‘Taking Stock’ -
study of crofters’ stock clubs

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This report is written by Yvonne Richardson, with additional material by Donald Murdie, based on work completed by the Scottish Crofting Federation and has been produced as part of the Crofting Resource Programme.
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1.0 Background

Stock clubs have existed for many decades and are traditionally centred around sheep management, with few involving cattle. They appear to be unique to the crofting counties and are most widely found in Skye and Lochalsh and in Sutherland with some in Lochaber and Caithness and to a small extent in the Uists.

Although Lewis and Harris have a high number of crofts, stock clubs are notably absent from this area, although discussions are currently underway on the feasibility of establishing a cattle based club in the Bayble area of Point in Lewis.

2.0 Rationale for the study

Livestock production on land in crofting tenure has traditionally been extensive sheep and cattle enterprises, with soil type, topography and climate limiting the number of alternatives or the option to intensify the husbandry techniques.

Stock clubs have been in existence for decades in some areas. In some instances they were set up at the same time as crofts were established, which suggests that they have an enduring quality. This study aims to determine whether stock clubs have a role to play in the current agricultural climate, their fit within the crofting regulations, to examine their structure, their benefits and weaknesses and to assess whether they provide a tool which can be employed to encourage and promote active management of common grazing land.

3.0 Trends and changes in livestock

There have been significant changes in the livestock industry over the last 10 years, which have in the main been driven by changes to agricultural support schemes.

The most significant of these has been the decoupling of agricultural support systems from production (removal of headage payments) on 1st January 2005, with producers receiving subsidy entitlement (Single Farm Payment) irrespective of stock numbers, or indeed the necessity to keep any stock, assuming they meet the requirements of cross compliance.

With stock numbers no longer playing a role in the entitlement to agricultural support (except for LFASS payments) crofters have been free to reduce their stock without any financial penalty, a trend that has been mirrored throughout Scotland.

The resultant decline in stock numbers within the crofting counties and more widely in Scotland, as a result of the introduction of the Single Farm Payment regime, has been well documented. The report ‘Farming’s Retreat from the Hills’ by the Scottish Agricultural College (2008) shows a reduction in the Scottish sheep flock by some 2.3 million and 66,476 in the beef herd between the years 1999 and 2007.

The level to which sheep numbers have declined varies throughout the country. The most notable reduction in numbers, however, has occurred in the North West which covers a large area of the Crofting counties – an area which has seen a decrease in sheep numbers by between 35 and 60 percent during this period. This is particularly apparent in the hills – leading to claims of ‘abandonment’ or ‘semi –abandonment’.
The scenario for cattle numbers in the crofting areas is more stable with modest declines of 1-2% in some areas such as the Western Isles, 5-10% in the North West, with Skye, Lochalsh and Lochaber experiencing more significant drops of between 10-15%.

The recently published update on this report 'Response from the Hills’, Scottish Agricultural College (2011), which reviews the situation from 2007 to 2010 notes a continuing decline in sheep numbers, for example in the Western Isles breeding ewe numbers have fallen by a further 38%, Lochaber by 37%, Skye and Lochalsh 32% and Ross and Cromarty 31%. The study also highlights the poorer ewe productivity experienced in the Highlands and Islands compared to the rest of Scotland.

Condliffe (2009), points out that the reduction or removal of hefted sheep flocks is a difficult process to reverse and, as there are few march fences on higher ground, once a sheep flock is removed, it makes it more difficult for neighbours to maintain their flocks as the sheep cover more ground.

The SAC report goes on to assess the wider consequences of stock reduction. There is for example, an environmental impact which is highlighted by a case study in Skye. This makes reference to:-

- increasing quantities of rank vegetation including heather and bracken, with scrub and birch tree regeneration, resulting in an increased fire risk
- an increased number of red deer
- a decline in croft land birds such as yellowhammers, twite, reed bunting, skylarks and pied wagtails
- a decline in golden eagles due to decline in winter carrion levels
- an increase in tick numbers and Lyme disease
- a lack of managed muirburn

It goes on to suggest that sheep and cattle probably ‘provide the maximum structural diversity to the vegetation’.

On the social impact, the case study highlights:-

- a reduction in active crofters
- loss of skills and traditional practises
- lack of experienced labour
- loss of agriculturally related infrastructure

### 4.0 Stock clubs and land tenure

Stock clubs are based on and utilise common grazings, which account for less than 7% of Scotland’s land area and 9% of land in active agriculture, but account for 13% of the Special Protection Areas designated under Birds Directive, over 15% of High Nature Value farmland and 30% of the area with peat over 2m in depth. Common grazings and their management are, therefore, highly significant in terms of environmental public goods.

