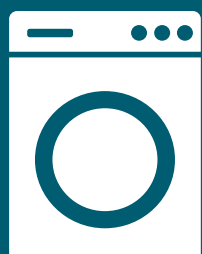


Increase proportion of voluntary dissolutions completed online

STREAMLINED COMPANY REGISTRATION SERVICE



Delivery of Streamlined Company Registration Service to improve the incorporation service and reduce burdens



CORPORATE TRANSPARENCY

Implementation of legislative changes, including the 4th Money Laundering Directive and consolidated insolvency rules

Digital service development

We currently see 99% of all incorporations, and 85% of all documents filed electronically. We have recently added a facility to allow customers to 'Follow' companies, registering their interest and being automatically notified when anything is filed in relation to those companies. We will build on this implementation by utilising a variety of methods to ensure our customers take full advantage of this powerful, push service.

In 2016 we extended the range of transactions that could be undertaken digitally, by launching a new service allowing customers to dissolve a company digitally. A key priority for this coming year will be to build on this, increasing the usage of this digital transaction. The new digital service also reduces the risk of errors occurring in this critical transaction. By ensuring the take up of this service is high, we will be able to deliver efficiency savings over the current paper-based systems as well as greatly improving the customer experience and reducing errors.

The requirement to file accounts applies to almost all our customers and as such is one of our biggest transactions. The accounts of a company are also of great interest to the public - those who wish to deal with a company want to be able to review its accounts. Therefore, we see enabling all accounts filings to be made digitally as an important step in improving our services to both filing and search customers. In the coming year we will be focusing on digitally enabling those types of accounts which currently have to be filed on paper. This will include, for example, ensuring we can accept changes in the format of accounts, including the abridged accounts that some companies may file instead of abbreviated accounts. There may be some, rarely filed types of accounts, which are not suitable for digital filing but we intend to have digital filing options for 99% of all accounts types by March 2018.

Coupled to this work on making services available digitally, we will also work with companies filing accounts on paper to understand what stops them filing digitally, and focus our efforts on ensuring these customers are able to move from paper to digital systems easily. Our long term strategy would see all customers interacting with us digitally, we will therefore begin work to identify the point at which we will no longer accept paper filed accounts. Whilst there will be significant focus on the digital filing of accounts, we will

be investing in a broad range of enablement activity including: beginning the digital enablement of Insolvency transactions; devising simple digital solutions for some of our lower volume transactions; and re-developing existing digital transactions on to our new CHS service. The latter is key to migrating customers off our disparate legacy services onto our new, combined search and filing service, generating a richer user experience in line with Government Digital Service Standard and allowing third party software integration of our data.

It is not simply within our filing services that we need to move to more efficient, digital forms of communication. Companies House currently uses postal reminders for many customers. It is not clear that these are of value to customers, many of whom will have set up their own reminder systems, or could be better served through a digital reminder service. In 2017/18, we will review our use of paper for non-statutory reminders, where the law does not require us to use companies' registered office addresses. We will also work to increase take-up of e-mail reminders, which are already available and used by over one million companies. This move is in line with current expectations of modern customer service and will lead to efficiency savings at Companies House.

Streamlined services

Companies House deals with many customers who also have to meet legal requirements that are managed through other parts of government. We recognise that customers wish to minimise the amount of time that they spend complying with such obligations, and that joined up government services allowing customers to enter data just once and complete a number of transactions can be very helpful, in this regard. One area where we can support a more streamlined service for customers is in working with Her Majesty's Revenue and Customs (HMRC). The Small Business Enterprise and Employment Act 2015 (SBEE) introduced a requirement that information for company registration should be deliverable on a single occasion, to a single recipient by electronic means. This includes incorporation information and registration for PAYE, Corporation Tax and VAT. We

are working closely with HMRC to deliver this through the Streamlined Company Registration Service (SCRS). This will be implemented in the coming year, and will deliver a significantly improved service for customers setting up companies. These activities will help us to achieve the government's objectives to make the UK the most transparent and the easiest place in the world to do business.

Legislative changes

Another key priority for delivering "excellence in company registration and search" will be to support government policy by implementing legislative changes. There are many such changes planned this year, which will improve corporate transparency and reduce burdens for companies.

In April, we will implement the new consolidated insolvency rules. The insolvency regime was considered as part of the Red Tape Challenge, and savings were identified for business from consolidating the rules and statutory instruments. Insolvency practitioners are required to send forms to the registrar as they go through the various forms of insolvency, and this consolidation sees Companies House take ownership of forms that were previously prescribed by the Insolvency Service in their rules.

