

Community Asset Process

Information Booklet

Supporting community organisations through the Community Asset
Process.

FOREWORD

“Sefton Council’s Community Asset Process forms an important part of our commitment to supporting strong and resilient communities, which are at the heart of Sefton”

Our Community Asset Process enables local organisations to play a greater role in shaping and managing valued buildings and spaces.

The process provides opportunities for community groups, charities and social enterprises to deliver services, secure investment and create lasting benefits for local people.

We encourage organisations with a strong vision for community benefit to work with us and explore the opportunities available through this process.

Councillor Paulette Lappin

Cabinet Member for Regeneration, Economy and Skills, Sefton Council.

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1. Introduction

1.1 About this guide

This guide has been developed to support organisations interested in the Community Asset Process (CAP) in Sefton. It explains what the Community Asset Process is, how it works and what is involved in taking on a council-owned asset.

The guide is intended for community & voluntary organisations, charities and social enterprises considering applying. It provides practical information to help you understand the requirements, assess your readiness and develop a strong proposal.

You can use this guide to work through each stage of the process, from developing your initial idea to preparing an Expression of Interest and Business Plan. It also includes tools, templates and guidance to support you along the way.

Please note: This booklet is intended as guidance only and should be read alongside the Community Asset Policy and associated application documents. The Community Asset Policy sets out the Council's requirements and decision-making framework. This booklet is designed to help organisations assess their readiness, develop their proposals and navigate the application process. Guidance and requirements may be subject to change and all updated details will be available on the [Community Asset Webpage](#).

1.2 What is the Community Asset Process?

This is a process by which the Council will enter into agreements with community groups, charities, or social enterprises to lease Council owned land or buildings, enabling them to deliver services, activities, or initiatives that benefit the community.

1.3 The Community Asset Process in Sefton

Sefton Council is committed to working alongside communities, charities, social enterprises and voluntary organisations to help create strong and resilient neighbourhoods. The Community Asset Process enables local organisations to take on council-owned buildings and spaces where they can demonstrate clear community benefit and a sustainable future for the asset.

Through this process, the Council aims to:

- Make the best use of public assets
- Support community-led solutions to local needs
- Strengthen the voluntary, community and social enterprise sector
- Encourage local investment and participation
- Deliver positive outcomes for Sefton communities.

The Community Asset process is not suitable for every organisation or every Council-owned asset. However, where there is a strong vision, clear community

benefit and a sustainable project case, it can provide an opportunity for communities to play a leading role in shaping the future of local services and spaces.

1.4 Benefits of the Community Asset Process

The Community Asset Process can deliver a wide range of benefits for local communities, organisations and the Council. When delivered successfully, it enables assets to be used more effectively while creating long-term social, economic and environmental value.

1.4.1 Benefits for Communities

- ✓ Greater local control over buildings and spaces that matter
- ✓ Improved services that are shaped around local needs
- ✓ Increased opportunities for volunteering and community participation
- ✓ Stronger, more connected and resilient communities
- ✓ Enhanced wellbeing through accessible local facilities and activities
- ✓ Opportunities for skills development, training and employment
- ✓ Increased community pride and sense of ownership

1.4.2 Benefits for Community Organisations

- ✓ A secure and sustainable base to deliver services from
- ✓ Opportunities to grow activities and reach more people
- ✓ Increased ability to generate income and attract external funding
- ✓ Greater independence and long-term sustainability
- ✓ Development of organisational skills, governance and capacity
- ✓ Opportunities to build partnerships and collaborate with others

1.4.3 Benefits for Sefton Council and the Wider Borough

- ✓ Better use of public assets, reducing vacancy and underuse
- ✓ Continued provision of valued local services in a sustainable way
- ✓ Stronger partnerships between the Council and the voluntary, community and social enterprise (VCSE) sector
- ✓ Opportunities to attract external investment into the borough
- ✓ Cost savings and more efficient use of resources
- ✓ Bringing buildings, including historic or underused assets, back into productive use

- ✓ Supporting wider social, economic and environmental objectives

1.5 Risks and Challenges of the Community Asset Process

While the Community Asset process offers significant opportunities, it also involves important responsibilities and potential risks. It is essential that organisations fully understand these challenges and plan accordingly to ensure long-term success.

1.5.1 Financial risks

Taking on an asset involves ongoing financial commitments.

Key risks include:

- Underestimating running costs such as utilities, maintenance and insurance
- Reliance on short-term or uncertain funding sources
- Cashflow pressures, particularly in the early stages

How to mitigate the risk: Develop realistic financial forecasts, build contingency into budgets and aim for a diverse and sustainable income mix.

