

# **ECCTA** ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023 **AWARENESS SURVEY REPORT**

A look into UK directors' preparedness for new  
and upcoming economic crime legislation.







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# Executive summary

The staggered rollout of ECCTA, which kicked off in 2024, has already brought important changes to all UK companies, and will continue through 2026 and 2027. On 18 November 2025, new ECCTA legislation made identity verification a compulsory part of incorporation and new appointments for new directors and Persons of Significant Control (PSCs). This marked the beginning of a 12-month transition phase to require more than 7 million existing directors and PSCs to verify their identity.

Our survey of 500 UK directors across 13+ industry sectors has shown that only 58% of directors feel fully prepared to meet the new ID Verification requirements, and preparedness for all other ECCTA requirements is even lower at an average 47%. Larger companies (those with over 250 employees) are marginally better placed, but there is room for improvement.

Most UK directors claim to understand ECCTA legislation, but our research shows significant knowledge gaps. When tested, up to a third of directors incorrectly believed many statements about the legislation to be true, and up to 40% were unclear on at least some of the possible penalties for non-compliance.

Directors have different views when it comes to who is responsible for complying with laws and regulations, but nearly half of them feel

solely responsible. Still, fewer than half of them say they fully understand the seven statutory duties. Most of them are taking steps to improve knowledge of their duties.

Most business are conducting governance in-house, and over a quarter of directors believe this is a significant impediment on focusing on their day job. 18% say this not only diverts their attention from serving clients and focusing on strategy, but it also eats into their personal time. 45% of directors believe that increased requirements, such as ECCTA, will be a significant added burden.

We have noted a shift in priorities for directors over the past 12 months, but this momentum may not be sufficient. New corporate criminal offences introduced by ECCTA will assess whether businesses have proper fraud prevention procedures in place, such as whistleblowing, yet many businesses still consider whistleblowing policies to be a low priority. Whistleblowing training and solutions provided by Safecall (a Law Debenture company) can help them get ready in time.

Beyond ECCTA awareness, our survey also gave us a glimpse into UK directors' ways of working. Directors are investing in AI upskilling and keeping up with technology, there's no better time to also invest in better understanding of regulation.

# ECCTA at a glance

**In response to the complex and evolving landscape of economic crime, the UK government has enacted the Economic Crime and Corporate Transparency Act 2023, a new piece of legislation that aims to fortify action against illicit financial activities. It does so by bringing about the biggest changes to Companies House since it was established in 1844.**

Changes under the ECCTA encompass a wide range of measures which improve the integrity and reliability of corporate information. For example, the ECCTA:

- Introduces a new regulatory objective within the Legal Services Act to combat economic crime
- Reforms Companies House to prevent fraudulent company formations and closures
- Provides measures to prevent misuse of limited partnerships
- Gives enhanced powers to seize and recover suspected criminal cryptocurrency assets
- Establishes a 'failure to prevent fraud' offence, holding corporations accountable if they fail to prevent economic crimes committed by their employees or associates

- Implements measures to address strategic lawsuits against public participation (SLAPPs) related economic crime

Companies, and by association directors, are held to higher standards of transparency and compliance under the new ECCTA legislation. New requirements are coming into force on a staggered basis, starting with the establishment of new financial penalties in 2024. On November 2025, Identity Verification of new directors and PSCs became mandatory, starting a 12 months transition period for existing companies to provide verification of all their directors and PSCs when their confirmation statement is due. Further requirements will be gradually implemented until completion in 2027.

For UK businesses, ECCTA compliance is not optional. Companies must act now to avoid criminal penalties, operational disruption, and reputational damage from public non-compliance marking.

