



Ownerless Property Transfer Scheme (OPTS)

Consultation paper



September 2022

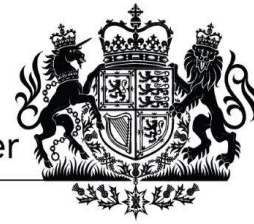
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Front page (clockwise from top left): Lion Chambers, Glasgow (*); Milton Community Woodland, Inverness (*); Little Green Holm Island, Orkney (*); Drummore Harbour, Dumfries & Galloway (*); Campsie High Church, Lennoxtown (*); 6 Marine Parade, Kilmarnock; and (centre) Belgrave Terrace, Glasgow. All images in this paper are Crown Copyright except (*) copyright Google.



King's and Lord Treasurer's Remembrancer



Foreword

As The King's and Lord Treasurer's Remembrancer (KLTR), I am pleased to bring forward this consultation document containing proposals for developing our new Ownerless Property Transfer Scheme (OPTS).

I recognise the long-term negative impact that ownerless land and buildings can have on our communities, our cities, our towns and villages, and on the residents within these areas. Our proposals are intended to offer a way through some of the current barriers to tackling the issue and to provide opportunities for communities throughout Scotland to bring these properties back into productive use.

The OPTS is an ambitious scheme, a new approach and a new way of thinking. It will transform the way in which the KLTR approaches ownerless property. It will require collaborative working between public bodies and representative groups if real and tangible benefits are to be delivered to the people of Scotland. It will also tread new ground by enabling nominal value transfers where public interest outcomes will be delivered.

The OPTS has been designed in the spirit of opportunity and collaboration. The scheme will therefore not force anyone to take ownership of properties when they do not wish to, rather, it will create opportunities for potential transferees to work collaboratively in the public interest. I therefore hope the OPTS will play a fundamental part in bringing interested parties together to agree on how ownerless property can be used in the best possible way to the advantage of local people.

Our scheme is also intended to work alongside other mechanisms already available to assist public bodies, local authorities, and appropriately constituted community groups to own land and buildings to benefit their communities where it is in the public interest to do so.

Alongside the new scheme, my officials are working to address the challenges that lead to company property becoming ownerless in the first place, encouraging a collaborative approach among our public sector partners and regulators to finding solutions.

Thank you for taking the time to consider our ownerless property consultation document and I look forward to receiving your response.

David Harvie

King's and Lord Treasurer's Remembrancer

1. Background

The KLTR is the Crown's representative in Scotland with authority to deal with ownerless land and buildings. We encounter a wide range of properties, normally through referrals by the Scottish Government, public bodies, local authorities, a person or representative body (e.g. a community group) interested in acquiring it or, in the case of a former company property, by the person connected with the company seeking to reacquire it. The main source of properties referred to us are those which formerly belonged to dissolved companies.

Types of properties referred to the KLTR include highly problematic sites such as opencast coal mines, shale bings, harbours and landfill sites but we also encounter land and buildings with greater potential for public interest or commercial use or redevelopment, such as industrial property, retail, woodland, listed buildings and undeveloped areas of land. In the last financial year alone, the KLTR received around 190 property referrals, many of which have the potential to be suitable for community benefit.

Historically, the KLTR's focus was on the feasibility of selling such properties at full market value. In recent years, however, we have been reviewing the way we work and have taken an increasingly proactive approach. We have significantly increased our collaboration with our public sector partners and have been looking at ways to help surmount some of the challenges and barriers to dealing with ownerless land, particularly where there are significant liabilities. We have also been looking at how we might better facilitate disposals for the public benefit.

In tandem with this work, we contributed to the Scottish Land Commission's 2020 report on Transforming Scotland's Approach to Vacant and Derelict Land¹, which made a number of recommendations for the KLTR and recognised that the KLTR has a "pivotal role to play" in bringing land and buildings back into productive use. We recognise this and, alongside the Commission's work, the KLTR has been developing its own processes to help unlock obstacles to tackling ownerless land. The OPTS will be fundamental in reshaping how we take our business forward.

In developing our proposals, we have commenced pilots across Scotland on a wide variety of properties, including woodland, urban and rural buildings, individual parcels of ground, a filling station, an old post office and a garden centre. The pilots have informed our policy considerations, and will continue to do so, by providing valuable experience and creating real opportunities for these properties to be brought back into productive use. Examples from our pilot exercise are contained within this consultation document and will continue to be taken forward during our consultation period. The pilots and existing casework, combined with consultation responses, will contribute to an evidence-based approach to our OPTS policy

¹https://www.landcommission.gov.scot/downloads/5f73555fbfe93_VDL%20Task%20Force%20Recommendations.pdf.

development and further evidence will be considered post-implementation to ensure the scheme is working as intended.

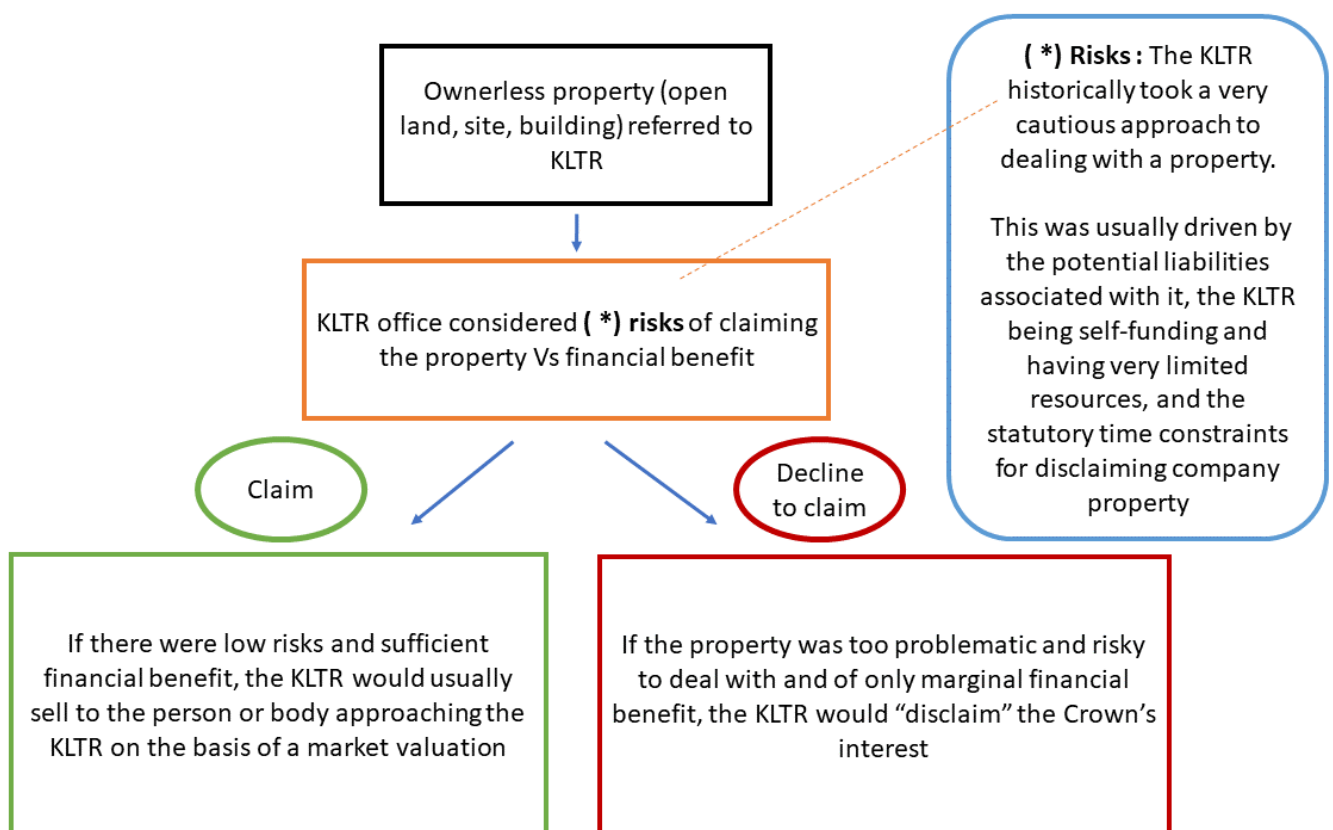
We have also worked closely with key partners and stakeholders to ensure the OPTS is workable, including the Scottish Government, Highlands and Islands Enterprise, Local Authorities and other public bodies, including the Scottish Land Commission, as well as representative organisations such as Community Land Scotland and individuals with experience in land-related issues. We will continue to work with all interested parties as our policies are developed further in advance of the scheme's proposed introduction in 2023.