1.5.2 Building and maintenance risks

Community organisations will usually take on the responsibility for repairs and maintenance.

Key risks include:

- Unexpected repair costs (e.g. structural issues, roof, heating systems)
- Ongoing maintenance requirements
- Compliance with health and safety and building regulations
- Managing older or complex buildings

How to mitigate the risk: Undertake condition surveys, plan for lifecycle maintenance, and build adequate reserves for repairs.

1.5.3 Capacity and skills risks

Managing an asset requires a range of skills and ongoing commitment.

Key risks include:

- Insufficient skills or experience within the organisation
- Over-reliance on a small number of volunteers
- Difficulty recruiting or retaining trustees, staff, or volunteers
- Lack of time or capacity to manage the asset effectively

How to mitigate the risk: Carry out a skills audit, recruit to fill gaps and consider partnerships or external support, where needed.

1.5.4 Governance and compliance risks

Strong governance is essential to managing an asset responsibly.

Key risks include:

- Weak governance arrangements or unclear decision-making
- Poor financial management or lack of oversight
- Failure to meet legal or regulatory requirements
- Lack of appropriate policies or procedures

How to mitigate the risk: Ensure appropriate governance structures are in place with clear roles, strong financial controls and up-to-date policies.

1.5.5 Demand and sustainability risks

Projects must be based on realistic demand.

Key risks include:

- Lower-than-expected usage of the asset
- Competition with existing services
- Activities not meeting community needs
- Difficulty sustaining services over time

How to mitigate the risk: Undertake community consultation, market research and ongoing community engagement to ensure services remain relevant.

1.5.6 Partnership and delivery risks

Working with others can bring benefits but also challenges.

Key risks include:

- Reliance on partner organisations or external funding
- Changes in partnerships or local priorities
- Difficulty coordinating shared use of a building

How to mitigate the risk: Establish clear agreements with partners and build flexibility into your plans.

Summary

The Community Asset Process is a significant but rewarding commitment. Understanding and planning for potential risks will strengthen your proposal and improve your chances of long-term success.

Applicants are expected to demonstrate how risks have been identified and how they will be managed as part of their Expression of Interest and Business Plan submissions.

For more support with understanding and managing potential risks, please visit our [Community Asset Webpage](#).

2. The Community Asset process

2.1. The process overview

Follow these steps to progress through the Community Asset process.

STEP 1 Decide if the process is right for you

STEP 2 See what assets are available

STEP 3 Develop your idea

STEP 4 Submit an Expression of Interest (EOI)

STEP 5 Develop a Business Plan

STEP 6 Assessment and decision

STEP 7 Legal agreement and transfer

Please note: Progression to Step 5 and beyond will depend on the outcome of the Expression of Interest assessment. Timescales may vary depending on the complexity of the asset and the level of assessment and due diligence required.

2.2. Is the Community Asset Process right for you?

The Council welcomes applications from a broad range of community-focused organisations. Eligible applicants must operate on a not-for-profit basis and demonstrate a strong local connection, a clear purpose aligned with the asset's potential and robust governance.

Eligible organisations and legal structures include:

- Registered Charities

- Charitable Incorporated Organisations (CIOs)
- Community Interest Companies (CICs)
- Industrial and Provident Societies for community benefit
- Constituted community and voluntary groups
- A company limited by guarantee (without share capital)
- Socially Trading Organisations (STO)

Applicants must be able to demonstrate:

- Transparent governance and decision-making processes
- An inclusive approach that reflects and represents the local population.
- Financial stability and a clear business model
- Experience in managing services, premises, or similar responsibilities
- A clear plan for community engagement, outreach and service delivery

The Council will not consider applications from individuals, unincorporated associations without a governing document, political parties, or organisations seeking to generate private profit from the use of the asset.

2.3 What the Council will provide

Sefton Council will support applicants throughout the Community Asset Process. This may include:

- Setting out the application process and requirements
- Signposting to support organisations (e.g. Sefton CVS, Invest Sefton)
- Sharing available property information (such as floor plans and surveys, where held)
- Providing a named contact for queries during the process

Please note: The Council is not able to develop Business Plans on behalf of applicants and organisations are expected to demonstrate their own capacity and preparedness. However, support and guidance are available and further information can be found on the [Community Asset webpage](#).

2.4 Why is your organisation interested in the asset?

Consider what your plans are for the asset and what outcome you hope to achieve. You will need to explain this to the Council and demonstrate throughout the process how you will achieve your outcomes.