*"The new ECCTA legislation makes it crystal clear that good governance should be an absolute priority"*

**Ben Turner**  
Managing Director, CSS  
Law Debenture

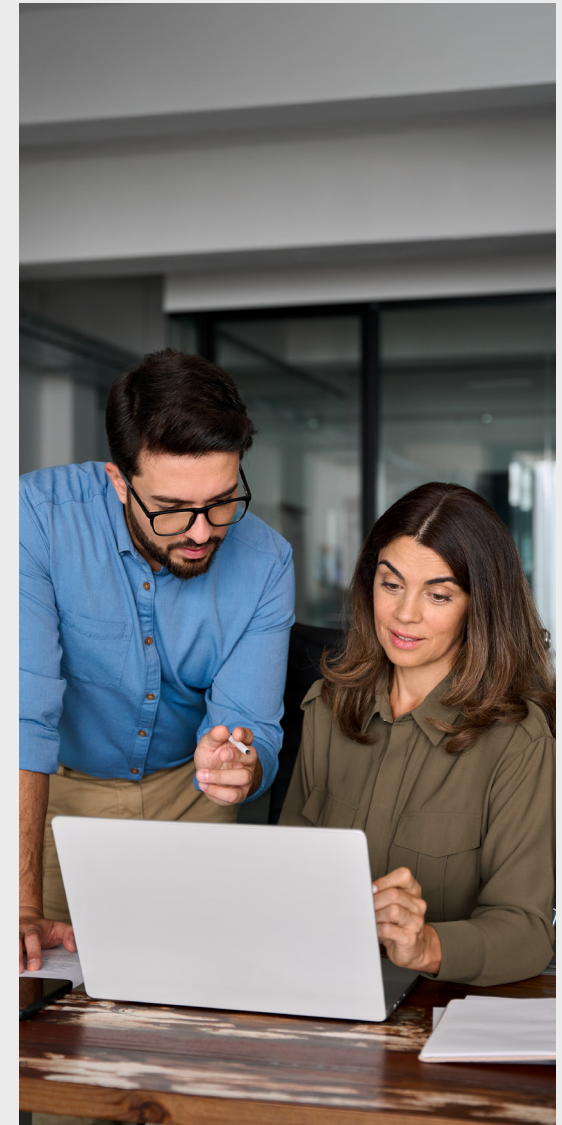




# Room for improvement in business readiness for ECCTA

**58% of directors feel fully prepared for director ID verification, but confidence is lower for other ECCTA requirements.**

New requirements are being gradually introduced under ECCTA. Initial changes to Companies House in 2024 gave it new powers to issue financial penalties, and ID Verification became mandatory in November. Other statutory instruments will follow in 2026 and 2027, and **not all directors feel equally prepared for those.**

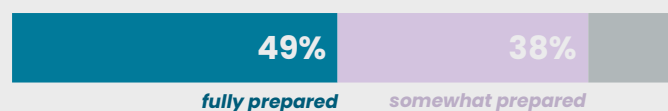


*Thinking about your business' current progress and upcoming deadline, how prepared or unprepared do you feel your business is for the introduction of the ECCTA requirements?*

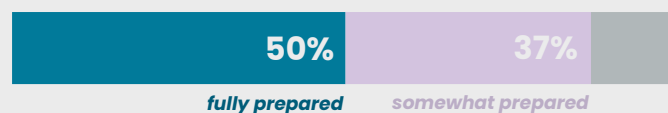
Director ID verification



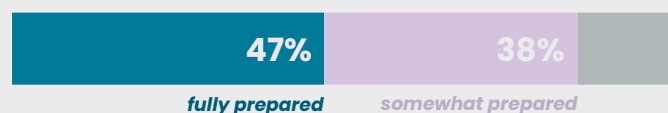
Establishment of a 'failure to prevent fraud' offence



Strengthened anti-money laundering powers



Introducing a new regulatory objective within the Legal Services Act to combat economic crime



Enhanced powers to seize and recover suspected criminal cryptocurrency asset



*All percentages are rounded up for clarity.*

*Remaining respondents said they are 'Unprepared but planning to' or 'Unprepared and we haven't planned'.*

With 58% of directors claiming to be 'Fully Prepared', ID Verification is the ECCTA requirement that companies are most on top of. When asked about other ECCTA requirements, like the establishment of a 'failure to prevent fraud' offence, or new anti-money laundering powers, roughly half of directors feel fully prepared.

Another ECCTA requirement has the most room for improvement: enhanced powers to seize and recover suspected criminal cryptocurrency assets is where directors feel less prepared, with 42% feeling fully prepared, and 18% stating they are not prepared whatsoever.

