

BRIEFING: Ending Secret Property Ownership – Bringing Transparency to Land Held by Trusts

Summary

- While the identities of most UK homeowners can be accessed through public records for a small fee, a privileged minority continue to hide their assets behind opaque trust structures.
- Trusts—legal arrangements dating back to the medieval period but still widely used to manage wealth—have become an increasingly attractive vehicle for kleptocrats, criminals, and sanctioned individuals seeking to conceal UK property.
- Current disclosure rules are fragmented and ineffective. The Land Registry records only the *legal* owner of a property, which may be an individual, a UK company, an offshore firm, or a trustee acting for an undisclosed trust.
- To identify the true beneficiary, investigators must cross-reference multiple systems—Land Registry data, Companies House, and HMRC’s Trust Registration Service (TRS). Even then, much information remains inaccessible, leaving the real owners hidden.
- Strengthening transparency around trust-owned property is now vital to protect the UK from illicit finance and restore confidence in its property market.

Key Recommendations

1. **Make key information on trusts that own UK property publicly accessible** via the Register of Overseas Entities and Companies House.
2. **Require trusts that own land to declare this to land registries**, and ensure registries clearly record ownership and control structures.

3. **Close major gaps in the Trust Register**, including registering trusts that acquired land before October 2020 and publishing information on overseas trusts holding UK property directly.

Key Findings

- **236,500 properties** across England and Wales—worth at least **£64 billion**—are held through opaque trust structures.
- Of these, **at least 170 properties worth £2.5 billion** are linked to suspicious wealth. Examples include:
 - A **£61 million London apartment** held via a trust whose beneficiary was briefly revealed to be the partner of Russian oligarch Alexander Ponomarenko, former owner of “Putin’s Palace”. Despite similar assets being frozen in France, this UK property remains unfrozen.
 - **£130 million** in UK property owned by Azerbaijan’s ruling Aliyev family and associates, first exposed by the Organized Crime and Corruption Reporting Project.
 - **£40 million** in central London commercial property held through a company controlled by a trustee now jailed for involvement in a Singaporean money-laundering syndicate.
- The **Office for Financial Sanctions Implementation (OFSI)** has confirmed that oligarchs and kleptocrats routinely use trusts and complex corporate structures to hide property, re-register assets in relatives’ names, and evade sanctions.

Background

- A trust typically consists of three parties:
 - **Settlor** – the individual who transfers assets into the trust
 - **Trustee** – the person or entity that holds and manages the asset
 - **Beneficiary** – the individual who ultimately benefits

- Unlike companies, **trusts do not have legal personality**, meaning property must be registered in the trustee's name. As a result, the Land Registry rarely reveals the true beneficiary.
- In the past decade, the UK has improved transparency on company-owned property through the Persons of Significant Control (PSC) regime and the Register of Overseas Entities. However, major design weaknesses enable trust-based structures to sidestep these rules.

How Trusts Circumvent Current Transparency Measures

1. **Offshore companies controlled by trusts**
 - Companies House collects limited data on overseas trust beneficiaries, but it is not publicly accessible and only covers information from 2020 onward.
 - **At least 23,000 properties worth over £17.5 billion** are hidden through this route.
2. **UK companies controlled by trusts**
 - Beneficiary information is held by HMRC's TRS but is effectively inaccessible to the public.
 - **At least 49,000 properties worth over £9 billion** obscure ownership through UK trust-controlled companies.
3. **Direct ownership via trusts**
 - Land Registry records typically list only the trustee's name, making trust ownership invisible.
 - An estimated **164,500 properties** in England and Wales are owned directly by trusts.

Conclusion

- Opaque trust structures represent the final frontier of secret property ownership in the UK. By opening up trust data held by HMRC and Companies House, closing registration loopholes, and ensuring land registries record real ownership, the Government can deliver meaningful transparency and strengthen the UK's defences against illicit finance.