The Community Asset Process is not merely a transaction of land or buildings; it is a partnership between the Council and the community. To ensure the integrity and success of this process, Sefton Council adheres to the following principles:

- **Community Benefit:** Transfers will only be approved where clear and sustainable public benefits are identified, particularly for disadvantaged groups.
- **Long-Term Stewardship:** Priority will be given to proposals that demonstrate long-term viability, including the ability to maintain and improve the asset.
- **Inclusivity and Equal Access:** Transferred assets must serve the whole community and not operate in a way that excludes specific individuals or groups without justification.

2.5. Organisational readiness and feasibility

Before applying, your organisation must demonstrate that it has the capacity to take on the asset. This includes having appropriate governance in place, along with the skills, experience time, and financial resources required to manage and maintain the asset effectively.

You should also ensure that your proposed project is realistic and deliverable.

Taking on a community asset is a significant long-term commitment and your ideas should be supported by evidence and able to withstand scrutiny. In many cases, undertaking a feasibility study will help confirm whether your plans are viable.

Applicants are required to submit a detailed Expression of Interest (EOI) as the first step in the process. If successful, this will lead to the development of a full Business Plan. This plan should be informed by market research, community consultation, and engagement with key stakeholders. The plan must clearly demonstrate the impact, sustainability and community benefit of your proposal.

EOI and Business Plan support and guidance are available and further information can be found on the [Community Asset webpage](#).

2.6 Readiness checklist:

Before submitting an Expression of Interest, you should consider whether your organisation is ready to take on the responsibilities of a community asset.

Use this checklist to assess your readiness and score each statement:

- 0 = not yet
- 1 = partly
- 2 = Yes in place

1) Vision and Idea

- We have a clear idea of how the asset will be used
- We can explain what difference our project will make
- Our proposal aligns with local community needs

Score: ____ / 6

2) Evidence of Need

- We have evidence of demand
- We understand existing services and gaps in provision
- We have engaged (or plan to engage) with the local community

Score: ____ / 6

3) Financial Capacity

- We understand the likely costs of running the asset
- We have identified potential income streams
- We are not relying solely on grant funding
- We can develop a realistic and sustainable financial plan

Score: ____ / 8

4) People and Skills Capacity

- We have a core group of committed people
- We have (or can access) skills in governance, finance and project delivery
- We understand the time commitment required
- We have a plan to build capacity if needed.

Score: ____ / 8

5) Governance and Organisation

- We have an appropriate legal structure (or we are working towards one)
- We have clear roles and responsibilities
- We have, or can develop, key policies and procedures

Score: ____ / 6

6) Delivery and Commitment

- We understand that taking on an asset is a long-term commitment
- We are prepared to take responsibility for maintenance and compliance

- We understand the risks involved.

Score: ____ / 6

7) Timescales and Process

- We understand that the Community Asset Process can take 6-12 months to complete (or longer)
- We have the capacity to stay engaged throughout the process
- We can commit time to developing a Business Plan and supporting evidence.

Score: ____ / 6

What your Score Means

Score Range	Readiness Level	What to Do Next
 36–46	High readiness	You are well placed to submit an Expression of Interest
 25–35	Moderate readiness	Strengthen your plans before applying. Take a look at the support we have available to help you feel ready to take on a community asset.
 Below 25	Early stage	Focus on building capacity and evidence first. Take a look at the support we have available to help you feel ready to take on a community asset.

2.7 How applications are assessed

When assessing applications, the Council will consider:

- **Community Benefit** - the positive difference the proposal will make for local people.
- **Organisational Capacity** - whether the organisation has the skills, experience and governance to manage the asset.
- **Financial Sustainability** - whether the proposal is affordable and viable in the long term.
- **Deliverability** - whether the plans are realistic and achievable.
- **Long-Term Stewardship** - how the asset will be maintained and developed over time.

Applicants should ensure their Expression of Interest and Business Plan clearly address these areas. For full details, please refer to the Community Asset Policy.

3. Developing your idea

Developing a strong idea is the foundation of a successful Community Asset agreement. This section will help you turn an initial concept into a clear, evidence-based proposal that meets community needs and is realistic to deliver.

3.1 Defining your vision

Start by being clear about what you want to achieve.

Ask yourself:

- What do we want to do with this asset?
- What activities or services will we provide?
- What difference will this make to the community?

3.2. Understanding local need

Strong proposals are based on evidence, not assumption.

You should be able to demonstrate:

- A clear need for your project
- Gaps in existing services
- Demand from local people

Ways to gather evidence:

- Community surveys or questionnaires
- Conversations with local residents and groups
- Feedback from current users of the asset
- Local data (e.g. deprivation, health, youth provision)

3.3. Knowing your users

Be clear about who will benefit from your project.

