



# Co-operative and Community Benefit Societies Act 2014

## 2014 CHAPTER 14

### PART 2

#### NAME, RULES, POWERS ETC

#### *Power to restrict use of assets*

#### **29 Power to restrict use of assets of a community benefit society**

- (1) The Treasury may by regulations make provision for enabling any community benefit society, or any community benefit society of a prescribed kind, to ensure that—
  - (a) assets of the society of a prescribed kind,
  - (b) assets of the society specified by it in accordance with the regulations, or
  - (c) all of the society's assets,cannot be used or dealt with except in a case mentioned in subsection (2).
- (2) The cases are—
  - (a) where the use or dealing is, directly or indirectly—
    - (i) for a purpose that is for the benefit of the community and is of a prescribed kind, or
    - (ii) if no kinds of purpose are prescribed under this paragraph, for any purpose that is for the benefit of the community, or
  - (b) where the circumstances are such as may be prescribed.
- (3) Where under the regulations a society has ensured as mentioned in subsection (1) as respects any of its assets, the assets concerned are “dedicated assets” for the purposes of this section.
- (4) Regulations under this section may, in particular—

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**Changes to legislation:** There are currently no known outstanding effects for the Co-operative and Community Benefit Societies Act 2014, Cross Heading: Power to restrict use of assets. (See end of Document for details)

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- (a) provide for the procedure by which a society may ensure as mentioned in subsection (1);
  - (b) provide for such of a society's rules as are of a prescribed kind to be unalterable, or for them to be alterable only in prescribed circumstances or in circumstances specified in rules of a prescribed kind;
  - (c) provide that, in any circumstances prescribed under subsection (2)(b), dedicated assets must be dealt with in a prescribed way;
  - (d) make provision for ensuring that any society, company or other person to whom any dedicated assets are transferred in prescribed circumstances cannot use or deal with those assets except in a case mentioned in subsection (2);
  - (e) provide for members of a society who lose property rights as a result of the society's ensuring as mentioned in subsection (1) to be compensated for that loss (whether by payment of a prescribed amount or of an amount determined in a prescribed way or otherwise), subject to such exceptions as may be prescribed;
  - (f) provide for the enforcement of provisions designed to ensure as mentioned in subsection (1);
  - (g) make provision for the carrying out of investigations by persons appointed by a prescribed person;
  - (h) confer power on a prescribed person to require persons of a prescribed description to provide the prescribed person with information in order to enable or assist that person to perform any of the person's functions under the regulations;
  - (i) provide for restrictions on the use and disclosure of information obtained by any person in the performance of any function under the regulations.
- (5) Regulations under this section may—
- (a) impose criminal liability;
  - (b) confer functions on a prescribed person;
  - (c) confer jurisdiction on any court;
  - (d) authorise a prescribed person to make rules, binding on persons of a prescribed description, for the purpose of enabling or assisting the prescribed person to perform any of the person's functions under the regulations;
  - (e) make provision as to the making, publication and enforcement of such rules;
  - (f) provide for a prescribed person to charge fees sufficient to meet the costs of performing any of the person's functions under the regulations;
  - (g) modify, exclude or apply (with or without modifications) any enactment or rule of law;
  - (h) contain such incidental, consequential and supplementary provision as the Treasury consider appropriate;
  - (i) make different provision for different cases.
- (6) Regulations under this section may not create any new criminal offence punishable with imprisonment for more than 7 years.
- (7) In this section—
- “community benefit society” includes a pre-commencement society that meets the condition in section 2(2)(a)(ii);
  - “prescribed” means prescribed by regulations under this section.

**Changes to legislation:**

There are currently no known outstanding effects for the Co-operative and Community Benefit Societies Act 2014, Cross Heading: Power to restrict use of assets.