# 2 Knowledge gaps around legislation among directors

**The vast majority of UK directors believe they understand the ECCTA legislation, but research paints a different story.**

Confidence is high among directors regarding the particulars of upcoming legislation, with 89% claiming to 'fully' or 'mostly' understand it, but data reveals that many are not aware of key elements in it.



**50%**

Say they fully understand the ECCTA legislation

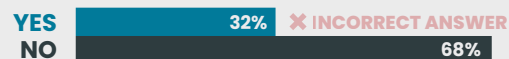
**39%**

Say they mostly understand it



Which of the following requirements are included in the ECCTA legislation, if any?

Stronger accounting standards



A yearly audit against ECCTA principles



Monthly compliance checks

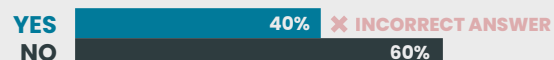


Shift to compulsory in-person AGMs

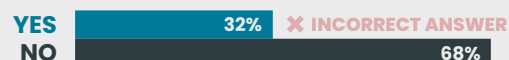


Which of the following penalties do you think are in place for failing to comply with the ECCTA act, if any?

Firing of non-compliant directors



Firing of non-compliant boards



Limited fines against the business



Limited personal fines



All percentages are rounded up for clarity.

Other statements not included above were shown to respondents.

Law Debenture included statements as part of the research which were a mixture of true and false.

Results show many directors wrongly believed some of the false statements to be true. For example, 32% of all directors believed stronger accounting standards that were included in ECCTA legislation.

We found that directors from large companies\* had a slightly better understanding of what the legislation entails. There were however some exceptions: Directors from large companies were more likely to wrongly believe ECCTA included a shift to compulsory in-person AGMs (21%), or that a yearly audit against ECCTA principles will be required (32%).

These knowledge gaps are set against the looming implementation of remaining ECCTA measures, and many businesses may need the professional support of firms such as Law Debenture.

\* Large company: 250+ employees

# Differing views on compliance responsibilities

**Most businesses are conducting governance in-house, to the detriment of directors.**

When asked about where responsibility should sit for compliance with laws and regulation, almost half (47%) of directors felt they themselves were solely responsible. However, more than a quarter (28%) of directors believe this is a significant impediment on their daily job. Law Debenture can help them navigate new and upcoming fraud prevention requirements.

Still, a significant number of directors also believed that most of the responsibility should sit in other areas, chiefly senior managers, a specialised in-house team, a legal team or a third party provider.

**47%**

**of directors consider themselves to be solely responsible for compliance.**

**28%**

**say governance acts as a significant impediment to focus on the day job.**

*For the following types of governance, which, if any, are done in house at your company?*



*All percentages are rounded up for clarity.*

Businesses employ different strategies for different types of governance. When asked, close to two thirds of directors said they manage HR and IT governance in-house, and a majority (58%) said they handle financial governance in the same way.

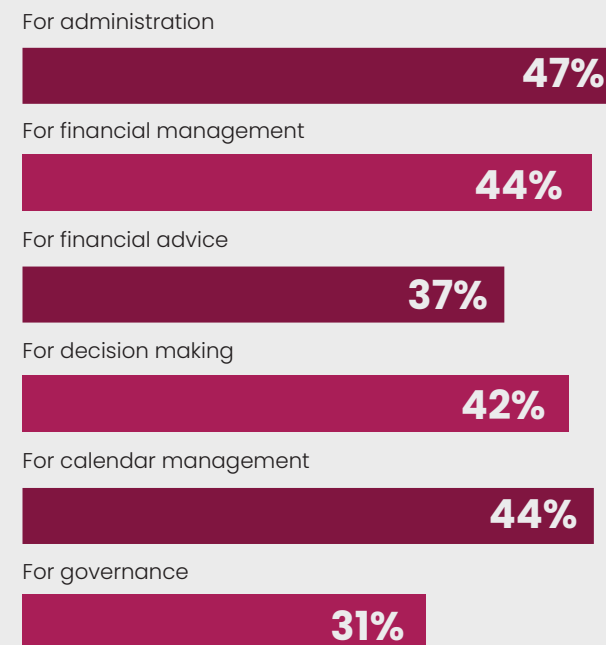
**diverse  
approaches  
to managing  
governance**

# Usage of AI\* among UK directors is now commonplace

UK directors are quickly catching up with new ways of working. There is no better time to also invest in bridging their knowledge gap when it comes to corporate governance.