Consider:

- Who are your main users? (e.g. young people, older residents, families)
- How often will they use the asset?
- Are there any groups currently under-served?

3.4. Testing your idea (early feasibility)

Before progressing your proposal, it is important to test whether your idea is realistic, deliverable and sustainable. This early stage of planning is often referred to as a pre-

feasibility assessment and is a key step in developing a strong Community Asset proposal.

At this stage, you should focus on identifying your priorities and ensuring they are clear and achievable. Using the SMART approach (Specific, Measurable, Achievable, Realistic and Time-bound) will help you to define and refine your plans.

Before progressing, you should test whether your idea is realistic.

Ask yourself:

- Is there clear demand for the project?
- Who will use the asset?
- How will the project be funded? (grant funding may support initial development but is unlikely to cover long-term running costs)
- Do we have the right skills and capacity? (do you already have these within your organisation, or will you need to build capacity or bring in external support?)

Why this matters:

Taking on a community asset is a significant long-term responsibility. Undertaking early feasibility work will help you:

- Identify potential risks at an early stage
- Understand the scale of commitment required
- Strengthen your Expression of Interest and Business Plan
- Improve your chances of delivering a sustainable and successful project

You do not need a formal feasibility study at this stage, but you should be able to demonstrate that you have carefully considered these key areas.

3.5. Common pitfalls to avoid

When developing your idea, be mindful of common challenges:

- Overestimating demand
- Underestimating running and maintenance costs
- Trying to deliver too many activities too quickly
- Not involving the community early enough
- Relying on a single source of funding

4. Community engagement

Engaging with your local community is a key part of developing a successful Community Asset proposal. Strong proposals are shaped by the people who will use and benefit from the asset.

4.1 Why community engagement matters

Community engagement helps you to:

- Understand local needs and priorities
- Test and refine your ideas
- Demonstrate demand for your project
- Build local support and ownership
- Strengthen your Expression of Interest and Business Plan

Without clear evidence of community support, proposals are unlikely to progress through the process.

4.2 How to engage

There are many ways to gather feedback. You may wish to use a combination of:

- Surveys and questionnaires (online or paper)
- Public meetings or drop-in sessions
- Workshops or focus groups
- Informal conversations with local people
- Social media and online engagement

The information gathered through community engagement and feasibility work will inform your Business Plan, which is the next key stage of the process.

5. Business Planning

If your EOI is successful, you will be contacted to begin the second stage of the Community Asset Process, creating a Business Plan. A strong Business Plan is central to a successful application. It sets out your organisation's aims and provides a clear, structured plan for how you will manage and sustain the asset over the long term.

Business Planning should begin early, but it will develop over time as you gather information through community engagement, research, and feasibility work. Your plan should remain clear, concise and easy to understand.

5.1 Key components of a Business Plan

At its core, a Business Plan is a practical document that explains what you want to achieve and how you will deliver it. While formats may vary, all Business Plans should include the following key elements:

- **Executive Summary** - A brief overview of your proposal and its key points
- **Project Description** - Your organisation's aims, objectives, and proposed use of the asset

- **Community Need and Demand** - Evidence of local need, including consultation findings and awareness of existing services
- **Development and Future Plans** - How the asset will be used, improved, and developed over time
- **Management and Delivery** - Your governance arrangements, staffing or volunteer structure, and organisational capacity
- **Financial Information** - Details of funding required and secured, along with 3–5-year income and expenditure forecasts and cashflow projections
- **Supporting Information** - Any additional evidence such as letters of support, plans, or relevant experience

Your Business Plan should clearly demonstrate that your proposal is viable, sustainable and capable of delivering long-term community benefit. You can take a look at our Business Plan template on our [Community Asset webpage](#).

6. Building and responsibilities

If your Business Plan is successful, you will begin the third stage of the Community Asset Process, Legal and Due diligence.

6.1 Building condition and surveys

As part of preparing for a Community Asset agreement, it is important to understand the condition of the building or land you are proposing to take on. A key step in this process is commissioning a building condition survey, which will provide a detailed assessment of the asset.

Condition surveys can vary in scope, so it is essential to agree the content and cost with a qualified surveyor in advance. The survey should be tailored to reflect the size, type, and complexity of the asset.

