

# Funding

**The main source of income for a CSA is almost always its members. Members usually commit to buying farm produce for a full season or for a shorter minimum time. If they pay in advance this will provide some working capital. Many CSAs also charge an additional membership fee.**

But it is likely you will still have to do additional fundraising to cover all your costs, particularly in the early years. When you first set up a CSA you will have high start-up costs and once CSAs get up and running you often have to fundraise for new equipment or buildings.

How much you'll need to raise will depend on what you want to do. Many CSAs try to secure external funding in the region of £5,000 - £10,000 for essential equipment and infrastructure, but if you are trying to buy land or buildings you may need to raise £100,000 or more.

## Crowdfunding

Crowdfunding is a relatively new but now very popular way for CSAs to raise money. It makes the administration and publicity much easier than just doing a general call-out for donations, and the fundraising target and end date encourages people to give more.

Crowdfunding is basically raising money from a lot of people using an online platform, e.g. Crowdfunder, Kickstarter, Buzzbnk or Indiegogo. Your supporters will commit to paying a certain amount of money in exchange for a reward or "perk" (although many people will simply donate without needing anything in return).

Normally you would make a short video about why you need the funding, as it is one of the key ways to communicate your message. A targeted video can make or break your campaign. For more tips go to these links and in particular this script template, which is tried and tested.

[crowdfunder.co.uk/your-story/top-ten-video-tips](http://crowdfunder.co.uk/your-story/top-ten-video-tips)  
[crowdfunder.co.uk/uploads/guides/video\\_script\\_template.pdf](http://crowdfunder.co.uk/uploads/guides/video_script_template.pdf)

The contribution per person could range from £5-£500 or more. Usually you'll get a lot of people providing a small amount between £5-£20 but you will probably need some people to commit to much bigger sums to reach your goal. You will set a certain amount of time to meet your target, normally 4-8 weeks. The rewards could include things like getting a postcard with a picture of the farm (cheap to order online), a free veg box, an organic meal for two, or artworks created by your CSA members. Don't be afraid to ask for help from your farm community!

With some crowdfunding websites you have to reach your target to get any of the money, but there are others that let you keep the money however much you raise. All of the sites will take a percentage to cover their admin costs, typically 5%. There are some schemes which will match fund the money you raise via crowdfunding. The A Team Challenge is a joint project between the A Team Foundation, Funding Enlightened Agriculture (FEA) and FundIt.Buzz and many CSAs have had support from this.

Crowdfunding is time consuming and you need to keep publicising your campaign on a continuous basis on social media and via targeted emails to





people you know, as well as people you don't know who have a common interest. You should also seek publicity through local and national media. CSA is an interesting story and can attract a surprising level of interest. Make sure you have enough time and people to do all this publicity and again, don't be afraid to ask your farm community to help.

You could keep interest in the campaign high by choosing a different theme for each week, such as community building, food quality, the environment, and during that week highlight how your CSA contributes to this worthy goal. Take short videos and photos of yourself and the rest of the community and post them on social media, always including a link to your crowdfunding campaign page.

Crowdfunding can be more about who you know than what you know, so build up good contacts in the local area and wider interest groups such as food campaigning and conservation groups to help promote your campaign. Don't offer rewards that will take up too much time and effort to fulfil. Quite a bit of the work of a crowdfunding campaign is after it's over, so make sure your "perks" are easy to deliver. Even offering to display supporters' names on a "thank you" page on your farm website can be an incentive to give.

Now that crowdfunding is increasingly popular there is a lot more competition for people's money so avoid running your campaign at the same time, or just after, other similar crowdfunding campaigns.

**Crowdfunding support pack - A Team Challenge**  
[ateamchallenge.org/wp-content/uploads/2015/09/Crowdfunding-Support-Pack-A-Team.pdf](http://ateamchallenge.org/wp-content/uploads/2015/09/Crowdfunding-Support-Pack-A-Team.pdf)

### **Crowdfunding resources from Growing Together**

[growingtogether.community/resources/crowdfunding-overview](http://growingtogether.community/resources/crowdfunding-overview)

[growingtogether.community/resources/top-tips-crowdfunding](http://growingtogether.community/resources/top-tips-crowdfunding)

### **Southern Roots Organics crowdfunding bid**

[crowdfunder.co.uk/community-supported-agriculture](http://crowdfunder.co.uk/community-supported-agriculture)

### **Banc Organics crowdfunding bid**

<https://fundit.buzz/ProjectDetails.aspx?projectId=277>

### **Cae Tan crowdfunding bid**

<https://fundit.buzz/FieldGoodCrowdFarming>

## **Grants**

Many CSAs apply for grants to help them to get started or expand. However, if you want your CSA to be sustainable in the long term it is important not to be reliant on grant funding for core running costs. Generally funders want to support new activities and will not keep giving the same projects money year after year. If you are getting funding for core running costs such as salaries, it's also important that you have a business plan showing how you will cover these costs once the funding has run out, by generating income from sales.