2. Designing the scheme: obstacles to overcome

Background

Despite the public perception that when property in Scotland is ownerless, “ownership” automatically passes to the Crown, this is not the case. The Crown’s right is actually more like an exclusive “option” to claim ownerless property, and the KLTR may choose whether or not to do so. Where we choose to revoke that “option” in a particular case, the KLTR will “disclaim” that property by signing a Notice of Disclaimer². Disclaiming completely removes the Crown’s legal interests in the property disclaimed.

Historically, the KLTR’s approach to dealing with ownerless land and buildings was narrow and usually focussed on the property’s actual and potential risks and its market value. If a property was considered risky or of limited financial value, more likely than not, the KLTR would choose not to deal with the property and disclaim it. Our traditional approach could be summarised as follows:



In its 2020 report, the Scottish Land Commission wrote that, if the functions of the KLTR “were to be reformed to align with wider regeneration and land objectives, [it]

² Disclaimers of dissolved UK registered company properties are registered at Companies House. Copies of all KLTR disclaimers are also published in the relevant edition of the Edinburgh or London Gazette.

could be a game-changer for overcoming ownership issues on those sites”, and recommended that our “role, powers and functions should be reviewed to see how they might allow better alignment with wider regeneration and land reform objectives” (para 5.3.3).

Developing our proposals: the obstacles

In designing the OPTS therefore, we have considered carefully the Commission’s recommendations and how we can take these forward within our existing budget and functions, taking account of the following factors in particular:

The KLTR is entirely self-funding, has modest resources and only retains a very limited amount of funds. The KLTR department, broadly, is set up to deal with the ownerless property of dissolved companies and heirless individuals and remits the net balance of those funds to the Scottish Consolidated Fund each year, retaining a reserve of £3 million to meet running costs and claims as they fall due. The final net balance equates to around £5-7 million on average each year, which simply would not be sufficient to meet the significant demands, liabilities and running costs associated with managing a national portfolio of ownerless and distressed property, in our own right, for any length of time.

As noted above, the KLTR does not “own” ownerless property in the normal sense. And it also does not manage it. Unlike some other public bodies, the KLTR does not have a budget to own or manage property in its own right: the KLTR will only claim properties for the purposes of immediate disposal. Given the way the KLTR is self-financed, any liabilities associated with dealing with particular buildings, sites or open areas of land must be considered very carefully before the KLTR will accept responsibility for a property. Claiming a high-risk property (or a number of properties at the same time) may produce a potential liability far in excess of the KLTR’s £3 million reserve.

The KLTR is subject to short time limits under the Companies Act 2006 in dealing with property. The Companies Act gives the KLTR 3 years to decide whether or not to disclaim property from the date we are first made aware of it being ownerless. This is further limited to 1 year if we are specifically requested to disclaim the property. We also apply the 1-year limit in cases of significant liability as a matter of fiscal prudence³.

These time limits are fundamental to the KLTR’s decision-making process and overall risk assessment of dealing with properties beyond these statutory deadlines.

³ s1013(3) and (4) of the Companies Act 2006.

Decisions therefore need to be taken relatively quickly where the 1-year deadline applies which, in practice, means that it is not feasible for the KLTR to engage directly with community bodies given the normal timescales needed for them to organise, agree a proposal and obtain funding. In these cases, the fiscal risk to the KLTR would be too high to wait.

The general financial pressure on the Scottish economy and public sector. The past few years have seen significant and continuing financial challenges from the effects of Covid 19 impacting all sectors of the Scottish population, businesses of all sizes, communities and the national and global markets as a whole.

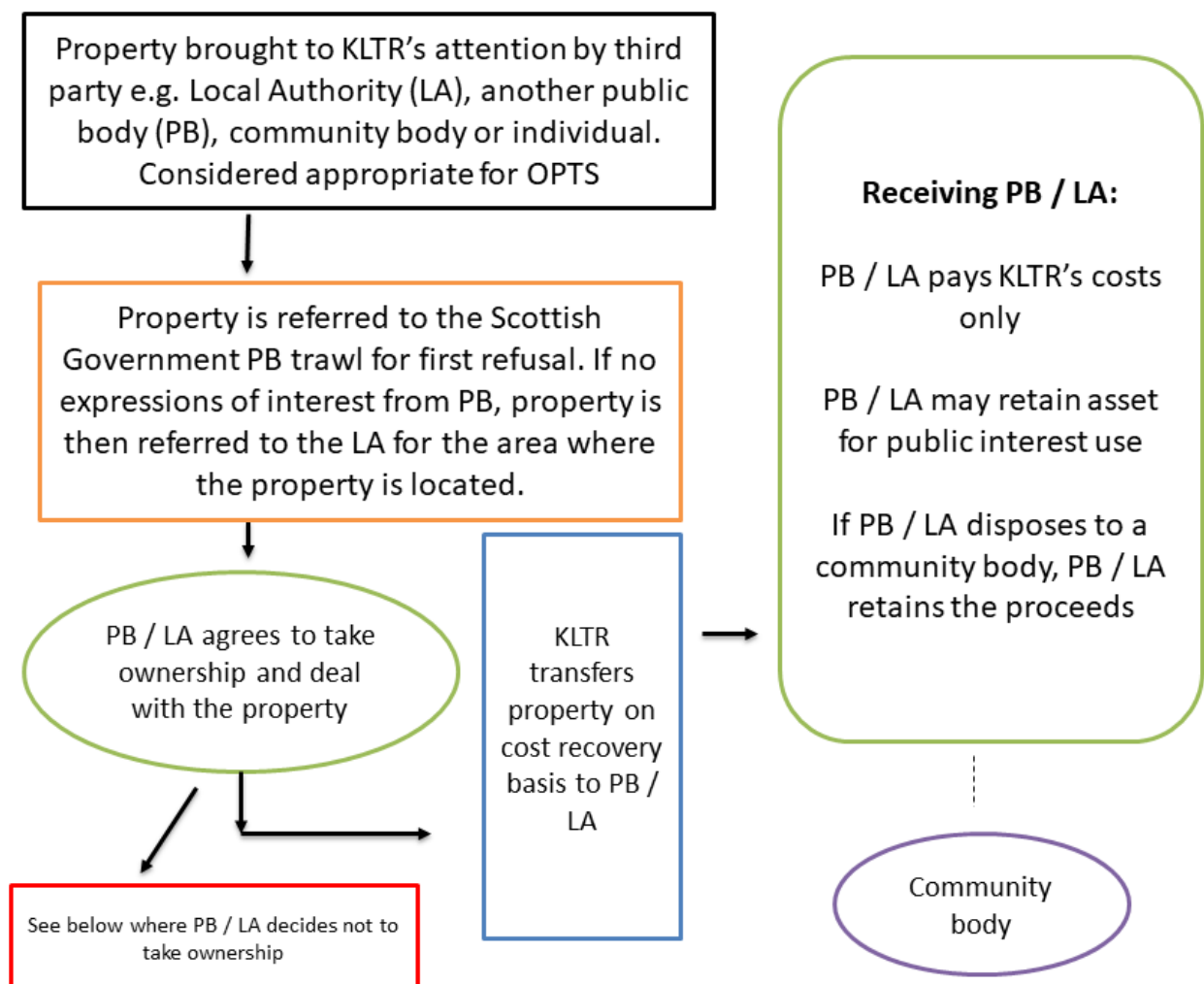
With public sector budgets also facing pressures, alternative ways to deliver our policies need to be considered in order to provide, where possible, creative opportunities to make the best possible use of public funds and to gain the best possible benefits in the wider public interest.