Typically, a condition survey will consider:

- The age, construction type, and overall design of the building
- The condition of the structure and fabric, highlighting any defects and estimated repair costs
- The condition of key services, such as water, drainage, heating, and power
- How the property compares to similar buildings of its age and type

The survey should also identify any risks and prioritise required actions, for example:

- High priority - immediate works required
- Medium priority - planned works required
- Low priority - routine maintenance

The report may also recommend further specialist investigations before any legal agreement is completed. These could include:

- Structural or engineering reports
- Mechanical and electrical assessments
- Asbestos surveys or material testing
- Fire risk assessments

Understanding the condition of the asset at an early stage will help you plan effectively, manage risk and make informed decisions about the long-term viability of your project. The conducting of these surveys is the responsibility of the proposed tenant for the building and not the council.

7. Funding your project

A key part of a successful Community Asset agreement is ensuring that your project is financially viable, both at the start and over the long term. You will need to clearly understand the costs involved and identify how these will be funded.

7.1 Understanding your costs

Before seeking funding, you should identify the full range of costs associated with your project. These typically fall into two categories:

- Capital costs - one-off costs such as repairs, refurbishment, or equipment
- Revenue costs - ongoing costs such as utilities, staffing, maintenance, insurance, and day-to-day running expenses

It is important to consider both short-term set-up costs and long-term financial sustainability.

7.2 Sources of income and funding

Most successful projects rely on a combination of income sources. These may include:

Earned income (core to sustainability):

- Room or space hire
- Events, activities, or classes
- Café or retail income
- Membership or subscription fees

External funding:

- Grants from trusts and foundations
- Government funding programmes
- Local funding opportunities
- Sponsorship or donations

While grants can support the early stages of a project, they are unlikely to cover ongoing running costs. It is therefore important to develop reliable income streams.

7.3 Financial planning

You will need to demonstrate robust financial planning as part of your Business Plan. This should include:

- Income and expenditure forecasts (typically 3–5 years)
- Cashflow projections
- Assumptions behind your figures
- Contingency planning for unexpected costs

8. Governance and legal basics

Taking on a community asset involves significant responsibility. Your organisation must have the appropriate governance, legal structure, and capacity to manage the asset effectively and meet all legal obligations.

You must operate through a suitable legal structure that reflects your purpose and protects those involved.

Common structures/ operating models include:

- Charitable organisations / CIOs
- Community Interest Companies (CICs)
- Companies Limited by Guarantee (without share capital)
- Constituted voluntary groups
- Socially Trading Organisation

Your structure will affect your:

- Eligibility for funding
- Legal responsibilities
- Financial accountability

8.1 What good governance looks like

Strong governance is essential and includes:

- Clear roles and responsibilities (trustees, directors, committee members)
- Transparent and accountable decision-making
- Regular meetings and reporting
- Sound financial management

You should be able to demonstrate that your organisation is well-run and capable of managing a significant asset.

8.2 Roles and responsibilities

Taking on an asset means taking on responsibility for:

- Financial management and sustainability
- Building maintenance and compliance
- Health and safety
- Safeguarding (where applicable)
- Day-to-day operations

These responsibilities should be clearly defined within your organisation.

8.3 Legal responsibilities of asset ownership or lease

When you enter into a lease or transfer agreement, you will take on legal obligations, which may include:

- Responsibility for repairs and maintenance
- Compliance with relevant regulations
- Insurance requirements
- Adherence to lease conditions

It is important to fully understand these responsibilities before proceeding.

8.4 Skills and capacity

Your organisation should have, or be working towards, the right mix of skills and experience to manage the asset.

This may include:

- Financial management
- Property management
- Service delivery
- Governance and leadership

8.5 Before you move on

You should be confident that:

- Your organisation has an appropriate structure
- Roles and responsibilities are clear
- You understand the legal and operational commitments

9. Next steps

Planning

1. Complete the readiness checklist
2. Define your vision and community benefit

Evidence Gathering

1. Engage with your community
2. Carry out early feasibility work

Applying

1. Contact the Council if you would like more information
2. Prepare and submit an Expression of Interest (EOI)

10. Templates and tools

A range of templates, guidance documents and supporting tools are available on the [Community Asset webpage](#) to help you throughout the process. These resources include:

- Expression of Interest (EOI) checklist
- Business Plan template
- Risk and benefit assessment matrix
- Glossary of terms
- Community Asset Policy

Please visit the Community Asset webpage to access the latest versions of these documents and resources.

11. Contact and support

11.1 Get in touch

For further information or to discuss the Community Asset process, please contact:

Email: CommunityAssets@sefton.gov.uk

Website: [Community Assets Process](#)

11.2 Additional support organisations

For general organisational support, you may also find it helpful to contact:

- **Sefton CVS** - For support with your EOI, business plan, organisational development, funding opportunities and community project development, please contact Sefton CVS - info@seftoncv.org.uk
- **Invest Sefton** - advice on Business Plans and funding - InvestSefton@sefton.gov.uk