We will implement the fourth Anti-Money Laundering Directive (AML) at the end of June. This will build on the register of People with Significant Control (PSC) introduced in June 2016, extending the amount of information available about people controlling companies. The new provisions mean that the PSC requirements cover a wider range of corporate entities, including some which have previously not had any dealings with Companies House. We will be communicating with these different types of business to ensure that they are aware of their new obligations, and can comply easily when the rules change. The introduction of AML will also mean a change in frequency of reporting PSC information, with a move to reporting changes to PSCs as they happen rather than in a single annual filing. This will make the

confirmation statement a simpler transaction for the vast majority of companies whose PSCs rarely change, and will also result in more up to date information being available on the register. As with existing PSC information, the information relating to those entities that were not previously included will be made publicly available on the register. However, PSCs that would be at risk due to their information being publicly available will be able to apply for that information to be protected, mirroring the provisions for those already on the register. We take our responsibility to protect this information very seriously, and will ensure our systems continue to be robust and effective, and are appropriately extended to newly identified PSCs.

In addition, Companies House will support the Government in delivering a wide range of objectives, with a number of less substantial, but nevertheless important, legislative changes. This includes the introduction of Protected Cell Companies, Private Fund Limited Partnerships, the facility for charitable companies to convert to Charitable Incorporated Organisations, and the implementation of a Special Administrative Regime for Further Education Institutes. These changes are all designed to support the goals of improving transparency and reducing administrative burdens for businesses.

We will also work with the Department for Business, Energy and Industrial Strategy to prepare for forthcoming legislative changes that are likely to be implemented beyond this financial year; including creating a new register showing the beneficial owners of overseas entities that own or want to buy property in the UK, and of overseas entities involved in central government contracts.



making the
register as
complete and
accurate as
possible

Key deliverables in 2017/18

COMPLIANCE



95% of accounts filed within time

75% of confirmation statements completed within time

INCORRECT DATA

50% REDUCTION

50% reduction in the volume of incorrect data on the register

SINGLE JUSTICE PORTAL



Processing of court cases through the single justice portal introduced

REPORT IT NOW

Introduce a 'report it now' feature on the register



Compliance rates

The UK has an excellent reputation for its compliance rates. Our regular activity will focus on two specific transactions; the confirmation statement which confirms the company's record is up to date and that all information about who runs and controls it is current, and the accounts, which give a picture of the financial health of any company. Having up to date records for these two key sets of information is essential for ensuring corporate transparency.

We have an established track record of compliance with accounts filings, and will maintain this by ensuring that 95% of all accounts filings are on time in the coming year. We will achieve this through targeted reminders and regular engagement with key stakeholder groups. In 2016 the confirmation statement was introduced. This represents an entirely new way of updating company information. Companies must update their record at least once per year but there is no fixed date on which they must do so. Now the confirmation statement is an established transaction for all companies, we will focus on ensuring that compliance is high. We recognise, however, that this is still a relatively new process for many of our customers, and will continue to support and educate them in making sure they comply fully with their obligations to file a confirmation statement in each twelve month period. This year we have set ourselves a target of 75% of all confirmation statements filed within the twelve month window. We plan to build on this over the coming years, seeing increasing compliance levels as fundamental to increased transparency.

Our goal is always to achieve compliance and we encourage companies to file documents on time and to correct any errors promptly. However, there are occasions where it is necessary to progress certain actions through the courts. At the moment, the process for doing this is largely paper-based and inefficient for both Companies House and the magistrates court. In 2017 we will develop our internal systems to allow us to link to the court's single justice portal, improving efficiency for both organisations.

Data on people with significant control

The 2013 strategy saw a step change in the way Companies House approached data quality and the integrity of the information on the register. The Integrity Unit was established, and made significant progress in improving the quality of director information and subsidiary information on the register. In this coming year, we will build on that solid foundation to deliver our three key outcomes.

While continuing the activities we already have underway, we will undertake new work to improve the accuracy and completeness of PSC data. We plan to introduce new compliance activities for the new AML filing requirements, which will also see PSC information being updated more regularly, providing more up to date information on the register. In particular, we will focus our attention on improving the integrity of the information on the register contacting those entities with clearly incorrect PSC data to help them complete their record properly. We will also make it easier for people accessing information on the register to tell us about any problems with the information, by introducing a “report it now” button. This will allow us to follow up with the company to ensure they have provided us with current, complete and correct information.

The vast majority of customers are very keen to make sure their records are correct and that they have fully complied with all the obligations. We recognise that, for some customers, the legislation can appear complex and that they need support in getting it right. We will review our guidance to ensure we are doing all we can to help companies comply with their responsibilities. Whilst we cannot give legal advice on who a company’s PSC is for example, we can provide clear, concise guidance which will help them correctly identify their PSC for themselves, and to provide the right details to us for the register. A Business Impact Target Assessment will be completed for each review, so that we are clear about the impact of our activities on those directly affected.