Lack of financial incentive within the public sector to take on ownerless problematic buildings or sites. If, for example, a property is high risk because of liabilities, contamination, subsidence, etc., it is understandable that the public sector may be reluctant to take responsibility for, and invest in, the property even if, in the longer term, a company, individual or community group is likely to express an interest in managing or owning it. That is why the OPTS will enable such properties to be transferred at a nominal consideration on a KLTR cost-recovery basis. In considering these proposals, public bodies, local authorities and others in the public sector are being invited to consider the benefits to them and to their stakeholders in using the OPTS.

3. Unlocking obstacles: our OPTS proposals

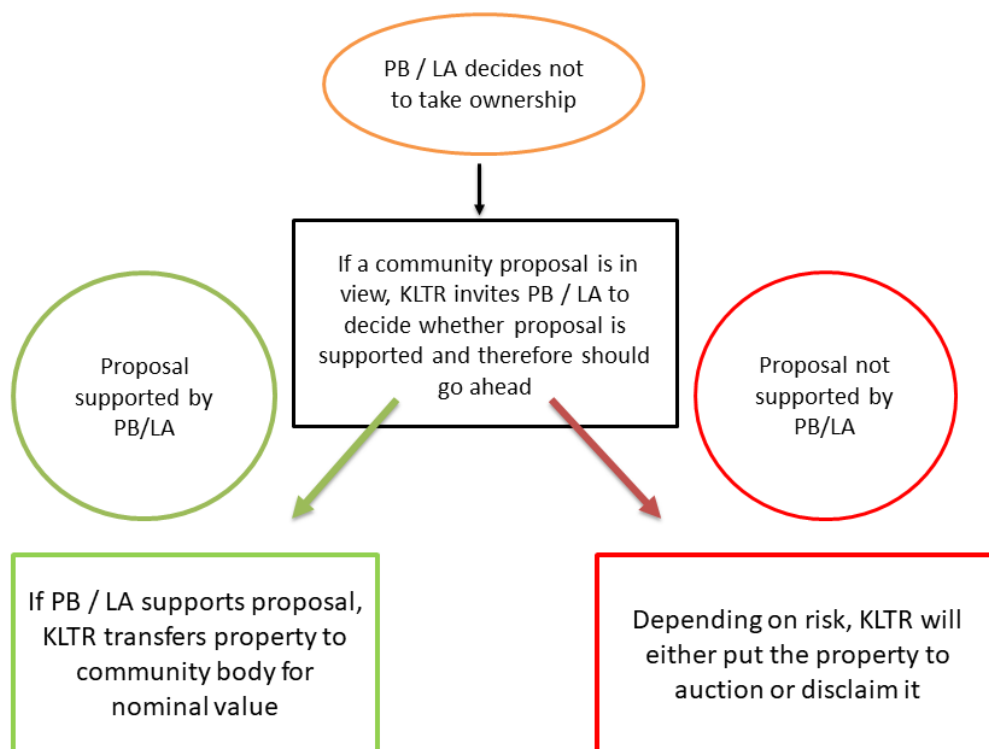
The following sets out how we intend to deal with land and buildings brought to our notice, including land on vacant and derelict land registers as compiled by local authorities, should they also be ownerless. It aims to promote a better joined-up approach between the KLTR and our public sector partners, and to give public bodies the ability to deal directly with properties in the local public interest.

In broad terms, **the OPTS will allow the KLTR to transfer ownerless land to another public body at below Market Value or at a nominal value⁴: either to use that land itself for local public benefit, or to transfer to an appropriately constituted community body demonstrating purposes aligning with local aspirations.** We expect that the receiving public body would ordinarily be the local authority, but other public bodies may be more appropriate in particular cases. We envisage two broad stages. Stage 1 involves, first, offering the property to public bodies and local authorities to take ownership and deal with the property directly:



⁴ See "nominal value" at section 3.1.

Stage 2 will apply if there is a community proposal in view, but the public body or local authority decides not to take ownership



Notes on the OPTS stages:

Stage 1: offering to public bodies and local authorities

Property brought to KLTR's attention by third party e.g. Local Authority (LA), another public body (PB), community body or individual.
Considered appropriate for OPTS.

Initial considerations: Following receipt of evidence to support a claim from an approaching party that property is ownerless, if satisfied, the KLTR will undertake the initial legal due diligence on it, using specialist

outsourced property services. However, it is for the notifying person to ensure they are satisfied that property is ownerless and to provide evidence of that fact to the KLTR before such due diligence is undertaken. Evidence should include, but will not be limited to, information on the previous owner (if a company, the dissolution date), title searches undertaken and copies of any documents or extracts supporting the ownerless status of the property.

In order to identify potentially suitable community groups to purchase the property, it is expected that the KLTR will work collaboratively with Highlands and Islands Enterprise. As a delivery partner for the Scottish Government's Scottish Land Fund,

Highlands and Islands Enterprise has a dedicated team that operates across Scotland, supporting communities to develop projects to acquire land and buildings. Team members are assigned to local authority areas and work collaboratively with public and community sector organisations at a local, regional and national level. This approach will facilitate awareness of potential community interest within a locality so this can be considered as early as possible and in conjunction with public body and local authority interests. It will also provide a consistent approach to community awareness of OPTS opportunities across Scotland.

Q1. Do you agree that Highlands and Islands Enterprise is the appropriate body to provide advice to the KLTR on potentially suitable community groups? If not, who would you suggest and why?

If the KLTR is content that property notified to us is ownerless and suitable for OPTS transfer, the scheme process will be initiated.

Property is referred to the Scottish Government PB trawl for first refusal. If no expressions of interest from PB, property is then referred to the LA for the area where the property is located.

Offering to public bodies and local authorities: Properties will first be offered to public bodies covered by the Scottish Public Finance Manual's (SPFM's) trawl process. They will then have one month to inform the KLTR of their interest in the

property so trawled. If a public body is interested in owning the property, the KLTR will notify that public body of any other interested party.

Where a community or public interest is identified, we anticipate offering to transfer the property to the public body or local authority for nominal value (see transfer value in section 3.1).

To provide transparency to the OPTS process, the KLTR will make available any valuation, building, structural or condition surveys, title information and environmental reports to those involved in the OPTS process. However, the KLTR cannot provide legal advice to other parties. This does not prevent any party from seeking their own valuation or title examination and this should be discussed with the relevant funders. However, it is intended that any survey provided for the KLTR should be sufficiently independent to avoid unnecessary duplication of costs, particularly for public funders, and ensure that the OPTS process is as cost-effective as possible for all involved.