In terms of financial support however, they receive the lowest rates of Single Farm Payment and LFASS payments and also have difficulty accessing support under Axis 2 measures. (Jones, ‘Trends in Common Grazing’ 2011).

This coupled with the decline in stock numbers, means that livestock production in crofting areas is in a precarious situation requiring an informed, planned approach if the right balance is to be achieved.
5.0 Stock Clubs and Crofting Regulations

In addition to the challenges that communal working brings, common grazings are subject to the crofting acts and therefore so too are the stock clubs.

To appreciate the juxtaposition of stock clubs and common grazings, it is necessary to have an understanding of the regulatory framework of common grazings.

6.0 A brief overview of Common grazings regulations

There is in the region, half a million hectares of common grazing land in crofting tenure (Reid, 2003) and its management has been regulated by law for 125 years.

The use of the land is usually (but not always) accessed through a croft tenancy.

If the croft tenant has a share in the common grazings he/she has a right to use this share and this right is protected under the crofting acts. This right remains in place irrespective of who owns the land i.e. if it is community owned or privately owned.

The Crofters Common Grazing Regulations Act of 1891 sets out the main legal provision for the management of common grazings. The Act authorises the appointment of common grazings committees and details their responsibility for making and enforcing regulations concerning the number of stock each shareholder could put on the grazing and for dealing with other matters affecting the joint rights on the grazings.

The Act also required that the regulations be approved by the Scottish Land Court (which was also set up under the 1891 Act) and could only be altered with the Land Court’s approval. This role passed to the Crofters Commission in 1955 when that agency, in its modern form, was established. The role of the grazings committees and their responsibilities for the grazing regulations, has however, in the main, been unaltered.

The 1955 Act required any newly appointed committee to have Regulations in place for the management of the grazings and these must be approved by the Commission. In practise, however, any regulations in force at the time of appointment are adopted by each successive grazings committee and are, therefore, rolled on.

The duties of the grazings committee are:

- to maintain the common grazings and to provide, maintain and, where necessary, replace the fixed equipment required in connection with the maintenance and with the implementation of any approved use
- to carry out improvement of the grazings and equipment
- to carry out works in implementation of any approved purposeful use
- to raise money to allow the implantation of any approved purposeful use, but only when the majority of the shareholders vote to do so
- to make and administer grazings regulations with respect to the management and use of the common grazings

Grazings Regulations vary from one township to another to reflect local circumstances, but all of them must include:
• the extent (area) of the grazings
• the role of the grazings committee
• the number of shares in the grazings (the grazing regulations will include a schedule of crofters and their respective grazing share/souming and should be updated whenever there is a change in croft tenancy)
• the stock (species and number) each shareholder is allowed to put on the grazings
• provision for the recovery of expenses incurred for the management of the grazings and/or improvements
• the provision for peat cutting and seaweed gathering rights

Grazings Committees may apply to change and update their regulations at any time. This is done by a formal application to the Crofters Commission who consult with the appropriate landlord and then decide whether or not to accept the application.

7.0 Recent changes in legislation

In 2007 and 2010 further Crofting Acts have been passed and these have introduced a number of changes which impact on the common grazings situation. These include:-

• the creation of new common grazings
• joint ventures with landlords to develop woodlands on the grazings
• ‘other’ agreed uses of the common grazings (i.e. not grazing or woodland) provided they are not deemed to be detrimental to other parts of the common grazings or the interests of the landlord

8.0 Breaches of Grazing Regulations

Historically, any breach of the grazing regulations was a criminal offence and could be reported to the Procurator Fiscal for action. In practise, this very rarely took place, most probably due to the stresses this would cause within a small community.

The 2007 Crofting Act made provision for the Crofters Commission to deal with crofters that are in breach of the grazing regulations. The Commission can request that a shareholder(s) conform(s) and if appropriate, make good any damage that has been caused. If the shareholder fails to comply, the Commission may suspend some or all that persons share in the common grazings for a period and in cases where non-compliance persists, extend the suspension period or terminate part or all of the person’s share and allocate that share to other shareholders in the common grazings.

9.0 Background to Stock Clubs

The communal management of stock (mainly sheep) for community benefit appears to have been a feature of Highland society which pre-dates the Crofting Acts. This method of management was encouraged by the Board of Agriculture when it was dividing farms to form small holdings in line with the Smallholders Act 1911 and it helped to ensure that sheep flocks hefted to the grazings of a particular farm remained intact as a viable agricultural venture.