High quality data

Receiving the correct data from our customers is essential to the integrity of the register. However, it is also important that we ensure we design out error from our internal systems to prevent errors being introduced after information is received. We will, therefore, review internal processes with a focus on accuracy. This will involve a full review of our quality targets, to be completed by autumn 2017, so we can focus on those areas that will deliver the maximum benefits for customers whilst improving the overall quality of the register. The register, whilst obviously the largest single source of company information, is not the only source of data regarding companies and businesses in the UK. We need to maximise the value of the register by utilising other data sources where possible. We will, therefore, explore the possibility of using data from other government registers to improve the accuracy of data sets such as standard industrial codes and nationality.

We also need to reassure ourselves that the right information is available on the register. Delivering corporate transparency is a key priority for us, but we must also fulfil our data protection responsibilities. Companies House will work with BEIS, to consider whether the register strikes the right balance between corporate transparency and protection of an individual’s privacy. Any changes proposed would be subject to a public consultation in 2017.



building a high performance culture

Companies House is fortunate in having a highly committed workforce, which provides a great foundation to ensure that we continue to deliver excellent customer service.

Key deliverables in 2017/18

INCREASE CAPABILITY

Increase capability to deliver organisational and digital change



NEW STRUCTURE



Improve productivity through better use of technical and people manager roles

PERFORMANCE MANAGEMENT



Introduce a new approach to performance management

Enhance understanding of external customer base and other digital organisations, through programme of secondments, loans and speakers



PEOPLE SURVEY



63%

Achieve an engagement score above 63% in the annual people survey

Our people and places

We have made progress in relation to our cultural change programme; for example embedding a more adaptive approach to matching peoples' skills with relevant roles and providing a flexible workspace, with the right digital tools. We will continue to build on this, whilst also embedding our recently launched values, which are:

- Excellent behaviours and standards
- Every achievement counts
- Working as one

Resourcing and talent management

Recruiting to fill new roles will be essential during 2017/18. In order to operate effectively and efficiently we need to have the right staff in the right roles. We will attract and recruit the right number of skilled staff, with an emphasis on digital capability and analytical skills. We will fully exploit the benefits package that Companies House offers, particularly related to learning and development, and work closely with other government departments to mitigate the challenges regarding competing for people with similar skills sets. These new roles will support our commitment to excellent customer service as well as focus on more technical aspects of our work such as improving the integrity of our data.

Demonstrating that Companies House is an inclusive organisation is a key priority for the forthcoming year. As we recruit our demographic profile will change, helping us to continue to attract a diverse range of skills and talents. We will nevertheless be proactive in recruiting apprentices and offering under-represented groups of people access to our organisation through various work experience and placements. Alongside this we will be encouraging our staff to gain wider experience, to benefit from the knowledge of those outside the organisation and ensure they have a good understanding of the needs of our customers and the wider business environment. We will actively engage with other organisations to facilitate loans and secondments. This

will provide staff with opportunities to widen their skills, to get an external perspective and experience different ways of doing things. We also plan to run a programme of external speakers coming to Companies House to share their views and experiences. Again this will offer staff the chance to understand the perspective of our wider customer base, the users of our data and others who have valuable knowledge to share. Our emphasis will be on encouraging all staff to look for different ways to develop new skills, to make sure we are truly customer focused and able to meet the needs of our customers now and in the future. In 2017 we will be reassessed for Investors in People standard, and we aim to maintain our gold standard award.

Supporting a high performance culture

We will develop a new approach to performance management, which is based upon more regular feedback, through quality conversations. Our aim is to support all staff to realise their full potential. Managers will be helped to become more rounded, in technical and people management terms, so that they are able to move from a directive management style to one of coaching and empowerment. In 2017/18 we will pilot this concept in our Customer Delivery Directorate. This will be critical to our continuing success, building a culture of continuous improvement, efficiency and productivity. The model will be measured against a range of indicators, which will include output, engagement, quality and attendance. If successful, it will be deployed in other parts of Companies House.

We need to provide our people with the right tools for the job and will continue to use new digital means to manage and connect with staff. This includes having a working environment that supports high performance. We will therefore continue to implement our refurbishment plan across the entire estate so we can provide a modern, creative and efficient working environment to all our staff. In 2018 we will replace our Human Resource and Payroll systems, with new systems that are easy to navigate and

provide us with information which helps decision making. An employee engagement tool has been rolled out to the entire organisation so we will obtain real time feedback from staff on issues, ideas, and levels of engagement and take action. Coupled with this, a new reward and recognition tool will be introduced to help us embed our value of ensuring 'every achievement counts'. The metrics from these systems will help us to measure our success in terms of redefining the roles of managers, improving performance within the organisation as well as levels of engagement.



customer service

Our customers are central to everything we do and we aim to offer high quality, efficient services at all times.

