



Greater London Authority Act 1999

1999 CHAPTER 29

PART IV

TRANSPORT

CHAPTER VII

PUBLIC-PRIVATE PARTNERSHIP AGREEMENTS

Insolvency

220 Meaning and effect of PPP administration orders.

- (1) A PPP administration order is an order of the court made in accordance with section 221, 222 or 223 below in relation to a PPP company and directing that, during the period for which the order is in force, the affairs, business and property of the company shall be managed, by a person appointed by the court,—
 - (a) for the achievement of the purposes of such an order; and
 - (b) in a manner which protects the respective interests of the members and creditors of the company.
- (2) The purposes of a PPP administration order made in relation to any company shall be—
 - (a) the transfer to another company, or (as respects different parts of its undertaking) to two or more different companies, as a going concern, of so much of the company's undertaking as it is necessary to transfer in order to ensure that the relevant activities may be properly carried on; and
 - (b) the carrying on of those relevant activities pending the making of the transfer.
- (3) Schedule 14 to this Act shall have effect for applying provisions of the ^{M1}Insolvency Act 1986 where a PPP administration order is made.

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- (4) Schedule 15 to this Act shall have effect for enabling provision to be made with respect to cases in which, in pursuance of a PPP administration order, another company is to carry on all or any of the relevant activities of a PPP company in place of that company.
- (5) Without prejudice to paragraph 20 of Schedule 14 to this Act, the power conferred by section 411 of the ^{M2}Insolvency Act 1986 to make rules shall apply for the purpose of giving effect to the PPP administration order provisions of this Act as it applies for the purpose of giving effect to Parts I to VII of that Act, but taking any reference in that section to those Parts as a reference to those provisions.
- (6) For the purposes of this Chapter, the relevant activities, in relation to a PPP company, are the activities carried out, or to be carried out, by that company in performing its obligations under the PPP agreement to which it is party.
- (7) In this section—
 business and property have the same meaning as they have in the ^{M3}Insolvency Act 1986;
 [F1“the court”, in relation to a PPP company, means the court—
 (a) having jurisdiction to wind up the company, or
 (b) that would have such jurisdiction apart from section 221(2) or 441(2) of the Insolvency Act 1986 (exclusion of winding up jurisdiction in case of companies having principal place of business in, or incorporated in, Northern Ireland);]
 the PPP administration order provisions of this Act means this section, sections 221 to 224 below and Schedules 14 and 15 to this Act.

Textual Amendments

- F1** Words in s. 220(7) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 178(4)** (with art. 10)

Commencement Information

- I1** S. 220 in force at 15.7.2003 by [S.I. 2003/1920](#), **art. 2(b)**

Marginal Citations

- M1** 1986 c. 45.
M2 1986 c. 45.
M3 1986 c. 45.

221 PPP administration orders made on special petitions.

- (1) If, on an application made to the court by petition presented by the Mayor, the court is satisfied that either or both of the grounds specified in subsection (2) below is satisfied in relation to that PPP company, the court may make a PPP administration order in relation to that company.
- (2) The grounds mentioned in subsection (1) above are, in relation to any company,—
 (a) that the company is or is likely to be unable to pay its debts;
 (b) that, in a case in which the Secretary of State has certified that it would be appropriate for him to petition for the winding up of the company under

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section 124A of the 1986 Act (petition by the Secretary of State following inspectors' report etc), it would be just and equitable, as mentioned in that section, for the company to be wound up.