The associations (stock clubs) approved by the Board were provident societies registered under the Industrial and Provident Society Acts. Leases were drafted to make membership of the Stock Club Provident Society a condition of lease.
Shareholders purchased shares in the stock club at inception and these shares have historically been passed on with the tenancy.

The Board produced model rules for such Provident Societies in 1921, providing for a stock club committee and specifying the share in the club which was transferable in certain circumstances. The majority, if not all, of these agreements have now lapsed.

As already mentioned, the communal management of stock clubs was recognised under the Crofters Grazings Regulations Act 1891. Subsequent provisions of the Smallholders Act 1911 which gave the Land Court power to make grazing regulations with regard to any existing custom of the townships were largely re-enacted in the Crofters Act 1955, but without the requirement or duty to have regard to existing customs. However, the Land Court and the Crofters Commission took into account the existence of stock clubs when drawing up the Grazing Regulations at the time.

Consequently, what started as a voluntary co-operation of graziers for the general community benefit was subsumed into grazings regulations and statutory provisions. The successive changes in legislation have meant that today, there is, unfortunately, no legal definition of the constitution or rights of a stock club.

Some legal foundations have been established in regard to the stock clubs, however, as a result of cases which have been through the Land Court and this helps to provide guidance including:

- the Land Court sees the powers of stock clubs as subordinate to the crofters’ right under the Crofting Acts
- Grazing Regulations take precedence over Sheep Stock Club rules
- members of a stock club have no say in the choice of new members and are bound to accept new members selected and approved by persons who are not members of the club e.g. by way of succession, assignation or sublet
- the right to apportion all or part of a grazings share cannot be denied to crofters merely because club arrangements would be affected

10.0 Management of present day Stock clubs

A study has been undertaken to identify the structure, features and outputs of the present day stock clubs. The study has concentrated on stock clubs in Skye and Lochalsh as this area has the greatest number of clubs. 21 clubs were contacted in this area and responses were gathered from 9. In addition data was gathered from 3 stock clubs in East Sutherland.

Data collection was primarily by means of a questionnaire, which was not drawn up by the author of the report. A copy of the questionnaire is included in the Appendix. Additional information was gathered by personal communication or by follow up telephone conversations.

11.0 Results

In order to maintain confidentiality, the results do not refer to any specific club and do not differentiate between geographical areas.

Membership sizes of the stock clubs vary between 2 members to 4-6 members and 10 -12 members with one (exceptional) club having 66 members.

The following graph shows an overview of the structure of the stock clubs.
The stock clubs are numbered consistently throughout the tables.

Table 1

Structure of the Stock Clubs

<table>
<thead>
<tr>
<th>Stock club no.</th>
<th>Days paid per annum to shareholders</th>
<th>Days paid per annum to non shareholders</th>
<th>Hourly Rate (£/hr)</th>
<th>Total estimated payments per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>240</td>
<td>30</td>
<td>10.00</td>
<td>2,700.00</td>
</tr>
<tr>
<td>2</td>
<td>Shareholders not paid</td>
<td>12</td>
<td>No answer</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>10</td>
<td>7</td>
<td>10.00</td>
<td>170.00</td>
</tr>
<tr>
<td>4</td>
<td>No answer</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>693 hrs</td>
<td>599hrs</td>
<td>8.50</td>
<td>10,982</td>
</tr>
<tr>
<td>6</td>
<td>50</td>
<td>5</td>
<td>14.04</td>
<td>772.20</td>
</tr>
<tr>
<td>7</td>
<td>462hrs</td>
<td>459hrs</td>
<td>10.00</td>
<td>9,210.00</td>
</tr>
<tr>
<td>8</td>
<td>22</td>
<td>8</td>
<td>12.00</td>
<td>360.00</td>
</tr>
<tr>
<td>9</td>
<td>No answer</td>
<td>No answer</td>
<td>No answer</td>
<td>No answer</td>
</tr>
<tr>
<td>10</td>
<td>15</td>
<td>20</td>
<td>50.00 per day</td>
<td>525.00</td>
</tr>
<tr>
<td>11</td>
<td>0</td>
<td>12</td>
<td>10.00</td>
<td>120.00</td>
</tr>
<tr>
<td>12</td>
<td>0</td>
<td>5</td>
<td>10.00</td>
<td></td>
</tr>
</tbody>
</table>

The source of labour for the clubs varies, with the majority of the work undertaken by the shareholders. All of the clubs utilise some paid labour as shown in Table 2 below.

