

What is your situation?

Can you rely on the statutory power or power in other legislation or in the governing document for the disposal? – see B2

Yes

Is your disposal to a connected person?
This is someone closely connected with the charity – a donor of land to the charity, a trustee or employee or someone related or a business connected in some way – see Appendix K1.

No

Yes

No

Is the land held by the charity for a particular purpose of the charity (designated land) and you are not going to replace it?

Yes

No

Is the disposal a lease for 7 years or less with no fine or premium?

Yes

No

Is the disposal:

- A sale, transfer or conveyance of freehold land?
- A lease for more than 7 years?
- A grant or release of a right, easement or restrictive covenant?
- A lease for 7 years or less with a fine or premium?
- Any other type of disposal of land not specifically excluded?

Yes

No

What do you need to do?

You need an Order from us. Contact us for more information.

You need an Order from us. Go to the 'Apply for it' page on our website and download the application pack for disposals to connected persons – see also section E1 of this guidance.

You may need to come to us for a Scheme as the purposes of your charity will almost certainly need to be changed – see section E8 of this guidance.

You must:

- obtain and consider advice from someone with the ability and experience to advise you – an estate agent or surveyor, for example;
- decide you are satisfied that the terms for the disposal are the best that can reasonably be obtained; and
- supply certain statements and certificates.

See section C of this guidance.

You must:

- obtain and consider a written report from a qualified surveyor;
- advertise the disposal unless your surveyor recommends not to;
- decide you are satisfied that the terms for the disposal are the best that can reasonably be obtained; and
- supply certain statements and certificates.
- See section D of this guidance.

Why do you need to do it?

If there are restrictions in the governing document or there is some other reason you cannot rely on the statutory power or a power in the governing document, you will need an Order to authorise the disposal.

These are relatively high risk transactions that involve conflict of interest. Information you supply on the application form allows us to assess your management of this aspect together with other details of the transaction to see whether we can make the Order.

You are disposing of land used for the purposes of your charity. If you are not intending to replace the land then it's likely you will not be able to fulfil the purposes as they are presently stated. The objects of a charity can only be changed by Scheme. **Also...** You need to advertise the disposal and consider any comments you receive (this is a different requirement from advertising the disposal to try and seek best offers for the property).

These are legal requirements but by complying with them you will:

- have a good idea of the value of the land you are proposing to dispose of;
- show you have understood the recommendations and are working in the best interests of the charity; and
- provide assurance to the purchaser that you are validly disposing of the land.

Your transaction may not be classed as a disposal as defined in this context, or there may be special circumstances where you may dispose of your land without an Order from us and without the need to comply with the requirements outlined – see section G in this guidance.