We recognise that customers want to be able to complete transactions with us at times that suit them and for this reason we aim to maintain constant availability of our online services as far as we possibly can. For this reason, we have set a target of achieving availability 99.9% of the time.

Each year we conduct an independent customer satisfaction survey to ensure we are continuing to deliver to the highest possible standards. In 2016/17, a year which saw a large number of changes for customers, we are proud to have achieved a customer satisfaction level of 88%. We will be aiming to achieve at least the same high level of satisfaction for the coming year.

Key deliverables in 2017/18



SERVICE AVAILABILITY



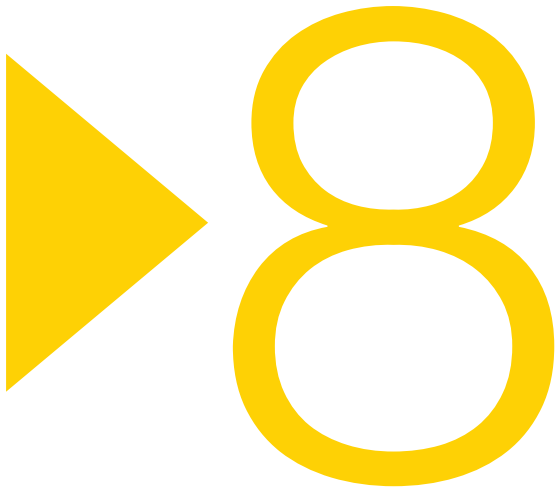
To ensure our services are available 99.9% of the time



CUSTOMER SATISFACTION



To achieve an annual customer satisfaction score of 88%



finance budget

Although our strategic focus has not shifted significantly since 2013 the wider environment in which Companies House operates has, particularly in the wider government context. Corporate transparency and improved corporate governance are key priorities for government and Companies House is integral to the delivery of these priorities. We are consistently identified as the delivery agent for new work programmes to support this agenda. We welcome our reputation as a trusted delivery partner, but the rate and complexity of the change that this new work will bring means we need to revisit our resource requirements in terms of numbers of staff and the capability we need, while retaining flexibility. Our digital agenda is ambitious and to deliver the envisaged service and future efficiency savings we will also need to make an upfront investment in digital capability. Therefore, after a period of decreasing staff numbers we anticipate an increase in the coming year, to deal with the work that needs to be done.

Companies House is committed to delivering its services as efficiently as possible. We will seek continuously to improve our internal processes, removing any inefficiencies and identifying cost savings wherever possible. This includes continuing to focus on maximising our productivity, particularly by reducing the average working days lost to absence. Our programme of efficiency savings, coupled with our processing and system improvements and increasing the take up of digital services to 87%, will achieve our target to reduce the cost of our baseline activities by 3.5%. This includes up to 40 fewer full time

posts engaged on core activities by the end of 2017/18, significantly off-setting the increase in staff expected to cope with the new work.

Our forecast income reflects the continued growth in the number of companies on the register, with new fees for new activities and no changes to existing fees. Expenditure includes a 3.5% reduction in the cost of our baseline activities in line with our efficiency plans, off-set by the costs of the new activities and filing requirements being introduced during the year. The forecast deficit represents the transitional costs whilst we move our legacy services to our new digital platform; this will be funded from our reserves.

Our capital investment is for improvements to our digital services and our office accommodation.

Key deliverable in 2017/18



REDUCE
THE COSTS
3.5%

To reduce the costs of our baseline activities by 3.5%

	Budget 2017/18 £'m
Income	70.3
Expenditure	61
Gross surplus	9.3
Depreciation	6.8
Interest received	(0.1)
Dividend	4
Net deficit	(£1.4)
Capital investment	£9.7

www.gov.uk/companieshouse

Contact Centre: **0303 1234 500**

For training and quality purposes your call may be monitored

Mini-com: 029 2038 1245

enquiries@companieshouse.gov.uk

www.gov.uk/companieshouse

Cardiff: Companies House
Crown Way, Cardiff CF14 3UZ.

Edinburgh: Companies House
Fourth Floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, EH3 9FF.

London: Companies House
4 Abbey Orchard Street, Westminster, London, SW1P 2HT.

Belfast: Companies House
Second Floor, The Linenhall,
32-38 Linenhall Street, Belfast, BT2 8BG.