Q2. Do you agree that a valuation and other reports undertaken by the KLTR are sufficiently independent to avoid duplication of cost for all involved in the OPTS? If not, why not?

If no public body is interested in owning the property, it will then be offered to the local authority in the area in which the property is situated. The local authority will then be invited to confirm, within three months of the invitation being issued, if they wish to take ownership of the property for a public interest or community use or for offering to a suitable, appropriately constituted community group. Given local authority governance structures and committee cycles, two months longer than for public bodies is proposed. The KLTR will notify the local authority of any other interested party known to us.

Case study 1: Halmyre Street, Edinburgh



The Halmyre Street pilot relates to a strip of land which formed part of the old tram depot off Leith Walk, Edinburgh. This land was notified to the KLTR by the City of Edinburgh Council (CEC) who had discovered a surplus piece of land from an earlier development when they were exploring the potential for additional access to a proposed housing development.

CEC confirmed that they had carried out a title search and the company registered as the owner in the Land Register of Scotland had been dissolved. The land had therefore fallen to the Crown as ownerless.

CEC expressed a strong desire to acquire ownership and bring the land back into use for the benefit of the local community in developing housing, where around 50% will be affordable housing. This should increase much-needed availability of local housing in the area and contribute to the Scottish Government's new build national housing targets. The strip of land will provide alternative access to the main entrance of the housing development, allow greater density and ensure sufficient access for residents and emergency vehicles alike.

The KLTR is now in the final stages of transferring the property to the local authority under this OPTS pilot at cost-recovery value. As a result, through collaboration with the council, this forgotten strip of land will now become a vital part of a wider and essential infrastructure, where local community interest and any other public interest issues can be met through the planning system.

Q3. Do you think three months for the local authority to decide whether or not it wishes to take ownership of an ownerless property is reasonable? If not, how long would you suggest and why?

Case study 2: Ferryhill Terrace, Aberdeen



This pilot involves a basement flat situated in Aberdeen town centre in which the whereabouts of the owners (two individuals*) has been unknown for some years. The property has therefore lain vacant for a considerable time, leading to widespread and increasing dampness to other parts of the building.

The KLTR was notified of the property by an adjacent resident who had concerns around the condition of the property, the longer-term impact on other properties in the block and a detrimental impact on the local area. This type of property can often lead to undesirable activity which can then impact on the wider community.

There is currently a charging order over the property by Aberdeen City Council as a result of debt that has accrued on the abandoned property over the years. As a local authority is required to make safe any ownerless property in their area, local authorities, and therefore the local community and the taxpayer as a whole, are often left to face the financial and environmental consequences of such a property.

While it is not for the OPTS to be used to directly resolve any charging order issues and recover financial loss for local authorities, it is not in the local or wider public interest to leave such properties to suffer further deterioration. Instead, the OPTS has created an opportunity to bring this property back into productive use, which benefits the local community and the local environment.

This pilot is ongoing. While it is for the Council to determine the outcome of the charging order, the OPTS could provide an opportunity for a reasonable solution to this local problem by securing a transfer of ownership to the local authority on a cost-effective basis.

*Where an ownerless property is owned by a natural person, these present additional challenges and involve additional work for the KLTR prior to entering the OPTS process.

KLTR transfers property on cost recovery basis to PB / LA

Under the OPTS, the KLTR's department will work closely with public bodies and local authorities to help with a "clean" title transfer wherever reasonably practicable. This may, at times, not be the case if, for example, a local authority charging order under sections 46A to 46H of the Building (Scotland) Act 2003, to recover expense relating to any necessary work to a building in compliance with building regulations, applies to a property. In this case, it would be for the local

authority to reduce the charging order, or consider other options, in advance of transferring the property to the community. In relation to existing standard securities over the property, it would be for potential owners to take their own legal advice on the implications of these and on obtaining discharges as the KLTR is not able to provide legal advice. Similarly, potential owners will also be required to satisfy themselves as to the property and title and take their own legal advice as necessary.

Stage 2: Where no public body or local authority decides to take ownership

PB / LA decides
not to take
ownership

We think the organisation best placed to make the decision about the appropriateness and sustainability of a community proposal for ownerless property is the public organisation with the closest connection to the property. Usually, that will be the local authority for the area in which the property is located.

We think the public sector partnership and collaborative approach advocated by this scheme is the most proportionate and pragmatic way to achieve Best Value⁵ given the limitations referred to in section 2 of this paper of the KLTR's funding model, and our modest resources. Dealing with properties at a local level sensitively and meaningfully within the KLTR department, and at national scale, would require significant increases in our funding and resourcing and would risk cutting across local established policies and democratic processes.

Where this section is engaged therefore, the KLTR will only transfer a property to a community body under the OPTS process where it has the support of the local authority or relevant public body. Our intention is to encourage direct discussion, engagement and collaboration among community bodies and the relevant public authorities, and not to place the KLTR in conflict with local decision making or effectively acting as a route of appeal.

If PB / LA supports
proposal, KLTR
transfers property to
community body for
nominal value

Where a proposal is supported therefore by a public body or the relevant local authority, the KLTR will transfer the property to the community body for nominal value, in line with the Scottish Public Finance Manual. See section 3.1 (transfer value).

⁵ [Best Value - Scottish Public Finance Manual - gov.scot \(www.gov.scot\)](http://www.gov.scot) Particularly having regard to the themes of accountability, use of resources, partnership and collaborative working, working with communities, sustainability and equality.

Case study 3: Plot of Land at Belgrave Terrace/South Park Avenue, Glasgow



This urban case study is a plot of land to the rear of a tenement block in Glasgow's West End, near the university campus. The property is the residue from the redevelopment of the tenement block and would previously have been garden ground for the adjacent tenement owner(s).

During title investigation, it became clear that the previous owner was a dissolved development company, therefore the land fell to the Crown as ownerless.

This property is a relatively small, ex-garden area with no public body or local authority interest in acquiring ownership. However, as the local authority has approved the community council's proposals by granting planning consent for a community garden, the KLTR is presently in discussion with members of the community council. As a community council cannot own property, it intends to create a community body to take ownership of the garden area and has already had discussions with potential funders.

The KLTR will continue to work with the community council and prospective funders to ensure that opportunities presented by the OPTS can be delivered wherever possible.

Depending on risk, KLTR will either put the property to auction or disclaim it

Where a community's proposal is not supported, the KLTR will decide whether to put the property to auction or to disclaim it. That will depend on the potential open market value of the site and liabilities associated with it.

Concluding transfers: The KLTR's solicitors will facilitate the transfer to the new owner. The process for facilitating the transfer should be simple and straightforward, and readily familiar to anyone that deals with property conveyancing. We will provide draft conveyancing documentation to help increase efficiency.

Any parties involved in the OPTS process who are not the recipient of the property will be informed that the KLTR's interest no longer applies and who they should contact. Where the property is disclaimed, details of the disclaimer notice may be provided. This could happen at any stage of the process.

Case study 4: Garden Centre, 6 Marine Parade, Kirn, Dunoon



6 Marine Parade was an ex-garden centre in poor repair which had lain vacant for a number of years and was in need of considerable upgrading or redevelopment. The property fell to the Crown following dissolution of the company owner and was notified to the KLTR by a public body.

The property was taken through the OPTS pilot process, but no suitable option was identified. Having attracted local commercial attention, the KLTR decided that the best option was to auction the property, which would provide transparency for the sale process and achieve best value in terms of the SPFM.