The number of paid days varies from club to club.

Table 2

Indication of paid labour

The land areas managed by the Stock clubs are extensive, totalling some 15,564ha with stock numbers (ewes and gimmers) amounting to around 6,020 this gives an average stocking rate 0.06 LU per ha. The stock clubs deal primarily with sheep although some include cattle. The questionnaire did not capture
information about cattle other than whether the clubs kept cattle, therefore, stocking details provided are based purely on sheep numbers.

The individual club details are shown below.

Table 3

<table>
<thead>
<tr>
<th>Stock club no.</th>
<th>Area of grazings available (Ha)</th>
<th>Average no. of sheep (ewes &amp; gimmers)</th>
<th>Breed*</th>
<th>Estimated stocking density (LU/ha)</th>
<th>Are any cattle kept by the stock club?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1820</td>
<td>830</td>
<td>NCC</td>
<td>0.07</td>
<td>No</td>
</tr>
<tr>
<td>2</td>
<td>560</td>
<td>230</td>
<td>BF</td>
<td>0.06</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>608</td>
<td>320</td>
<td>NCC</td>
<td>0.08</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>331</td>
<td>320</td>
<td>NCC</td>
<td>0.15</td>
<td>No</td>
</tr>
<tr>
<td>5</td>
<td>2941</td>
<td>1000</td>
<td>NCC</td>
<td>0.05</td>
<td>No</td>
</tr>
<tr>
<td>6</td>
<td>312</td>
<td>140</td>
<td>NCC cross</td>
<td>0.07</td>
<td>No</td>
</tr>
<tr>
<td>7</td>
<td>2557</td>
<td>725</td>
<td>BF</td>
<td>0.04</td>
<td>Yes</td>
</tr>
<tr>
<td>8</td>
<td>1446</td>
<td>475</td>
<td>BF</td>
<td>0.05</td>
<td>Yes</td>
</tr>
<tr>
<td>9</td>
<td>634</td>
<td>400</td>
<td>NCC</td>
<td>0.09</td>
<td>No</td>
</tr>
<tr>
<td>10</td>
<td>1815</td>
<td>702</td>
<td>NCC</td>
<td>0.06</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>1210</td>
<td>475</td>
<td>NCC</td>
<td>0.06</td>
<td>No</td>
</tr>
<tr>
<td>12</td>
<td>1330</td>
<td>400</td>
<td>NCC</td>
<td>0.05</td>
<td>No</td>
</tr>
</tbody>
</table>

* NCC = North Country Cheviot
  BF = Black face

The stock clubs are store lamb producers selling in the autumn sales, mainly through auction marts. The income from the stock sold provides the funds which are used to pay a dividend to the shareholders. This is paid once liabilities are settled (bills for medicine, labour etc) and after any agreed reserves have been deducted.

In some circumstances this income is supplemented by additional sources including SFP/LFASS, the eagle scheme, Rural Stewardship Scheme, forestry schemes, LMO option for summer grazing of cattle.
### Table 4

**Labour provision for Stock Clubs**

<table>
<thead>
<tr>
<th>Stock club no.</th>
<th>Mandatory attendance</th>
<th>Paid Shareholders</th>
<th>Paid Shepherd</th>
<th>Other Paid Third Party</th>
<th>Other</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>All paid casual labour – mainly shareholders</td>
</tr>
<tr>
<td>2</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td>Contractors for dipping and paid help at gathering</td>
</tr>
<tr>
<td>5</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>All labour paid for at same hourly rate</td>
</tr>
<tr>
<td>6</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>Paid help for gathering</td>
</tr>
<tr>
<td>8</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>Contractors for shearing</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td>Gathering and shearing by contractors</td>
</tr>
<tr>
<td>10</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>P/T paid shepherd (also a shareholder). Contractors for shearing &amp; capital works i.e. fencing, drainage. Other third party to assist with key events</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>Shepherd paid on a monthly basis to carry out all tasks. Additional payment made at lambing time</td>
</tr>
<tr>
<td>Stock club no.</td>
<td>No. of lambs sold/annum</td>
<td>Marketplace</td>
<td>Time of year sold</td>
<td>Details of other income sources</td>
<td>Approximate total dividend paid to shareholders (£)</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------</td>
<td>-----------------</td>
<td>-------------------</td>
<td>---------------------------------</td>
<td>--------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>460</td>
<td>No answer</td>
<td>August</td>
<td>No answer</td>
<td>20,000¹</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>112</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>Eagle conservation scheme</td>
<td>2,800</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>160</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>Wind farm rent</td>
<td>11,000</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>235</td>
<td>Auction mart</td>
<td>August – lambs October – cast ewes</td>
<td>Wool, subsidy</td>
<td>12,000</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>250</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>RSS, SFGS</td>
<td>45,500²</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>84</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>No answer</td>
<td>8,100</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>260</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>RSS, SNH schemes, forestry</td>
<td>Between 6,000 and 12,000</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>250</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>‘Yes’ but no details given</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>No answer</td>
<td>No answer</td>
<td>No answer</td>
<td>Forestry, LMO summer cattle</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>240</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>‘Yes’ but no details given</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>250</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>‘Yes’ but no details given</td>
<td>14,000</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>113</td>
<td>Auction mart</td>
<td>Autumn</td>
<td>SNH hen harrier scheme</td>
<td>7,200</td>
<td></td>
</tr>
</tbody>
</table>