Our research of 500 UK directors gave us a unique insight into the worries and motivations of those at the helm of UK businesses. We also learned about the extent to which corporate governance is at the forefront of their minds.

*In your role as a director, do you currently utilise AI for any of the following aspects of your work?*



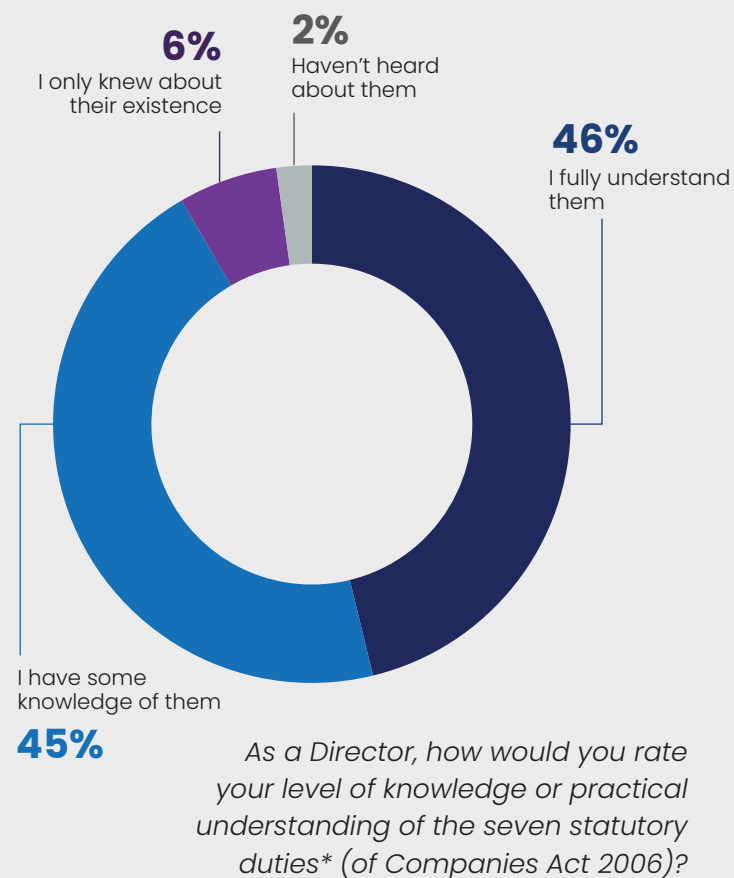
All percentages are rounded up for clarity.

\* AI refers to technologies that perform tasks which would normally need a human's intelligence. This includes Large Language Models, such as ChatGPT.



When asked, fewer than half of directors say they have full knowledge and understanding of the seven statutory duties under Sections 170–177 of the Companies Act 2006, while only 8% have no knowledge about them. Directors are, however, taking steps to improve knowledge of their duties, with as many as 70% having undergone formal training over the last two years.

Momentum is clearly building in the adoption of AI among UK directors. With 47% reporting they currently use AI in a work setting to help with administration, and 42% reporting they use it for decision making, directors are starting to see the value that this new technology can add to their work lives. The use of AI to help with governance is lower at 31%.



All percentages are rounded up for clarity.

\* Please see Methodology page for definition of the seven statutory duties.

# 5 Directors' priorities are shifting, but could be trailing behind ECCTA

Over the past 12 months, directors have seen a change to what they see as a priority in their businesses, with many external factors to consider.

Despite that, we were surprised to see that many directors' priorities do not fully align with the new challenges introduced by ECCTA legislation.

Our findings are a wake-up call to all directors to review their strategy, and consider third-party whistleblowing solutions like Law Debenture's Safecall.