While the KLTR will have no control over properties sold at auction, this option can result in an owner with available funds being identified which, following refurbishment, could bring this vacant and derelict property back into active use with an identifiable responsible owner. If successful, this property is ideally located to contribute positively to the local community and improve the surrounding area.

**Q4. Do you agree that the above process is reasonable and workable?
If not, how would you improve the process?**

3.1 Transfer value

SPFM requirements will apply to all transfers under the OPTS, which normally require property to be transferred at Best Value. However, the OPTS will provide opportunities for properties to be transferred to other public bodies at less than market value where it is in the public interest to do so and when the KLTR's Accountable Officer is content that the requirements and aims of the scheme are being met.

The transfer value applied by the OPTS in such cases will, therefore, be "nominal value" or discounted value. Nominal value will normally be achieved on a cost-recovery basis, with the KLTR recovering professional costs only, such as legal and valuation fees plus any additional expenses relating to environmental surveys, etc. (but not administrative costs).

Where a property is then transferred from a public authority to a community body, Best Value principles will again apply and it will be for the public authority to determine the onward sale value under their own policies.

Nominal value will also apply to properties transferred direct from the KLTR to an appropriately constituted community body where a public body and/or local authority supports the proposals. Where there is no public authority support, the property will be put to auction or disclaimed.

However, where a public body, local authority or another third party intends to use the property for purposes where the OPTS criteria are not deemed to be satisfied, then market value would apply. This will also apply where potential onward purchasers are private sector, where advertising on the open market or auction will be the preferred route. Private treaty⁶ may also be considered.

To ensure that public and local community interests are considered as a priority over commercial gain, the KLTR may consider placing conditions on the transfer of ownerless property, similar to those in section 14 of the Community Asset Transfer Guidance⁷ or those used in the planning system to ensure the intended use is complied with. He may also consider "clawback" or "overage" provisions where, for example, a proportion of any commercial financial gain is returned to the KLTR.

However, it is not intended that the KLTR will "police" local authorities and other public bodies receiving property through the OPTS although there will be a requirement to make annual returns from those receiving property through the OPTS, which should be sufficient to ensure the aims and requirements of the

⁶ when a seller or agent lists a property for sale at a set asking price or a suggested price range. Buyers then put in offers and the seller or agent negotiates to secure the best possible sales price.

⁷ [Asset Transfer under the Community Empowerment \(Scotland\) Act 2015: Guidance for Relevant Authorities \(www.gov.scot\)](http://www.gov.scot).

scheme are met. Also, as public bodies are expected to be transparent and local authorities are democratically accountable to their constituents, it is likely that local community members with an interest in the property will ensure that the approved aspirations for the property are delivered.

Q5. Do you agree that the property transfer value for OPTS should be at “nominal value” as described above? If not, what value do you think should apply and why?

Q6. Do you think the KLTR should place conditions on the transfer of OPTS property to ensure the intended benefits to local communities are delivered?

3.2 Tackling the statutory disclaimer deadline obstacle

As noted in section 2, the KLTR is constrained by a 3-year statutory time limit in which the Crown may revoke its right to claim a property. This is further reduced to 1 year when a request to disclaim a property is received. We recognise this may not provide sufficient time to allow communities to set up and secure the necessary funding to purchase OPTS properties.

A way around this could be for a recognised public authority without such disclaimer (or other) challenges to act as “holding agent” and temporarily retain the property until it can be transferred to the community. This could provide an opportunity to safeguard the community’s interest while the community body is being created and funding is being considered. Public bodies are therefore invited to consider whether they could fulfil this role in support of the OPTS and Scottish Government’s land reform and communities policies or how they might otherwise dispose of properties under their own policies.

Q7. Do you think a recognised public authority should retain a property to allow an appropriately constituted community body to raise the necessary funds, etc.? If so, should a timescale be set for raising the funds?

3.3 Properties likely to become available under the OPTS

As noted in the background section, the KLTR encounters a wide range of ownerless properties, from small parcels of rural land to urban high street buildings, and also parts of properties where the whole property is in multiple ownership, such as flatted or multiple use properties. A property's suitability for transfer under the OPTS will depend on the aspirations of the public body, local authority or community body on a case-by-case basis, and it is recognised that properties with significant liabilities or widespread contamination will be less attractive than other properties.

As ownerless property can only be made available through the OPTS once it has been notified to the KLTR as potentially ownerless and after the KLTR is satisfied that it is, indeed, ownerless, it follows that it is not possible to determine in advance the extent of property, its value and type that will become available. The OPTS will, therefore, be reactive to properties being brought to the attention of the KLTR, making advance planning difficult.

OPTS properties will normally have stood vacant or may have been neglected for some time before they are brought to the KLTR's attention and may, therefore, require some, or substantial, refurbishment. In some cases, Best Value may be obtained through demolition and redevelopment, e.g., for Affordable Housing.

As with any property transfer, if property is offered under the OPTS, it will be for each interested party to ensure they are familiar with the property, its condition and any legal issues relating to it as part of their own due diligence process.

Q8. Do you think the OPTS should apply to all properties as described or should it be restricted to certain types of properties? If the latter, which types?

3.4 Notifying the KLTR of property under OPTS

As anyone can notify the KLTR of the existence of potential ownerless property via our website, it seems reasonable to apply a similarly wide approach as to who can notify a potential candidate for the OPTS scheme, and therefore any public body, local authority, individual, group or organisation representing a local community may refer a property to the KLTR for OPTS consideration.

Before doing so, however, those referring a property (if not a public body or local authority) should discuss their proposals with their local authority or any relevant public body in their area and obtain their support. This will ensure that the interests of the community are taken into account at the earliest opportunity and should result in a more collaborative approach. This will also provide an opportunity for local collaborative working and gathering information on properties thought to be ownerless before contacting the KLTR and “triggering” the 1 or 3-year disclaimer deadlines (see section 3.2 above).

Under the OPTS, any potential public interest purchaser will be considered in advance of any private interest. Where there is only private or commercial interest, the KLTR will sell the property following the disposal of property guidance contained in the SPFM, which can include by auction, where appropriate.

Q9. Do you agree that the above proposals provide an opportunity for ensuring community interests are considered as early as possible? If not, why not?

3.5 OPTS Criteria and information required

As well as public interest, the KLTR would also need to be satisfied that the proposals for acquiring ownerless land (whether submitted by a community body or those of the public body or local authority itself) are considered by the relevant public body or local authority responsible to be sustainable and realistic, therefore both are covered in more detail in section 3.6 below.

The KLTR will take a high-level approach to determining criteria on the basis that the detail will be considered locally by the public body or local authority in each case. The information to be submitted by those notifying the KLTR of ownerless property and the criteria to be met by those wishing to acquire property through the OPTS, against which the KLTR must be satisfied, are set out below.

Notifier information to be submitted to KLTR:

1. **Initial considerations:** verifying the information and determining if proposals submitted apply to the OPTS.
2. **Details of the property:** size of area, a plan clearly defining the boundaries and, if known, the Land Register Title number, which allows the relevant property information to be viewed, free of charge, on ScotLIS, Registers of Scotland's Land Information System, at <https://scotlis.ros.gov.uk/>.

