



Community Supported Agriculture



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CSA models

CSA in the UK

Community Finance



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Community Supported Agriculture

What is it?

A partnership between farmers and consumers where, at its best, the responsibilities and rewards of farming are shared.





No set model...

Varying degrees of involvement

- Community-owned farm
- Community-supported farm
- Farmer or consumer led

varying scales

- large farms
- smallholdings
- part or entire farm
- market gardens
- back gardens



Loxley Valley Community Farm, Sheffield

Arrangements

- Share in the harvest
- Committed market
- Support group around a farm
- Workshares
- Shares or gifts in the farm capital
- Community owned enterprise
- Private business/ CIC/ co-ops/ informal groups



The Impact of Community Supported Agriculture 2011

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Nick Saltmarsh and Josiah Meldrum

CSA in the UK

About 80 trading CSAs, 100 in development

5000 members (av 69)

Numerous elsewhere eg 4000 in USA

2.6 employees (av)

Turnover £7m, 67% made a profit

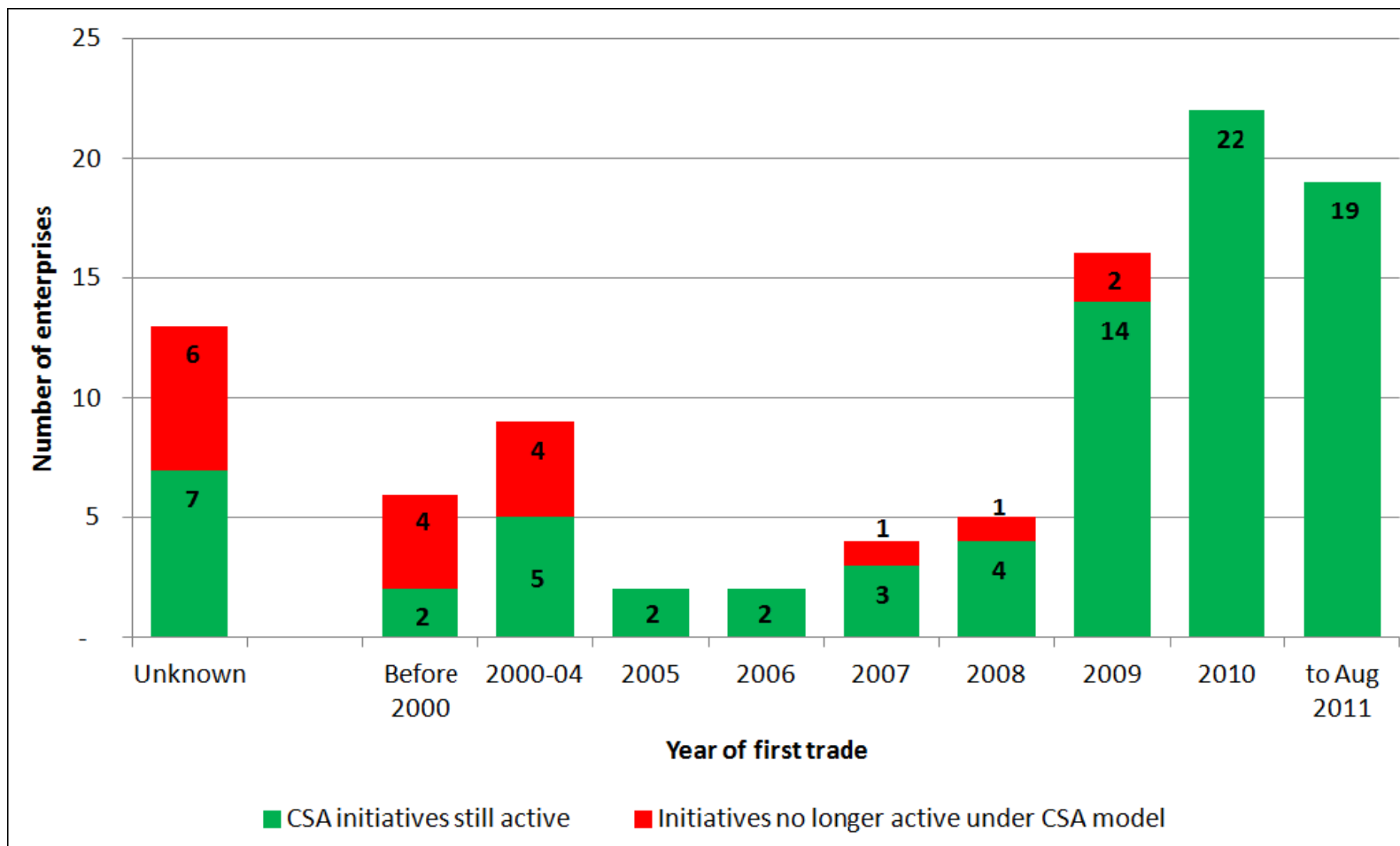
3200 acres

44 volunteers (av)

77% provide education

70% of members say improved quality of life

25% producer led





Producer-led subscription CSA initiatives

A producer offers members of the community a share of production in return for a fixed subscription. The share may vary with the vagaries of production (so the risks and rewards are shared), while the subscription is generally payable in advance and for a relatively long term (providing secure income to the producer).