- (3) Notice of any petition under this section for a PPP administration order shall be given forthwith to such persons and in such manner as may be prescribed by rules made under section 411 of the 1986 Act; and no such petition shall be withdrawn except with the leave of the court.
- (4) Subsections (4) and (5) of section 9 of the 1986 Act (powers on application for administration order) shall apply on the hearing of the petition for a PPP administration order in relation to any company as they apply on the hearing of a petition for an administration order.
- (5) Subsections (1), (2), (4) and (5) of section 10 of the 1986 Act (effect of petition) shall apply in the case of a petition for a PPP administration order in relation to any company as if—
 - (a) the reference in subsection (1) to an administration order were a reference to a PPP administration order; and
 - (b) paragraph (b) of that subsection did require the leave of the court for the taking of any of the steps mentioned in paragraphs (b) and (c) of subsection (2) (appointment of, and exercise of functions by, administrative receiver).
- (6) For the purposes of this section a company is unable to pay its debts if—
 - (a) it is a company which is deemed to be so unable under section 123 of the 1986 Act (definition of inability to pay debts); or
 - (b) it is an unregistered company, within the meaning of Part V of the 1986 Act, which is deemed, by virtue of any of sections 222 to 224 of that Act, to be so unable for the purposes of section 221 of that Act (winding up of unregistered companies).
- (7) The functions of the Mayor under this section may be exercised by Transport for London acting as his agent, and where Transport for London so acts references to the Mayor shall be construed accordingly.
- (8) In this section—

the 1986 Act means the ^{M4}Insolvency Act 1986;
the court has the same meaning as in section 220 above.

Commencement Information

I2 S. 221 in force at 15.7.2003 by [S.I. 2003/1920](#), [art. 2\(b\)](#)

Marginal Citations

M4 [1986 c. 45](#).

222 Restriction on making winding-up order.

- (1) Where a petition for the winding up of a PPP company is presented by a person other than the Mayor, the court shall not make a winding-up order in relation to that company on that petition unless—
 - (a) notice of the petition has been served on the Mayor; and

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- (b) a period of at least fourteen days has elapsed since the service of that notice.
- (2) Where a petition for the winding up of a PPP company has been presented, the Mayor may, at any time before a winding-up order is made on the petition, make an application to the court for a PPP administration order in relation to that company; and where such an application is made the court may, if it is satisfied as mentioned in section 221(1) above, make a PPP administration order instead of a winding-up order.
- (3) Where, on a petition for the winding up of a PPP company, the court makes, or proposes to make, a PPP administration order by virtue of subsection (2) above, subsections (4) and (5) of section 9 of the ^{M5}Insolvency Act 1986 (powers on application for administration order) shall apply on the hearing of that petition as they apply on the hearing of a petition for an administration order.
- (4) In this section the court has the same meaning as in section 220 above.

Commencement Information

I3 S. 222 in force at 15.7.2003 by [S.I. 2003/1920](#), [art. 2\(b\)](#)

Marginal Citations

M5 1986 c. 45.

223 Restrictions on voluntary winding-up etc.

- (1) No resolution for voluntary winding up shall be passed by a PPP company without leave of the court granted on an application made for the purpose by the company.
- (2) No such leave shall be granted unless—
- (a) notice of the application has been served on the Mayor; and
 - (b) a period of at least fourteen days has elapsed since the service of that notice.
- (3) Where an application for leave under subsection (1) above has been made by a PPP company, the Mayor may, at any time before leave has been granted under subsection (1) above, make an application to the court for a PPP administration order in relation to that company; and where such an application is made the court may, if it is satisfied as mentioned in section 221(1) above, make a PPP administration order instead of granting leave under subsection (1) above.
- (4) Where, on an application for leave under subsection (1) above, the court makes, or proposes to make, a PPP administration order by virtue of subsection (3) above, subsections (4) and (5) of section 9 of the ^{M6}Insolvency Act 1986 (powers on application for administration order) shall apply on the hearing of that application as they apply on the hearing of a petition for an administration order.
- (5) No administration order under Part II of the ^{M7}Insolvency Act 1986 shall be made in relation to a PPP company unless—
- (a) notice of the application for the order has been served on the Mayor; and
 - (b) a period of at least fourteen days has elapsed since the service of that notice.
- (6) Where an application for an administration order under Part II of the ^{M8}Insolvency Act 1986 has been made in the case of a PPP company, the Mayor may, at any time before such an order has been made on that application, make an application to the court for a PPP administration order in relation to that company; and where such an application

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is made the court may, if it is satisfied as mentioned in section 221(1) above, make a PPP administration order instead of an administration order under Part II of the ^{M9}Insolvency Act 1986.

(7) No step shall be taken by any person to enforce any security over a PPP company's property, except where that person has served fourteen days' notice of his intention to take that step on the Mayor.