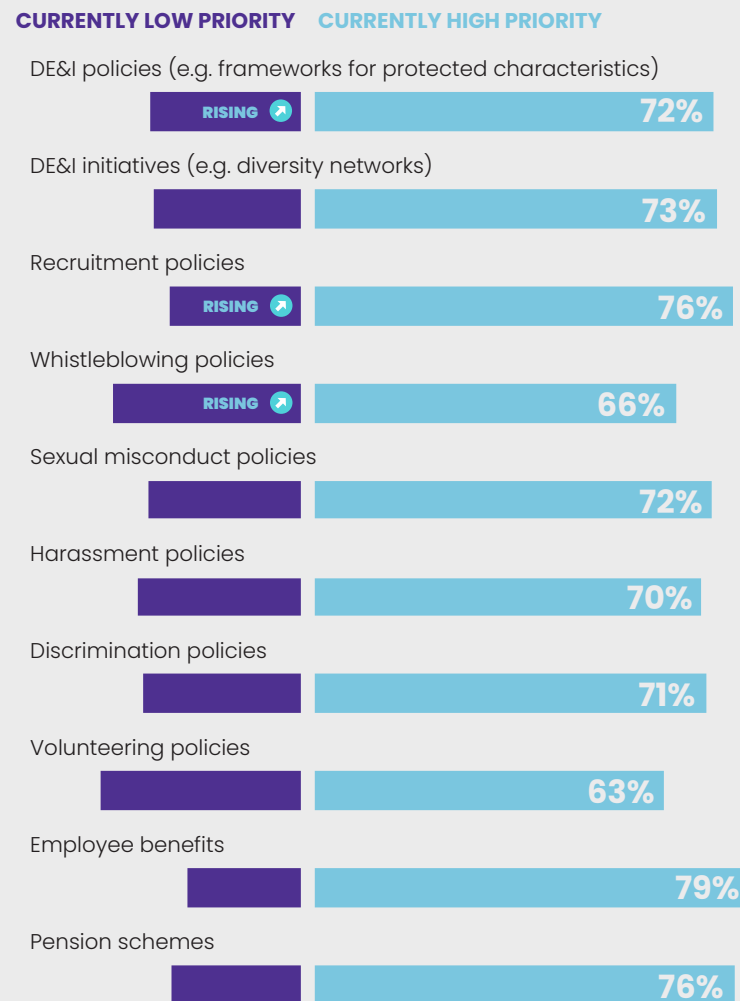


Employee benefits and pension schemes lead the ranking, with 79% and 76% of directors considering them a high priority, respectively. Directors of large companies\* were more likely to consider those a high priority (85% and 81%).

Bottom of the list are volunteering policies and whistleblowing policies, which 63% and 66% of directors consider to be high priority, respectively. In light of new ECCTA requirements, organisations must recognise the heightened importance of having a robust whistleblowing policy in place, and this result may indicate a looming challenge that UK businesses will need to get on top of.

Still, shifts in priorities could indicate that directors are already taking action. Whistleblowing policies, together with DE&I and recruitment policies, have seen a rising trend from low to high priority over the last year.

*Looking at the past 12 months, have the following risen or fallen in priority, with regards to your business?*



*All percentages are rounded up for clarity.*

Jordan Owen,  
Head of Global  
Entity Management  
at Law Debenture



**“This research finds there are significant risks ahead for UK entities around their compliance with critical regulation.”**

*“Time is running out to comply with the new ECCTA regulations, and our research makes it clear that significant knowledge gaps are hampering preparedness.*

*“The number of directors who are unclear on ECCTA policies, as well as the potential repercussions, will spark concern as the deadline looms.*

*The fact that many are still unclear on the penalties – which in most cases are more severe than directors think – shows that there has likely been widespread inertia when it comes to ensuring businesses are ready.”*

# How Law Debenture can help

## Law Debenture is a Companies House Authorised Corporate Service Provider (ACSP)

Law Debenture’s Corporate Secretarial Services team have a robust service offering that supports companies through the corporate changes coming into effect through ECCTA.

This new regulatory landscape can be tricky to navigate. That’s where many businesses could take advantage of professional services support.

Outsourcing and taking advice on the process can ensure firms are one step ahead, and free up directors so they can focus on running the business and going for growth.