OPTS criteria and information required

1. **Who the intended owner is and the status of that owner:** e.g. public body, local authority, community body, registered company (including company registration number) or company not yet registered, private individual(s), etc.
2. **Public interest:** is the public body/local authority satisfied that the reasons for transferring ownership of the property to the intended owner are in the public interest, e.g. benefits to the local and wider communities - see public interest (section 3.6) below.
3. **Aspirations/planned uses for the property:** is the public body/local authority satisfied that proposals are sustainable and achievable and the reasons for that decision, e.g. how this will be achieved and the benefits to existing and future generations.
4. **Funds:** whether funding is already available to cover the KLTR's cost-recovery transfer value which, in most cases, could be much lower than market value. If funds are not yet available, how the funds are expected to be secured in time for the transfer date and any details of funding discussions already undertaken.

The above criteria will be developed further for inclusion in scheme guidance prior to launch.

Q10. Do you agree that the above criteria should apply to the OPTS? If not, what criteria do you think should or should not apply and why?

3.6 Public interest and sustainable development

Public interest

The KLTR recognises that not all public bodies, local authorities, community bodies and individual members of the community have the same aspirations or priorities. Where the KLTR transfers property to a public body or local authority, it will be for that authority to determine, from proposed uses in each case, which use is in the public interest and which will be of most benefit to the local community, and for that public body or local authority to demonstrate why certain decisions have been made. Where there are competing interests and/or potential beneficiaries, these should also be resolved by the public body or local authority.

The KLTR will take a high-level approach to these issues and expect the more detailed issues in each case to be addressed locally.

Q11. Do you agree that the OPTS should ensure the wider public interest is considered before private interest? If not, why not?

Q12. Do you think the public interest is defined reasonably for the purposes of the OPTS? If not, how should it be defined?

Sustainable development

As with public interest issues, the KLTR will take a high-level approach to sustainable development and rely on recommendations from HIE and the relevant public authority in each case. Sustainable development is broadly defined as “development which meets the needs of the present without compromising the ability of future generations to meet their own needs”⁸, combining social, economic and environmental factors to provide a longer-term approach to delivering benefits.

The KLTR would therefore expect proposals for the OPTS property to have addressed economic, social and environmental benefits in the longer term, although in some cases all three factors may not need to be met. However, it will be for the public body and/or local authority involved in each case to be satisfied that sustainable development issues are considered in more detail where required.

Interested parties may wish to contact their local authority’s sustainable development staff through the Sustainable Scotland Network at [Sustainable Scotland Network - The Sustainable Scotland Network](#) or through their local authority website. Further information on sustainable development can also be found on the Scottish Government’s website at [Scotland and the sustainable development goals: a national review to drive action - gov.scot \(www.gov.scot\)](#).

⁸ UN Brundtland Report “Our Common Future” 1987.

Q13: Do you agree that the KLTR should take a high-level approach to sustainable development issues, as above, in order to allow further scrutiny and transparency at local level? If not, why not?

3.7 Dissolved companies and restoration

Under Part 31 of the Companies Act 2006, former UK registered companies can generally be restored at any point up to 6 years following dissolution. That period is unlimited where personal injury proceedings are brought against the company or against a third party in the name of the company.

Section 1034 of the Companies Act applies where a company is restored, and places certain obligations on the Crown to account to the company as regards property disposed of in the dissolution period. That is, to pay to the company an amount equal to the consideration received.

We consider that the Crown has a wide discretion in dealing with any dissolved company property and, in terms of both disposal and consideration sought, it owes no fiduciary duties to dissolved companies in the dissolution period.

However, the KLTR is likely to take a cautious approach in dealing with property of a dissolved company still within its 6-year restoration window, for example, where these are high value, and KLTR officials will discuss options with public authorities in those cases. Options may include the KLTR simply disclaiming the property and the local authority applying for a vesting⁹ order or using its compulsory purchase powers. However, in most cases, the local authority is likely to have already considered CPO if it is aware of the property.

By raising awareness of OPTS and dissolved company assets, and KLTR officials working with relevant authorities, it is hoped the scheme will promote better governance within companies, leading to improved and healthier corporate governance generally in the longer term, and to fewer companies being dissolved. This should reduce the risks to the KLTR from restored companies.

Q14: Do you consider there are specific circumstances in which the KLTR should never deal with dissolved company property when a company remains within its 6-year restoration window?

⁹ Where the KLTR disclaims an ownerless property which is owned by a company, the Companies Act 2006 provides for any party with an interest in the property to apply to the court for ownership of the property to be vested in them. If uncontested, the applicant then becomes the legal owner and can apply to the Keeper of the Registers of Scotland for the Land Register to be amended to reflect their ownership. A number of authorities have now been through a vesting order process in the local sheriff court and should be able to share their knowledge and expertise - this is not a process administered by the KLTR.

3.8 Financial issues: Subsidy control, SPFM and Audit Scotland

The key financial issues for the scheme include securing agreement from the Scottish Government's Subsidy Control and Finance colleagues on whether the scheme is compliant with Subsidy Control requirements (previously known as State Aid) and with the Scottish Public Finance Manual ("SPFM").

The Scottish Government's Subsidy Control Team have already approved our pilot processes for transferring property at nominal value. Going forward to the scheme proper, the initial transfer of property from KLTR to a public body or local authority is highly unlikely to be considered a subsidy in itself. It would then be for the receiving authority to assess the applicability of the Subsidy Control tests and permitted limits to any onward sale/transfer of a property: that position is not controversial and should be expected by public bodies and local authorities.

To minimise risk to those involved in the OPTS process, we will continue to discuss any subsidy issues arising from this consultation and as the scheme develops with Subsidy Control colleagues. We will also work closely with them on a case-by-case basis following the scheme's launch or in relation to any changes to Subsidy Control rules.

SPFM requirements have also been discussed with Scottish Government Finance and Estates colleagues and the general principles on proposed transfer values has been accepted. During the pilot period, the KLTR's Accountable Officer has the authority to determine transfer values up to £0.5 million per case and, on launch, additional safeguards will be incorporated into the OPTS process as follows:

- For any property transferred under the scheme, an SPFM compliant valuation will be obtained in advance of the transfer.
- In advance of a property entering into the OPTS, it should be offered for first refusal to Public Bodies through the Scottish Government Estates trawl, as required by the SPFM.
- The KLTR Accountable Officer must be confident that the transfer, including the proposed discount, represents value for money including obtaining, as necessary, sufficient assurance from the recipient public body or local authority to reach this conclusion.
- In advance of a transfer under the scheme, the KLTR will inform Scottish Government Finance of the following information:

- Recipient public body, local authority or community body

- Proposed community use
- Market valuation
- Level of discount

Ongoing dialogue between the KLTR and Scottish Government will be maintained for the duration of the scheme to ensure OPTS objectives are met, desired outcomes are being delivered and any potential risks are addressed as they arise.

Ongoing dialogue will also be maintained with Audit Scotland in the development of appropriate monitoring, safeguarding and reporting processes. In the longer term, to ensure the scheme is working as intended, the KLTR recognises that a level of monitoring would be expected and it is intended that the KLTR will require annual returns from public bodies and local authorities on how properties transferred to them through the scheme have delivered public benefits.

Annual returns are not expected to be onerous and a simple response form will be provided by the KLTR for transferees to complete. This is to assist the KLTR in providing information to Scottish Government Finance colleagues as above.

Q15. In addition to the above, do think any other financial controls or safeguards are required? If so, please describe how and why.

4. Liability, risk and monitoring the OPTS

Liability and Risk

As with any property transfer, there is usually a degree of potential liability and risk involved. Some liability and risks may be short term and acceptable: others may require detailed consideration or scrutiny, or simply be unacceptable. The OPTS will aim to assist in minimising liability and risk for all involved in the process where it is reasonable to do so.