(8) In this section—

the court has the same meaning as in section 220 above;
resolution for voluntary winding up has the same meaning as in the ^{M10}Insolvency Act 1986;
security and property have the same meaning as in the ^{M11}Insolvency Act 1986.

Commencement Information

I4 S. 223 in force at 15.7.2003 by [S.I. 2003/1920, art. 2\(b\)](#)

Marginal Citations

M6 1986 c. 45.

M7 1986 c. 45.

M8 1986 c. 45.

M9 1986 c. 45.

M10 1986 c. 45.

M11 1986 c. 45.

224 Meaning of company and application of provisions to unregistered, foreign and other companies.

[^{F2}(1) In the PPP administration order provisions of this Act—

“company” means—

- (a) a company registered under the Companies Act 2006, or
- (b) an unregistered company; and

“unregistered company” means a company that is not registered under that Act.]

(2) In the application of section 220(1) above in a case where the PPP company there mentioned is a foreign company, the reference to the affairs, business and property of the company shall be taken as a reference to the affairs and business of the company, so far as carried on in Great Britain, and the property of the company within Great Britain.

(3) In the application of section 9(5) of the 1986 Act by virtue of subsection (4) of section 221 above or subsection (3) of section 222 above where the petition mentioned in the subsection in question relates to a company which is a foreign company, the reference to restricting the exercise of any powers of the directors or of the company shall be taken as a reference to restricting—

- (a) the exercise within Great Britain of the powers of the directors or of the company; or
- (b) any exercise of those powers so far as relating to the affairs, business or property of the company in Great Britain.

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- (4) In the application of provisions in section 10 of the 1986 Act by virtue of subsection (5) of section 221 above where the company mentioned in that subsection is a foreign company—
- (a) paragraph (a) of subsection (1) shall be omitted;
 - (b) any reference in paragraph (b) or (c) of that subsection to property or goods shall be taken as a reference to property or (as the case may be) goods for the time being situated within Great Britain;
 - (c) in paragraph (c) of that subsection—
 - (i) the reference to the commencement or continuation of proceedings shall be taken as a reference to the commencement or continuation of proceedings in Great Britain; and
 - (ii) the reference to the levying of distress against the company shall be taken as a reference to the levying of distress against the foreign company to the extent of its property in England and Wales; and
 - (d) any reference in subsection (2) to an administrative receiver shall be taken to include a reference to any person performing, in relation to the foreign company, functions equivalent to those of an administrative receiver, within the meaning of section 251 of the 1986 Act.
- (5) Subsections (1) to (4) of section 223 above shall not have effect in relation to a PPP company which is a foreign company.
- (6) In the application of subsection (7) of that section where the PPP company there mentioned is a foreign company, the reference to the company’s property shall be taken as a reference to such of its property as is for the time being situated in Great Britain.
- (7) In this section—
- the 1986 Act means the ^{M12}Insolvency Act 1986;
 - foreign company means a company incorporated outside Great Britain;
 - the PPP administration order provisions of this Act means sections 220 to 223 above, this section and Schedules 14 and 15 to this Act.

Textual Amendments

- F2** S. 224(1) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 178(5)** (with art. 10)

Commencement Information

- I5** S. 224 in force at 15.7.2003 by [S.I. 2003/1920](#), art. 2(b)

Marginal Citations

- M12** 1986 c. 45.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 334(2A)-(2E) substituted for s. 334(2)-(6) by [2023 c. 55 s. 95\(2\)](#)
- s. 334(9)-(11) inserted by [2023 c. 55 s. 95\(3\)](#)
- s. 337(1A) inserted by [2023 c. 55 s. 96\(1\)\(c\)](#)
- s. 337(2)(ca) inserted by [2023 c. 55 Sch. 6 para. 15](#)
- Sch. 23 para. 1(3A) inserted by [2023 c. 55 s. 244\(2\)](#)
- Sch. 23 para. 3A3B and cross-heading inserted by [2023 c. 55 s. 244\(3\)](#)
- Sch. 23 para. 4(2A)(2B) inserted by [2023 c. 55 s. 244\(4\)](#)
- Sch. 23 para. 4A and cross-heading inserted by [2023 c. 55 s. 244\(6\)](#)