## FOCUS TOPIC

# Navigating the new reality of Identity Verification

Identity verification became mandatory on 18 November 2025, marking a significant shift in corporate governance requirements. In our experience speaking to clients and the market, there seem

to be common misconceptions and confusion around who needs to verify and how they should go about it. The table below outlines the specific deadlines and submission methods for each role:

What's the Role?		When's the deadline?		How to complete?
Existing Directors (or equivalent)	»»	Within 14 days of next confirmation statement made up to date	»»	Form CS01
New Directors (or equivalent)	»»	On appointment or incorporation	»»	Form AP01 or IN01
Existing Director & PSC of the same company	»»	Directorship: Within 14 days of next confirmation statement made up to date PSC: within same period, via separate service	»»	Form CS01 & PSC personal code online submission service
Existing PSC (not a Director of the same company)	»»	Within 14 days of your birth month	»»	PSC personal code online submission service
New PSC	»»	On appointment or within 14 days of appointment	»»	Form PSC01 or PSC personal code online submission service
Directors of Overseas Companies (UK Establishment)	»»	Within 14 days of next confirmation statement made up to date	»»	Form OS VS01 for each director

# Methodology

Law Debenture commissioned a survey of 500 UK directors, which was conducted by Censuswide during August 2025. With this research, we set out to capture a snapshot of UK directors' awareness and readiness for the rollout of ECCTA legislation.

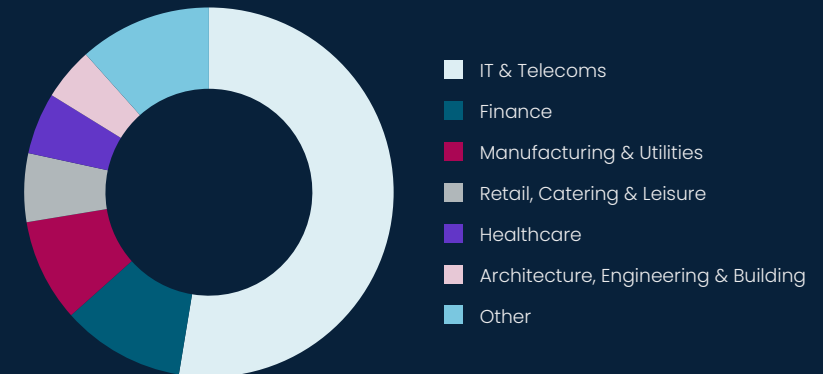
To achieve this, participants were asked to complete a questionnaire of 11 multiple-choice questions covering their own perspective on ECCTA requirements, tests on their knowledge about it, as well as general questions about the businesses they run, and their own ways of working.

Over half (275) of all survey respondents were directors from large companies (250+ employees), and a mix of publicly listed, privately owned, and state-owned.

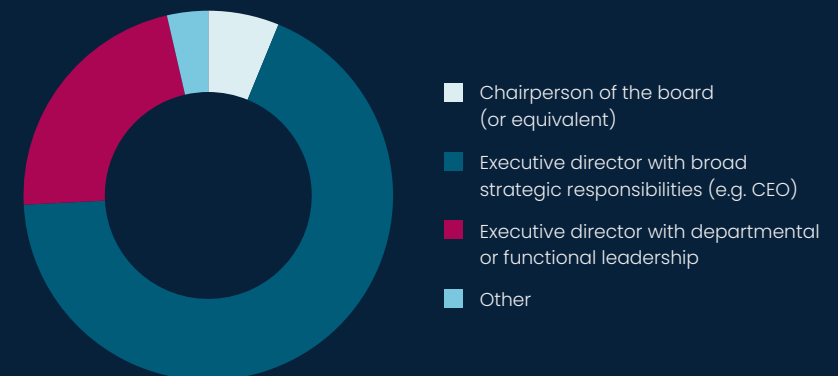
One question makes reference to the seven statutory duties under Sections 170–177 of the Companies Act 2006. For reference, these seven duties are:

- 1 Act within your powers
- 2 Promote the success of the company
- 3 Exercise independent judgment
- 4 Exercise reasonable care, skill and diligence
- 5 Avoid conflicts of interest
- 6 Do not accept benefits from third parties
- 7 Declare any interest in a proposed transaction

Industry sector of respondents



Seniority of respondents



# Get in touch



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## Safe/call

*A Law Debenture company*

**Whistleblowing software,  
hotlines, training &  
investigation experts**



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