

EXPLANATORY MEMORANDUM TO
THE EUROPEAN ECONOMIC INTEREST GROUPING AND EUROPEAN PUBLIC
LIMITED-LIABILITY COMPANY (FEES) REVOCATION REGULATIONS 2009

2009 No. 2492

1. This explanatory memorandum has been prepared by Companies House, an Executive Agency of the Department for Business, Innovation and Skills, and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1. These Regulations revoke existing fees charged by the Registrar of Companies for registering documents in respect of European Economic Interest Groupings (EEIG) and European Public Limited-Liability Companies (SE), and for the dissemination of information in respect of EEIGs.

2.2. The Regulations also save existing fees for transitional arrangements.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1. None

4. Legislative Context

4.1. These Regulations are introduced because of the implementation of the Companies Act 2006 and the introduction of a new set of statutory fees under the provision of sections 1063(1) to (3) of that Act.

4.2. New registration and search fees for EEIGs and registration fees for SEs are set under the Companies Act 2006 in the Registrar of Companies (Fees) (European Economic Interest Grouping and European Public Limited-Liability Company) Regulations 2009.

4.3. Regulations have already been made to set fees for Companies, Overseas Companies and Limited Liability Partnerships in The Registrar of Companies (Fees) (Companies, Overseas Companies and Limited Liability Partnerships) Regulations 2009 (S.I. 2009 No. 2101), and for Limited Partnerships and Newspaper Proprietors in The Registrar of Companies (Fees) (Limited Partnerships and Newspaper Proprietors) Regulations 2009 (S.I. 2009 No.2392).

5. Territorial Extent and Application

This instrument applies to England, Scotland and Wales.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1. The Companies Act 2006, which replaces almost all earlier companies' legislation, provides a modern company law framework for the whole of the United Kingdom. The functions of the Registrar of Companies for EEIGs and SEs remain broadly unchanged, but fees are to be set under Companies Act 2006 for the first time. This will provide for more consistency with other corporate entities and flexibility in setting fees in the future.

8. Consultation outcome

8.1. Companies House has not consulted on the level of fees it charges since as a Trading Fund it must recover the full costs for the services it provides without cross-subsidising.

9. Guidance

9.1 Customers have been made aware that a draft price list has been available on the Companies House web site since 1 July 2009.

9.2 Full details of registration requirements and search services are made available on the Companies House website, in customer focus groups and through Companies House information days.

10. Impact

10.1 The impact on the public sector is negligible, although public sector bodies are required to purchase information in the same way as other organisations (unless that information is required under a statutory authority).

10.2 An Impact Assessment has not been prepared for this instrument, as it revokes existing fees.

11. Regulating small business

11.1 The legislation applies to small business.

11.2 Under the Competition Act 1998, Companies House is prohibited from setting differential prices for the same product to different customers, as this might distort competition.

11.3 Registration costs must be the same for all customers as fees are set on a strict cost recovery basis, and European law is clear that there can be no cross-subsidisation.

12. Monitoring & review

12.1. The aim of the Regulations is to revoke the existing fees to allow Companies House to set fees under the Companies Act as described in paragraph 4.1.

12.2. Companies House regularly reviews the fees it charges and the next review of its fees is scheduled for 2010.

13. Contact

Mark Buckley at Companies House can answer any queries regarding the instrument. He can be contacted on 02920 380 063 or email: mbuckley@companieshouse.gov.uk,