



## COMMUNITY ASSET TRANSFER

### COMMUNITY GROUP READINESS CHECKLIST

#### How ready is your group for Asset Transfer?

Part 5 of the Community Empowerment (Scotland) Act 2015 allows community groups to request transfer (ownership, lease or management rights) of land or buildings owned or leased by Renfrewshire Council.

Only Groups who qualify as a Community Transfer Body (CTB) are eligible to apply for asset transfer. Use the table below to check if your group qualifies as a CTB and your readiness to take on an asset.

To be ready to apply for asset transfer you **must** be able to answer **YES** to all of the questions below.

Community Transfer Body - Readiness Test	YES	NO
1. Is the community group incorporated (Limited Company, Registered Charity, SCIO, Community Benefit Company)?		
A community transfer body does not <b>have</b> to be incorporated, but it <b>does</b> need to have a written constitution (Note 1)		
2. Does the group have a written constitution (set of rules)?		
A constitution is a document which sets out what a group is for and how it is organised. It lets everyone know who can join the group, what the rules are and how decisions will be made.		
<b>3. Does your constitution include:</b>		
(a) A definition of the community to which the body relates?		
Your group may represent the community in a particular area or people who have a common interest or characteristic.		
(b) Provision that membership of the body is open to any member of that community?		
Membership of your body must be open to anyone who is a member of the community you have defined. There must not be any additional requirements. (Note 2)		
(c) Provision that the majority of members of the body is to consist of members of that community?		
It can be helpful to allow people to join your body who are not members of the community, to bring in additional skills and provide a wider base of support, for example from people who have moved away from the area or organisations who support the community body's purposes. However, the governing documents must		

require that those who are members of the community must always be in the majority. (Note 3)		
(d) Provision that members of the body who consist of members of the community have control of the body?		
Having "control of the body" means that the members of the community are in charge of the decisions made by the body.		
(e) A statement of the body's aims and purposes, including the promotion of a benefit for that community?		
Your aims and purposes may include activity that goes wider than your own community, such as raising money for charity, promoting your interest to other people or sharing your experience with communities in other areas. But at least one of the purposes of the body must clearly be for the benefit of the community you represent.		
(f) Provision that any surplus funds or assets of the body are to be applied for the benefit of that community?		
Any money or property the body has, after covering its running costs, must be used to benefit your community as a whole. (Note 4)		

**This checklist is intended for self-use by Community Groups considering an Asset Transfer Request or Expression of Interest and does not need to be submitted to Renfrewshire Council.**

If you have answered **NO** to any of the above questions (with the exception of question 1), and you **do not** want to buy a property through asset transfer, you **must** seek external advice and make amendments to your legal status and/or constitution.

If you want to **purchase** an asset through asset transfer, you **must** have answered **YES** to question 1. If not, you **must** seek external advice and apply for incorporation as a company, a charity or a community benefit company.

#### NOTES:

- 1) If a group is incorporated it is legally a single body rather than just a group of individuals. This means the body can enter into contracts or leases itself, which continue even if the membership changes. Being incorporated may protect the members from liabilities, otherwise they could be required to pay for any debts or damages incurred by the body.

Groups wishing to **buy a property** through asset transfer **must** be incorporated as a Company Limited by Guarantee; a SCIO (Scottish Charitable Incorporated Organisation); or a BenCom (Community Benefit Company).

- 2) The legislation does not prevent transfer bodies from charging fees to cover the costs of your activities, but generally they should be set at a level that is affordable for members of your community.
- 3) Groups wishing to **buy a property** through asset transfer **must** have provision in their constitution that the body must have **at least 20 members**; this is to make

sure there are enough people to take on the responsibilities of ownership and keep the body going; and

- 4) For groups wishing to **buy a property** through asset transfer, your Articles of Association or Constitution **must** include arrangements for what happens to the body's assets if it is wound up to ensure these are passed on to another community or charitable organisation; these requirements apply after settling any liabilities or contractual agreements, which would include any arrangements to pay back part of a grant or other support. The property must be transferred:
- (i) to another community transfer body; or
  - (ii) (ii) to a charity,

**For more information on Renfrewshire Council CAT process, contact [communityassettransfer@renfrewshire.gov.uk](mailto:communityassettransfer@renfrewshire.gov.uk).**

## **Support Services**

Support is available to help community groups apply for asset transfer and may include funding to help develop proposals and to apply for incorporation.

Local and national organisations offering support to community groups, include

### **Community Ownership Support Service**

<https://dtascommunityownership.org.uk/>; Tel: 0131 225 2080

Email: [coss@dtascot.org](mailto:coss@dtascot.org)

### **Engage Renfrewshire**

<https://engagerenfrewshire.org/>; Tel: 0141 887 7707

Email: [info@engagerenfrewshire.com](mailto:info@engagerenfrewshire.com)

### **Renfrewshire Council Community Empowerment Fund**

<https://www.renfrewshire.gov.uk/CommunityEmpowermentFund>

Tel: 0141 618 7408

Email: [communityplanning@renfrewshire.gov.uk](mailto:communityplanning@renfrewshire.gov.uk)

## **Guidance Documents**

Guidance documents and copies of the Community Empowerment (Scotland) Act 2015 are available to download from

<https://www.gov.scot/policies/community-empowerment/asset-transfer/>