

CSA NETWORK UK

CONVERTING FROM A BOX SCHEME TO A CSA



OVERVIEW

Key advantages of converting to a CSA:

- A committed customer base to purchase the farm's produce
- Regular upfront income improves cash flow and increases financial stability
- Simple financial model means less admin
- Greater access to grant funding (depends on your legal structure)
- Very short supply chain means less packaging, reduced waste and low transport costs
- Packing is simpler than for bespoke orders
- Delivery rounds are more consistent
- Local community support for your farm
- Committed volunteers may help with growing and/or other tasks
- Acting as a business and/or social hub for the local area
- Support of the wider CSA community
- Opportunity to increase public knowledge and understanding of good farming

Thanks to Peapod Veg and Waterland Organics for the photos and information.

Why convert to a CSA?

CSAs are based on an ethos of care for people, planet and producer, building community, looking after the land and providing a viable income for farmers. Grower-led CSAs are often very similar to grower-run veg box schemes with a few key differences. In a CSA, producers and consumers share the risks and rewards of farming. CSA members are committed to supporting their CSA, and understand that they are getting a share of the harvest not just buying a weekly veg box. When certain crops do really well they may get extra in their boxes, but in times of poor harvest they may get less. This direct link to customers or 'members' increases financial stability, builds community and promotes good farming. Both Peapod Veg near Hastings and Waterland Organics near Cambridge have converted from veg box schemes. Peapod converted to CSA in 2020 and has 120 members. Waterland has grown organic fruit and veg since 1994, became a CSA in 2015 and has around 100 members.



Admin and finance

One of the main advantages of converting to a CSA is that admin and dealing with payments becomes far easier. Waterland Organics asks for one payment in advance for the whole season which avoids having to track small transactions and chase weekly payments. They say it makes accounting 50 times less complicated! Upfront payment also helps with cash flow so there is money when needed to invest in compost or seeds at the start of the season.

Peapod Veg accepts payments by monthly direct debit via an online payment system. They no longer offer substitute veg, unless there is a specific request. Instead of refunding members when they are away Peapod asks them to donate their veg share to a friend or to a local refugee project. This avoids adjusting monthly payments. Members have to give a month's notice if they want to stop getting a veg share.



Produce

You can still be a CSA if you buy in produce or supply other customers. Although some CSAs offer 100% home-grown produce, many others buy in at certain times of the year. Some operate year-round and some have a gap. Peapod Veg operates from March – December. They buy in veg from other organic growers during the hungry gap and communicate this clearly to their members. From June onwards they grow all their own produce. Both Peapod and Waterland supply retail and wholesale customers as well as operating a CSA.

Communications

Peapod Veg and Waterland Organics believe it's important to communicate regularly with members by sending out a newsletter as well as regular social media posts. This keeps members up to date with everything that's going on at the farm, gives recipes and storage tips, shares other news about issues affecting small farmers and generates a sense of ownership and belonging within the local community. They also hold open days, so people can visit, and have volunteer work days for members who want to help out.

Challenges

A CSA needs a sufficient number of committed members to cover its costs. CSAs can experience the same issues with recruiting and retaining members as veg box schemes. Especially those that don't operate all year round. So constant marketing is essential.

People on lower or irregular incomes can find it hard to pay upfront or commit to regular payments. Some CSAs are exploring ways to enable greater access to their produce. Both Peapod and Waterland donate surplus produce to food poverty projects.



Distribution

Many CSAs provide home delivery in exactly the same way as veg box schemes. Some deliver to pick-up points, others ask members to collect from the farm, sometimes members weigh out their own share. Waterland Organics offers bicycle delivery in Cambridge city centre but some members collect from the farm. Peapod Veg delivers to Hastings and St Leonards, but members outside this area have to collect or pick up from a friend.

Legal structures

CSAs have a wide variety of legal structures. Some grower-led CSAs are set up as Community Interest Companies (CICs) as this makes it easier to apply for grant funding. However it is not necessary to convert to a community organisation or social enterprise. Peapod Veg still operates as a sole trader and Waterland Organics is a private company limited by shares.