Community-led co-operative CSA initiatives

The enterprise is owned by the community through a co-operative or similar structure. Labour may be provided by volunteers and/or employed professionals. Produce may be distributed amongst the community and/or sold for the benefit of the enterprise.



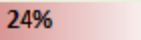
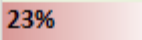

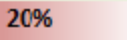

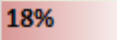


Producer-community partnerships

Community-owned enterprise works in close partnership with existing producer (s).



Community-owned farms

Farms secured through community investment but not always trading primarily with members.

Initiative leadership		
Producer-led Producer offers share of production <i>(≈ producer's box scheme)</i> 	Producer-community partnership Community enterprise works very closely with one or more producers 	Community-led Community-owned and run enterprise <i>(≈ community allot't / growing scheme)</i> 
Number of members		
Micro: < 20 Includes very young and inherently small (eg allotment based) initiatives 	Medium: 20 - 100 Average across all bands: 69 members / enterprise 	Large: >= 100 Includes larger enterprise, community-owned farms 
Produce		
Food Main categories and other (eggs, milk, honey, juice, bread, wine...) very or quite important to: Vegetables: 73% Fruit: 35% Meat: 22% Other: 26%	Fuel Firewood, charcoal 	Fibre Wool, yarns for weaving... <i>(≈ Camphill care farm communities)</i> 

Available land

Micro: < 1 acre

Urban growers, allotments, secondary producers - eg bakeries (no land)

20%

Medium: 1 - 100 acres

Smallholdings, small farms

Median, land-based initiatives: 6.0 acres

71%

Large: > 100 acres

Larger farms (community-owned or CSA as one element)

9%

Land tenure

Wholly owned

19%

Part-owned / share farmed / other

20%

Wholly rented

61%





Community finance

Raising capital from a community, rather than the bank.

- Pay or commit to produce in advance.
- Loans
- Shares.

GET GOOD ADVICE – beware of regulation.



Summary

CSAs share risk and reward

CSA consumers can provide capital, but often don't

CSAs can issue loans or shares

CSAs have many legal structures

Any legal structure can offer loans

Only IPSs can issue shares

IPSs are one member one vote



Why?

Better terms than the bank

Better values than the bank

Better access than the bank

Community ownership, participation, trust and loyalty

Reduce financial risk

Why not?

Responsibility of debt

Poor business plan

Regulation

Transparency of your finances

Impact on relationships





Loans (bonds)

Must be repaid

Can pay interest, or none

Can pay interest in food

You or lender can carry risk

Can fix term of repayment

Fairly simple

No limit to amount

Any legal structure



Shares – industrial and provident society IPS

- Investors carry risk
- Investors become owners
- Need to be an IPS



Shares – industrial and provident society IPS

- One-member-one-vote
- Limitations on the amount of interest that can be paid on share capital
- An upper limit on the amount that individuals can invest: currently this limit stands at £20,000
- The share capital can be withdrawn by members, subject to terms and conditions, at or below the price they paid for it
- Optional asset lock
- IPS may be grant fundable



Attracting investors

People have more savings than they want to donate

Trust

Communicating concept of investment

Communicating business plan and risk

Financial reward

Average Fordhall Farm < £100 @ 0% interest less than £100, £2,000

Average Westmill Wind Farm £2000 @ 12% per annum.

Community Farm Bristol

- Existing box scheme and veg production
- Raised £126,126 through community shares to new IPS.
- 409 founder members.
- Hopes to increase member numbers to 500 by March 2013, and to raise a further £100,000 for equipment, facilities and educational work by end of November 2011



Recap

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Information & Support...

<http://www.communityshares.uk.coop/>

The Soil Association CSA & Buying Group project is providing:

- advice and support to new CSAs
- training events and networking opportunities
- action manual, 'how to' guides, case studies and practical examples on our website



www.soilassociation.org/csa





Soil Association

Making Local Food Work

Consortium of 7 groups led by The Plunkett Foundation.

Our partners offer:

- Support for food co-ops and local food distribution (Sustain)
- Co-operatively run farmers' markets (FARMA)
- Home-produced food (Country Markets)
- Community shops and local food supply (Plunkett)
- Good governance and advice for community enterprises (Co-ops UK)
- Food web mapping (CPRE)

www.makinglocalfoodwork.co.uk

