



Ecological Land Co-operative:  
Affordable sites for ecological land-based livelihoods



## Principal activity

The creation of affordable sites for sale and rent for ecological land based livelihoods – initially ecological agriculture - protected for affordability and ecological use in perpetuity.

## Pilot project

Cluster of three 6-9 acre smallholdings in Mid Devon with:

- Permission to construct a low impact tied dwelling on each
  - Share of timber barn
  - Share of 5kw solar system
  - Share of rainwater harvesting system and well
  - Track and access to Highways & Council requirements
  - Ongoing support and training from the co-operative including mentoring, planning permissions, and co-ordination of volunteer work days
  - Membership in the co-operative (freeholder)
- Two sold for £72,000 -150 year lease
  - One sold on a rent-to-buy contract, 20% deposit or £14,400, remainder over 25 years

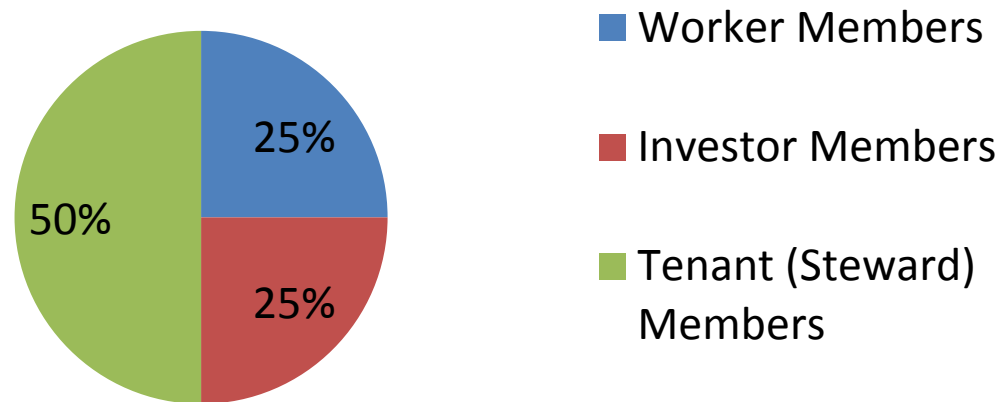
## Secondary activities

- Support tenant members in establishing and managing their farm businesses, in developing their ecological land management skills and in living low-impact;
- Monitor sites / produce research;
- Facilitate open days and school visits;
- Participate in planning policy consultations; and
- Provide free planning advice to ecological growers and producers.

## Ownership/control

- Multi-stakeholder co-operative
  - needed so that investors' interests do not dominate

### ELC's Members' Voting Rights



- Members decide – where a tenant member ceases to be employed in agriculture on the site or otherwise breaches lease terms – if tenant (Steward) member should be required to sell their lease back to the ELC
- Members elect the Board from the membership and Board steers the ELC's development

## Mechanism to Maintain Affordability

Tenant members required – in first instance – to sell leases back to the ELC

On outright sales, lease allows farm to be resold at:

$$\begin{aligned} \text{Resale value} = & \\ & \text{initial cost} \times \text{inflation} \\ & + \text{value of improvements (including agricultural)} \end{aligned}$$

## Business Model

- Raise capital through ethical investors / community shares
- Purchase degraded or at risk agricultural land
- Design cluster of residential smallholdings
- Obtain planning permission
- Pass on only costs, rather than uplift gained from planning permission
- Leverage volunteers and pro-bono professionals to keep costs down
- Recruit tenants
- Monitor sites

## Income

1. Sales income
2. Set-up phase: Land stewardship grants and rental income
3. After sale: FITs and stewardship grants (and rental income)
4. Publication sales
5. Donations and grants

## Programme of Monitoring and Research

- 150-year lease requires tenants to comply to Management Plan
- Plan requires tenants to ensure:
  - At least one member of each household works full-time on the holding or two or more members work part-time on the holding so that together they constitute at least one FTE worker
  - no subletting, etc.
  - no synthetic inputs
  - conservation and enhancement of existing habitat
  - on-site renewable energy generation
  - ensure all buildings are low impact and reversible
  - sell-on affordably only – at rate set in lease
- Planning conditions require the co-op to report annually to the Council

## Possibilities for Replication

- The ELC needs to produce further sites to establish long-term financial sustainability of our model.
- Aside from raising finance, desirable for developments to be progressed at a local / regional level.
- Any proposed developments need to be well prepared and supported by detailed research.
- Developments take upwards of 2 years.
- Growth limited by amount of capital that can be raised.
- Increasing land values forcing the ELC towards rental and rent-to-buy rather than outright sales.





ECOLOGICAL LAND CO-OPERATIVE

