

Submission on discussion document: *Publication of Directors' Residential Addresses on the Companies Register*

Your name and organisation

Name	Warwick Murray
Organisation	Chalice Consulting Ltd

Please select if your submission contains confidential information:

I would like my submission (or specified parts of my submission) to be kept confidential, and attach my reasons for this for consideration by MBIE.

Responses to discussion document questions

1	<p>Do you have any comments of our assessment of the options for approaching directors' residential addresses on the Companies Register?</p> <hr/> <p>I agree that the problem definition captures the likely concerns accurately and the two options presented are sufficient.</p> <p>I do not agree with your analysis however;</p> <ul style="list-style-type: none">- I believe that option 1 fully meets the integrity objective, certainly to a much greater extent than option 2.- Option 2, in meeting privacy concerns, also provides a mechanism by which directors can avoid scrutiny or avoid being asked to account for their actions, so significantly undermining the integrity principle.- I believe your analysis of the efficiency benefits of option 2 are over-rated. The cost of administering an opt out system would not be significantly greater than administering a mechanism that would allow access under certain circumstances.- I accept that there will be instances where safety and security will be a legitimate concern. However, I believe that your opt out proposals for option 1 will sufficiently address these.- I am sceptical about the risk of fraudulent use of residential addresses. I would be interested to know the frequency of instances where this has been a problem.- I do not believe that the loss of integrity in removing access is outweighed by the increase in efficiency and privacy.
2	<p>What is your preferred option?</p>

Option 1

3

Are there interested parties who may have a legitimate reason to need to access directors' residential addresses? If so, who?

Yes. Members of the media, shareholders, insolvency managers, creditors and parties affected by the activities or the director's business.

4

Is there a public interest in directors' residential addresses being provided to third parties such as journalists?

Your question pre-supposes that access to director's residential addresses should be restricted. I do not agree that they should as a general rule.

The ability of the media and interested members of the public to access residential addresses and so make face to face contact with directors is in my view, a fundamental component of the integrity principle. To maintain integrity, members of the media and other interested members of the public must be able to seek answers to legitimate questions and to ask that directors account for their actions in the same way that Government agencies can and for the same reasons. It is all too easy for an unwilling director to ignore any approached via snail or electronic mail or other remote means of contact.

Ceasing free access to director's residential addresses would remove this ability and so would significantly reduce the sense of felt accountability by directors and the ability of the public to hold them to account. It would also risk conveying a message to the wider community that accountability of business is being watered down.

Option 2 does provide a perfectly adequate mechanism for directors with a genuine need, to keep their residential address secure.

5

Under what circumstances should directors' residential addresses be released to an interested party?

Again; your question implies that restricting access to residential addresses is a fete a compli.

In principle, I believe that residential addresses should be freely available unless it can be shown in individual cases that they should be restricted, rather than the other way around – that they should not be made freely available unless it can be shown that there is a legitimate reason for releasing the information in individual cases.

6

Do you agree that government departments and agencies should have automatic access to directors' residential addresses?

Yes

7

Should this access be limited to the enforcement of law or are there other situations where it may be appropriate for government departments and agencies to have access to directors' residential addresses?

There may be any number of reasons why a Government agency may need to make face to face contact with a director in the exercise of their statutory duties (where the director is not responding to remote requests for contact). This may be simply gathering of information and not necessarily be directly connected to enforcement of laws.

8

Are there other factors which you think should be included in considering approaches to

	directors' residential addresses in historic documents?
	None that come to mind. It is noted that the administrative cost of redacting addresses of those who meet the criteria for restricting address access, would be significantly less than the cost of doing so under your Option 2A.
9	Do you agree with our preferred approach to historic documents on the companies register?
	Yes
10	Have you encountered situations where you consider that members of the public have abused this provision? If so, please provide details.
	No
11	Do you agree that shareholders' residential addresses should be treated the same way as directors' residential addresses (ie replaced with an address for service)?
	Not necessarily. I do not agree that director's addresses should be replaced by an address for service and the reasons for making shareholders addresses public are different to those for making directors addresses public.
12	Are there circumstances where third parties might have a legitimate interest in the residential address of a shareholder?
	Yes
13	Do you think any changes need to be made to the residential address requirements for officers of other types of entities?
	No

Other comments