CSAs provide a number of "public goods" and meet different charitable purposes such as improving health through diet and physical activity; providing education and training to members, volunteers, and possibly other groups like local schools; and helping the environment by growing using agroecological methods, and reducing food miles. So depending on the grant that you are applying

for, it is good to focus on how you will bring about these benefits. It's important that whatever project you want funded provides benefits to more people than just your membership, as most funders will not support groups that only help a limited number of people.

In order to be eligible for any charitable grants you will need to have a constitution and a bank account. Also your legal structure should make it clear that your organisation is not-for-private-profit. Any grants you apply for will usually take a minimum of eight weeks to make a decision but it could take up to six months for some larger grants.

Applying for large grants requires a lot of time and effort, and they can take several months to complete, especially if you have to write a bid alongside doing your day-to-day work. You will need to put in a very detailed budget, come up with milestones and outcomes and usually submit a business plan as well. Local organisations that advise charities and not-for-profit social enterprises can be an invaluable source of advice on the best legal structure for your CSA and also on grant funding opportunities and applications.

CSAs around the country have had success with applying to the following funders:

- Esmee Fairbairn Foundation
- Big Lottery Awards for All
- People's Postcode Lottery
- The Naturesave Trust
- Vegware Community Fund
- Tesco Bags for Life
- Co-op Community Fund

Before applying for a grant read the eligibility guidelines thoroughly and make sure you meet all their requirements. Get someone else to look through the bid and check your figures before you submit it. CSA Network UK members are welcome to email it to us to have a look through as well. Don't leave it to the last minute to get your application in;

if it is late you will be automatically excluded. Try to have it ready at least a week before the closing date so you can double check everything.

## Community shares

If you need to raise a large amount of money then you may want to consider a community share offer. This is what most community-owned farms have done to raise capital to buy land - but it can also be used to raise money for buildings or equipment. If you are planning to do a community share offer you will probably need to seek professional advice. [communityshares.org.uk/](http://communityshares.org.uk/)

The term "community shares" refers to withdrawable share capital that can only be issued by cooperative societies, community benefit societies and charitable community benefit societies. So you need to think about this when deciding on your legal structure. Community shares normally aim to offer investors a return on their investment, usually up to 3%, although people can also choose to waive their interest.

CSAs can also take advantage of social investment tax relief (SITR) through issuing community shares. Investors can withdraw their shares, but normally not until after three years. CSAs have used crowdfunding platforms such as Crowdfunder to issue community shares or other specialist websites such as Ethex [www.ethex.org.uk](http://www.ethex.org.uk)

Sample share document from Plotgate CSA [feanetwork.org/wp-content/uploads/2017/04/Plotgate-CSA\\_share\\_offer\\_document.pdf](http://feanetwork.org/wp-content/uploads/2017/04/Plotgate-CSA_share_offer_document.pdf)

Sutton Community Farm share offer [crowdfunder.co.uk/sutton-community-farm-shares](http://crowdfunder.co.uk/sutton-community-farm-shares)

## Bank loans

Banks will provide loans to social enterprises on the same basis as they lend to the private sector. If you can demonstrate that you have the commitment of a group of people to a CSA, in the



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form of letters of intent for example, this would strengthen a CSA business plan to support a loan. Some banks such as Triodos specialise in providing loans to organic farms [triodos.co.uk/en/business/borrowing/organic-farming](https://triodos.co.uk/en/business/borrowing/organic-farming)

The Ecology Building Society gives mortgages to smallholdings and community groups that support the environment [ecology.co.uk](https://ecology.co.uk)



## OTHER USEFUL LINKS AND RESOURCES

- ▶ Moss Brook Growers have a section on funding in their farm manual [mossbrookgrowers.co.uk/?page\\_id=385](https://mossbrookgrowers.co.uk/?page_id=385)
- ▶ This Federation of City Farms and Community Gardens film explains how to look for funding, as well as [youtube.com/watch?time\\_continue=4&v=-](https://youtube.com/watch?time_continue=4&v=-)