



Building Safety Act 2022

2022 CHAPTER 30

PART 5

OTHER PROVISION ABOUT SAFETY, STANDARDS ETC

Remediation of certain defects

121 Associated persons

- (1) For the purposes of sections 122 to 125 and [Schedule 8](#), a partnership or body corporate is associated with another person in the circumstances mentioned in subsections (2) to (5).
- (2) Where a person's interest in a relevant building was held on trust at the qualifying time, any partnership or body corporate which was a beneficiary of the trust at that time is to be regarded, for the purposes of the provisions mentioned in subsection (1) as they apply in relation to the relevant building, as associated with the person.
- (3) A partnership is associated with any person who was a partner in the partnership, other than a limited partner, at any time in the period of 5 years ending at the qualifying time ("the relevant period").
- (4) A body corporate is associated with any person who was a director of the body corporate at any time in the relevant period.
- (5) A body corporate is associated with another body corporate if—
 - (a) at any time in the relevant period a person was a director of both of them, or
 - (b) at the qualifying time, one of them controlled the other or a third body corporate controlled both of them.

Subsections (6) to (8) set out the cases in which a body corporate is regarded as controlling another body corporate.

- (6) A body corporate (X) controls a company (Y) if X possesses or is entitled to acquire—
 - (a) at least half of the issued share capital of Y,

Changes to legislation: There are currently no known outstanding effects for the Building Safety Act 2022, Section 121. (See end of Document for details)

- (b) such rights as would entitle X to exercise at least half of the votes exercisable in general meetings of Y,
 - (c) such part of the issued share capital of Y as would entitle X to at least half of the amount distributed, if the whole of the income of Y were in fact distributed among the shareholders, or
 - (d) such rights as would, in the event of the winding up of Y or in any other circumstances, entitle it to receive at least half of the assets of Y which would then be available for distribution among the shareholders.
- (7) A body corporate (X) controls a limited liability partnership (Y) if X—
- (a) holds a majority of the voting rights in Y,
 - (b) is a member of Y and has a right to appoint or remove a majority of other members, or
 - (c) is a member of Y and controls alone, or pursuant to an agreement with other members, a majority of the voting rights in Y.
- (8) A body corporate (X) controls another body corporate (Y) if X has the power, directly or indirectly, to secure that the affairs of Y are conducted in accordance with X's wishes.
- (9) In subsection (7) a reference to “voting rights” is to the rights conferred on members in respect of their interest in a limited liability partnership to vote on those matters which are to be decided on by a vote of the members of the limited liability partnership.
- (10) In determining whether one body corporate (X) controls another, X is treated as possessing—
- (a) any rights and powers possessed by a person as nominee for it, and
 - (b) any rights and powers possessed by a body corporate which it controls (including rights and powers which such a body corporate would be taken to possess by virtue of this paragraph).
- (11) In this section “partnership” means—
- (a) a partnership within the meaning of the Partnership Act 1890, or
 - (b) a limited partnership registered under the Limited Partnerships Act 1907,
- or a firm or entity of a similar character formed under the law of a country or territory outside the United Kingdom (and the reference to “limited partner” is to be read accordingly).
- (12) The Secretary of State may by regulations provide that, in relation to a prescribed reference in a provision mentioned in subsection (1) to anyone associated with another person, subsections (2) to (5) have effect with prescribed modifications.

Modifications etc. (not altering text)

- C1** S. 121(2)-(5) modified (20.7.2022) by [The Building Safety \(Leaseholder Protections\) \(England\) Regulations 2022 \(S.I. 2022/711\)](#), regs. 1(1), **3** (as amended (9.2.2023) by [The Building Safety \(Leaseholder Protections\) \(England\) \(Amendment\) Regulations 2023 \(S.I. 2023/126\)](#), **reg. 2(2)**)

Commencement Information

- I1** S. 121 in force at 28.6.2022, see [s. 170\(3\)\(a\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Building Safety Act 2022, Section 121.