



KLTR Ownerless Property Transfer Scheme (OPTS) **Summary for communities**

March 2024

Summary

The King's and Lord Treasurer's Remembrancer (KLTR) is the Crown's representative in Scotland who deals with ownerless property, known as "*bona vacantia*". Most properties become ownerless because the last owner was a company which was dissolved without transferring the land or buildings, or because someone died without heirs. Prior to the introduction of OPTS, the KLTR would either sell these properties or "disclaim" them, to remove any Crown interest (see section 6 of the OPTS Guidance).

OPTS was introduced on 1 March 2024 and ownerless property can now be transferred at nominal or cost-recovery value (that is, at a price which covers the KLTR's external legal costs – see section 5.2 of the Guidance) to public bodies, local authorities and community bodies to use for the benefit of the local community. These properties will normally be available at less than the market value, providing new opportunities for their productive use.

Ownerless property

Communities will be aware that ownerless property can have a strongly negative impact on the local environment and its people - they can be eyesores and attract anti-social behaviour. The OPTS scheme can help to address this problem, however, not all abandoned, neglected or detrimental property is actually ownerless. Our Guidance will help to take you through the OPTS process and provide useful contacts to support you and who can provide information.

Some high-risk properties may not be suitable for OPTS and examples are listed in section 2.8 of the Guidance.

Applying for an OPTS property

OPTS is intended as a collaborative process and a flowchart of the process is available on the KLTR's [website](#). It is not a community right to buy scheme. OPTS properties will be advertised to public bodies, local authorities and community sector co-ordinators simultaneously and interested communities should contact their local authority as early as possible if they are interested in taking ownership or to discuss how the property might best be used to benefit the community.

Depending on which area you are in, your community co-ordinator will be Highlands and Islands Enterprise, Development Trust for Scotland or South of Scotland Enterprise. Contact details for these organisations are available on the KLTR website or on the respective organisation's website. OPTS properties will also be listed on our website.

There are 3 ways in which communities can enter the OPTS process:

- 1) Instigate a community application:**
if the community has evidence that a property is ownerless, it may submit a community application. The KLTR would encourage communities to discuss their proposals with their local authority before submitting their application;
- 2) Respond to a notified OPTS opportunity:**
The KLTR will notify any relevant public body, local authority and community co-ordinator of available OPTS property and provide a valuation report. The community co-ordinator will then identify any suitable community group who may be interested in owning the property, or individuals within the community who wish to form an appropriately constituted community body to take ownership; or
- 3) The OPTS "fast-track" process:**
where any interested public body, the local authority and the community agree proposals for the property and can agree who the applicant should be. The community must already have a representative community body to apply under the fast-track process.

The OPTS process is designed to allow for new community bodies to be formed where there is no community body already available. This will be the community applicant and, if successful, will become the legal owner of the property. More information on appropriate forms of community bodies can be found in section 4.2 of the Guidance.

The OPTS criteria

The KLTR will consider a range of information in deciding what to do with an ownerless property. The criteria falls into four headings – see section 2.2 of the guidance. As well as demonstrating how the proposed use of the property will be in the public interest and sustainable, applicants are asked to provide evidence that there is public support for their proposals, and that their plans are feasible in terms of funding and have a realistic plan for the use of the property over the next few years. Applications will have a better chance of success if they can demonstrate how the proposals will benefit both present and future generations.

Assessment of applications and timelines

Applications will be assessed by the KLTR's OPTS Casework Team, with assistance from the OPTS Advisory Panel. The Panel is a group of nominated representatives from the public body, local authority and community sectors who will work with the Casework Team as part of the KLTR's OPTS decision-making process. Information on Panel members is available on the KLTR's website.

Each application will be considered on its merits and scored against the criteria set out in section 2.4 of the Guidance. Subject to the complexity in each case and the level of collaboration involved, the OPTS process from application to property transfer should normally take around 15-18 months. Where a community body has already secured funding and local authority support, the "fast-track" application process could reduce this timescale by around 5 months or more. Further details on timescales are provided in the Guidance.

Conditions of transfer

As above, OPTS properties will be transferred at cost-recovery value, covering the KLTR's external costs only (see section 5.2 of the Guidance). Public bodies and local authorities will have 3 months to raise the funds and conclude the transfer: community bodies will have 8 months to do so.

OPTS transfers will be accompanied by a general clawback agreement to ensure the property continues to meet the aims of the scheme. The clawback arrangements will only be triggered where the land is sold on for commercial development and will involve the original receiving party paying part of the uplift in value to the KLTR. See section 5.3 of the Guidance.

Other possibilities for acquiring property

OPTS will provide opportunities for public bodies, local authorities and communities to work collaboratively to ensure ownerless properties are used in the best public interest for the community as a whole. However, if OPTS is not your preferred option, other avenues for acquiring an OPTS property are set out in section 7 of the Guidance. These include prescriptive claim, vesting order and purchase at auction (if the property is not transferred under the OPTS).

OPTS exclusions – former directors

As well as the types of properties excluded from OPTS detailed in section 2.8 of the Guidance, anyone who is a former director of a company that used to own the property in question, or who is closely connected with a former director, is specifically excluded from applying for OPTS property. The Scheme is not an alternative method of company restoration.

Further information

If you think OPTS may be a suitable option for your community, please read the [OPTS Guidance](#) before applying. If you then have any questions relating to OPTS, please e-mail the [OPTS casework team](#).

The KLTR's website also provides a list of [useful contacts](#) who may be able to assist with your OPTS application or provide advice about community ownership. These include the Scottish Government's Community Land Team, the Scottish Land Fund, the Community Ownership Support Service, Scottish local authorities and community representative organisations.

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