In cases where properties have significant liabilities, rather than opting to claim the property ourselves, we would consider a timed disclaimer and vesting order approach¹⁰. For example, where the property is a coal mine, a shale bing, a landfill site or a building requiring demolition, where the liabilities are greater than the value of the property, it is unlikely to be best use of public funds for the KLTR to claim and transfer legal Title at the outset.

A number of local authorities have now been through a vesting order process in the local sheriff court and should be able to share their knowledge and expertise with others, for example, through the local authorities' legal SOLAR network.

In facilitating a transfer of property through the OPTS, there is a risk that directors of a restored company, or others, will attempt to claim back the property¹¹ and take legal action to do so, particularly if the company is still within its 6-year restoration deadline under the Companies Act. In this case, the OPTS will provide for the KLTR to carry the risks associated with the KLTR's transfer, rather than the receiving public body, local authority or community organisation, and to defend any legal challenge, if necessary. This should allow communities, in particular, to be shielded from potential challenges against the KLTR from formerly dissolved companies. However, this does not guarantee that actions taken by others using the OPTS will not be challenged.

The KLTR cannot provide legal advice to other parties involved in the OPTS process and it is therefore recommended that those involved seek independent legal advice where required. The KLTR will, of course, assist with OPTS processing and policy issues wherever possible to ensure that the scheme works as intended.

¹⁰ As indicated previously, the KLTR has 3 years to disclaim property from the date it is notified to him, or 12 months from when the KLTR is specifically asked to disclaim. Following disclaimer, property may be obtained via vesting order via the process described at Section 1021 of the Companies Act 2006.

¹¹ Restoration of the company does not return the property to the company. Instead, they have the right to claim based on value/consideration in terms of s1034 of the Companies Act 2006.

Q16. Do you think the KLTR's approach to liability and risk is acceptable? If not, how could this be improved?

Monitoring the OPTS

Any new project or scheme may be subject to change as experience on how it works in practice develops and changes may be required to ensure it continues to work as intended or to improve the process. The KLTR will adopt a range of approaches to monitoring the performance of the new scheme, including:

- The effectiveness of the process will be reviewed by KLTR staff on a case-by-case basis to identify how it may be improved. Once the OPTS is commenced, the KLTR would welcome feedback from those involved in the process after each case is concluded.
- Effective counter-fraud measures will be put in place through internal controls to minimise the potential for property and financial frauds. These will be reviewed regularly to take into account current and emerging counter-fraud risks facing the scheme and to ensure any corrective action is taken as necessary. Any fraud relating to the OPTS will be pursued vigorously.
- A working group will be established after the OPTS is commenced to address any challenges raised and to consider solutions. This will include key external stakeholders as well as KLTR staff.
- The performance of the OPTS against its key objectives will be reviewed regularly by the KLTR, the KLTR's Accountable Officer, the Crown Office and Procurator Fiscal Service's Audit and Risk Committee and other public agencies.
- The KLTR will require those receiving property through the OPTS to complete a light-touch questionnaire and report back on the property to ensure that it was used as intended and in the public interest. This is in order to gather information on meeting OPTS proposed outcomes, such as the local benefits delivered by each property transfer, any wider or further benefits delivered or expected to be delivered, and the lessons learned from each OPTS transfer.
- As stated previously, under the OPTS, properties will be expected to transfer at nominal value (i.e. at KLTR cost-recovery value), therefore, in order to satisfy the requirements of the SPFM, the KLTR will be required to report the following information to the Scottish Government relating to any property transferred:
 - Recipient public body, local authority or community body
 - Proposed community use
 - Market valuation

- Level of discount

As indicated above, it is not intended that the KLTR will “police” the OPTS. Nor does the KLTR intend to create any new penalties or sanctions for the failure of a receiving authorities to deliver on the aspirations submitted for the transfer of OPTS property to them, as the KLTR believes that the combination of local democracy and the annual returns from those acquiring property through the OPTS will be sufficient to ensure delivery.

Q17. Are there any other ways you think the OPTS may be monitored? If so, in what way?

Q18. Do you agree that penalties for non-delivery of aspirations are unnecessary, as above, and that local accountability should be sufficient to ensure delivery of agreed aspirations?

4.1 Further measures

In developing the OPTS, we have also considered whether further steps might be taken, in addition to those above, to safeguard the KLTR and minimise the risks for everyone involved in the process. These are substantive issues covering a range of inter-linked factors, some of which cannot be addressed in isolation and will be considered further in light of consultation responses, including:

- **Limiting the scheme to individual properties with a market value of £0.5 million or less.** Properties with higher values would only be offered for transfer at market value. To minimise risk of multiple high value “black swan” events occurring at the same time, dealings in property formerly held by the same dissolved/defunct owner where a cumulative value exceeds £0.5 million should be submitted for senior management consideration (this can be monitored through our case management system). We think it is unlikely that that limit will be reached as individual properties notified to KLTR rarely exceed around £125,000 in value and more expensive properties are seldom left ownerless.
- **Having an overall financial limit to the scheme.** This is not a preferred option as an overall limit would soon be reached within a short number of years, in effect putting a “sunset provision” on the scheme. This could result in communities across Scotland being disadvantaged.
- **Excluding properties still within their 6-year restoration window from the scheme and transferring these at market value only.**

We do not recommend excluding properties within the 6-year restoration window as awaiting the 6-year deadline could frustrate community opportunities, therefore establishing the intentions of company officers to restore a company before we proceed is preferred.

Furthermore, doing nothing within the 6-year period will impact on the KLTR’s 1 and 3-year deadlines for issuing a disclaimer.

- **Pass the risk of recovery from restored companies, either partly or wholly, onto public bodies, local authorities or community bodies.** We do not recommend this as it is likely to be a disincentive to engage with the scheme and be seen as an unacceptable burden. This may also be a disincentive for funders to provide funding, resulting in local benefits being undeliverable.

Q19. Which of the further measures above do you think should be applied to the OPTS?

Q20. Do you think properties within the 6-year restoration window should be excluded from OPTS or do you agree that a criteria-based policy approach, as described above, is the best way of addressing this?

Q21. Are there any other measures you think should be taken to safeguard those involved in the OPTS process?

5. Assessing impact

The final section of this consultation focusses on questions around the impact of policy. While it is recognised that all schemes change as knowledge and experience are gained through practical, day-to-day management, the KLTR is keen to ensure that the OPTS is as fair and reasonable as possible before the scheme becomes live in 2023. We would therefore encourage you to respond to this consultation to ensure that the new scheme works as intended.

Q22. Are you aware of any examples of how the proposals in this consultation might impact, positively or negatively, on island communities in a way that is different from the impact on mainland areas?

Q23. Are you aware of any examples of particular current or future impacts, positive or negative, on young people, (children, pupils, and young adults up to the age of 26) of any aspect of the proposals in this consultation?

Q24. Are you aware of any examples of how the proposals in this consultation may impact, either positively or negatively, on those with protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation)?

Q25. Are you aware of any examples of potential impacts, either positive or negative, that you consider any of the proposals in this consultation may have on the environment?

Q26. Are you aware of any examples of how the proposals in this consultation might impact, positively or negatively, on groups or areas at socioeconomic disadvantage (such as income, low wealth or area deprivation)?

Q27. Are you aware of any potentially unacceptable costs and burdens that you think may arise as a result of the proposals within this consultation?

Q28. Are you aware of any impacts, positive or negative, of the proposals in this consultation on data protection or privacy?

6. Responses and next steps

Responding to this consultation

We are inviting responses to this consultation by **Friday, 16 December 2022**.

