



Building Safety Act 2022

2022 CHAPTER 30

PART 5

OTHER PROVISION ABOUT SAFETY, STANDARDS ETC

Building liability orders

131 Building liability orders: associates

- (1) For the purposes of section 130, a body corporate (A) is associated with another body corporate (B) if—
- one of them controls the other, or
 - a third body corporate controls both of them.

Subsections (2) to (4) set out the cases in which a body corporate is regarded as controlling another body corporate.

- (2) A body corporate (X) controls a company (Y) if X possesses or is entitled to acquire—
- at least half of the issued share capital of Y,
 - such rights as would entitle X to exercise at least half of the votes exercisable in general meetings of Y,
 - 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
 - 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.
- (3) A body corporate (X) controls a limited liability partnership (Y) if X—
- holds a majority of the voting rights in Y,
 - is a member of Y and has a right to appoint or remove a majority of other members, or

Changes to legislation: There are currently no known outstanding effects for the Building Safety Act 2022, Section 131. (See end of Document for details)

- (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.
- (4) 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.
- (5) In subsection (3) 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.
- (6) In determining under any of subsections (2) to (4) 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).
- (7) For the purposes of section 130 as it applies in relation to a building, where a person's interest in the building is held on trust, a body corporate which is a beneficiary of the trust is to be regarded as associated with the person.

Commencement Information

- I1** S. 131 not in force at Royal Assent, see [s. 170\(5\)](#)
- I2** [S. 131](#) in force at 28.6.2022 by [S.I. 2022/561](#), [regs. 1\(2\)](#), 3(h)

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