Please respond to this consultation by returning the response form below to the KLTR Policy Team's mailbox at Policy@KLTR.gov.uk. You can save and return your responses while the consultation is still open but please ensure that consultation responses are submitted before the closing date.

If you are unable to respond by e-mail, please print and complete the Respondent Information Form and send it by post to:

OPTS Consultation
KLTR Policy Team
Scottish Government Building
Area 1F North
Victoria Quay
Edinburgh
EH6 6QQ

Handling your response

Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly. All respondents should be aware that the KLTR is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

The Act and the Regulations contain a number of exemptions and exceptions to the requirement to disclose information, e.g. for personal data, and for information that is commercially sensitive and/or confidential etc. If you consider that any of the information in your response is exempt from disclosure, it would be helpful if you would make clear at the time you provide your response which information you consider is exempt, why, and for how long you expect the information to remain exempt. The KLTR will take all views expressed into consideration when making any decisions about disclosure of information relating to consultation responses.

To find out how we handle your personal data, please see our privacy statement at: <https://www.kltr.gov.uk/privacy-statement/>.

Next steps in the process

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at www.kltr.gov.uk. If you submit your response by e-mail, you will receive an automated e-mail confirming receipt.

As part of our consultation process, we will be arranging Teams seminars to discuss our proposals further with interested stakeholders. A list of events will be published on the KLTR's website when details are finalised.

Following the closing date, all responses will be analysed and considered along with any other available evidence to assist us with developing our policies. An analysis report will also be made available as soon as possible.

Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the KLTR Policy Team mailbox above.

KLTR consultation process

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work. This consultation paper details the issues under consideration, as well as a way for you to give us your views, either by email or by post.

Responses will be analysed and used as part of the decision-making process, along with a range of other available information and evidence. We will publish a report of this analysis for each consultation. Depending on the nature of the consultation exercise, responses received may:

- indicate the need for policy development or review;
- inform the development of a particular policy;
- help decisions to be made between alternative policy proposals;
- be used to finalise legislation before it is implemented.

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

KLTR's Department
23 September 2022

6.1 Respondent Information Form and consultation questions

Please note: a copy of this form is available on the KLTR's website at www.kltr.gov.uk and responses to the consultation **must** be submitted using this form to be considered.

Are you responding as an individual or an organisation?

- Individual
 Organisation

Full name or organisation's name

Telephone number

Address

Postcode

Email

The KLTR would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
 Publish response only (without name)
 Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other teams within the department who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for KLTR to contact you again in relation to this consultation exercise?

- Yes
 No

Questions

Q1. Do you agree that Highlands and Islands Enterprise Community Land Unit is the appropriate body to provide advice to the KLTR on potentially suitable community groups? If not, who would you suggest and why?

Q2. Do you agree that a valuation and other reports undertaken by the KLTR are sufficiently independent to avoid duplication of cost for all involved in the OPTS? If not, why not?

Q3. Do you think three months for the local authority to decide whether or not it wishes to take ownership of an ownerless property is reasonable? If not, how long would you suggest and why?

Q4. Do you agree that the above process is reasonable and workable? If not, how would you improve the process?

Q5. Do you agree that the property transfer value for OPTS should be at "nominal value" as described above? If not, what value do you think should apply and why?

Q6. Do you think the KLTR should place conditions on the transfer of OPTS property to ensure the intended benefits to local communities are delivered?

Q7. Do you think a recognised public authority should retain a property to allow an appropriately constituted community body to raise the necessary funds, etc.? If so, should a timescale be set for raising the funds?

Q8. Do you think the OPTS should apply to all properties as described or should it be restricted to certain types of properties? If the latter, which types?

Q9. Do you agree that the above proposals provide an opportunity for ensuring community interests are considered as early as possible? If not, why not?

Q10. Do you agree that the above criteria should apply to the OPTS? If not, what criteria do you think should or should not apply and why?

Q11. Do you agree that the OPTS should ensure the wider public interest is considered before private interest? If not, why not?

Q12. Do you think the public interest is defined reasonably for the purposes of the OPTS? If not, how should it be defined?

Q13: Do you agree that the KLTR should take a high-level approach to sustainable development issues, as above, in order to allow further scrutiny and transparency at local level? If not, why not?

Q14: Do you consider there are specific circumstances in which the KLTR should never deal with dissolved company property when a company still remains within its 6-year restoration window?

Q15. In addition to the above, do think any other financial controls or safeguards are required? If so, please describe how and why.

Q16. Do you think the KLTR's approach to liability and risk is acceptable? If not, how could this be improved?

Q17. Are there any other ways you think the OPTS may be monitored? If so, in what way?

Q18. Do you agree that penalties for non-delivery of aspirations are unnecessary, as above, and that local accountability should be sufficient to ensure delivery of agreed aspirations?

Q19. Which of the further measures above do you think should be applied to the OPTS?

Q20. Do you think properties within the 6-year restoration window should be excluded from OPTS or do you agree that a criteria-based policy approach, as described above, is the best way of addressing this?

Q21. Are there any other measures you think should be taken to safeguard those involved in the OPTS process?

Q22. Are you aware of any examples of how the proposals in this consultation might impact, positively or negatively, on island communities in a way that is different from the impact on mainland areas?

Q23. Are you aware of any examples of particular current or future impacts, positive or negative, on young people, (children, pupils, and young adults up to the age of 26) of any aspect of the proposals in this consultation?

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Q26. Are you aware of any examples of how the proposals in this consultation might impact, positively or negatively, on groups or areas at socioeconomic disadvantage (such as income, low wealth or area deprivation)?

Q27. Are you aware of any potentially unacceptable costs and burdens that you think may arise as a result of the proposals within this consultation?

Q28. Are you aware of any impacts, positive or negative, of the proposals in this consultation on data protection or privacy?

7. Glossary

Term	Note
Appropriately constituted community groups	A group representing a defined community acceptable to the Scottish Ministers under the Land Reform (Scotland) Act 2003, the Community Empowerment (Scotland) Act 2015 or another recognised legal entity, such as a Development Trust.
Charging Order	See subsections 46A to 46H of the Building (Scotland) Act 2002. An order made by a public authority to recover debt from an owner of a property in respect of unpaid charges for services provided by that authority.
Disclaim/disclaimer notice	The KLTR may disclaim any rights to ownerless property by publishing a disclaimer notice in The Gazette. After property is disclaimed, it cannot be returned to The Crown without a further owner being deceased or a company being dissolved.
Market Value	The estimated amount for which a property should exchange on the date of valuation, between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
Notification of ownerless property	See section 3.4 relating to notifying the KLTR of ownerless property.
OPTS	Ownerless Property Transfer Scheme
Ownerless property	Ownerless property falling to the Crown is known as "bona vacantia". Such properties are assets from dissolved companies, moneys remitted to the Crown and personal estates of heirless individuals.
Transferee	The intended recipient to which ownerless property will be transferred through the OPTS, such as public bodies, local authorities and appropriately constituted community groups, all relevant authorities under the Community Empowerment

	(Scotland) Act 2015, Crown Estate Scotland, all public bodies listed in Public bodies in Scotland: guide - gov.scot (www.gov.scot)
Trawl	The Scottish Government trawl notifying public bodies of property available for disposal.
SPFM	Scottish Public Finance Manual
Vesting order	See footnote 10. A process in which any party with an interest in ownerless property may apply to the court for ownership to be vested in them. If uncontested, the applicant then becomes the legal owner and can apply to the Keeper of the Registers of Scotland for the Land Register to be amended to reflect their ownership. This is not a process administered by the KLTR.