¹ This SSC has a very large membership (over 60) and pays for a high number of hours of shareholder labour
² Explained by high ewe numbers, and high ancillary income
All the stock clubs appear to have an animal health regime in place which include fluke, worming and vaccination programmes.

Additional comments were invited from the respondents including an assessment of the strengths and weakness of the stock clubs.

Comments reported include:-

Strengths:-

⇒ ‘Strong committed leadership’
⇒ ‘Good track record’
⇒ ‘Quality flock’
⇒ ‘Small number of shareholders with majority helping’
⇒ ‘Helps the community to work together’
⇒ ‘Small club so returns larger’
⇒ ‘Has worked for 3 generations’
⇒ ‘Those who work’
⇒ ‘It is the best way to manage a shared common grazings’
⇒ ‘Keeps neighbours talking’
⇒ ‘Good co-operation and decision making’
⇒ ‘It is the best way to manage common grazings’
⇒ ‘Not too many members – less disagreements’
⇒ ‘We are set up as a business’
⇒ ‘Brings income in and provides some work’

Weaknesses:-

⇒ ‘Shareholders can gain income through little effort’
⇒ ‘Shareholders work full-time and do not have the same time to assist the shepherd’
⇒ ‘Poor interest from shareholders’
⇒ ‘Dependence on government support’
⇒ ‘Elderly and increasingly infirm shareholders’
⇒ ‘People are getting older’
⇒ ‘Ageing shareholders’
⇒ ‘Small club makes it harder when fanks are on’
⇒ ‘Those who do nothing’
⇒ ‘Can encourage sleeping partners’
⇒ ‘Shareholders not living on the area’
⇒ ‘Not enough funding generated to undertake improvement schemes’
⇒ ‘Non active shareholders still get a dividend’

12.0 Main findings

The main findings of this study are listed below.

- Stock clubs are mainly sheep based.
- They operate on regulated grazings i.e. common grazings or on ‘additional’ common grazing land.
- The form, constitution, rights and effects of a stock club does not appear to be defined in the Crofting Acts.
• There have been some Land Court rulings relating to sheep stock issues which provides some guidance including:

⇒ the Land Court sees the powers of sheep stock clubs as subordinate to the crofters’ right under the Crofting Act
⇒ the Land Court considers that Grazings Regulations take precedence over stock club rules
⇒ members of the stock club have no say in the choice of new members and are bound to accept new members selected and approved by persons who are not members of the club i.e. cases of croft succession, assignation or sublet
⇒ the right of apportionment of all or part of a grazings share cannot be denied to a crofter merely because of negative impact on a stock club

• Shareholders purchased shares in the stock club at inception and these shares have historically been passed on with the tenancy. There is some debate, however, whether the stock club share could be separated from the tenancy and ‘sold’.

• Many stock clubs hold single farm payment entitlement, are eligible to claim LFASS and have participated in schemes such as the RSS, forestry, wind farms, LMO and SRDP.

• The income from these activities as well as the sale of stock contributes to the income of the stock club. Expenses such as labour, medicines and any capital expenditure are taken from the income and the remainder is used to pay an annual dividend.

• In all but one of the stock clubs a dividend has been earned, however, it is important to note that if the club is in deficit, shareholders would potentially have to put money in to cover this.

• Returns per ewe vary from £5 to £45 against a LFA hill flock average of £23

• Membership of the stock club does not preclude crofters from keeping additional stock, neither does it impact on other croft activities.

• All stock clubs surveyed have an animal health plan or health strategy in place.

• Low-input systems are favoured, taking advantage of natural forage at sustainable stocking levels, thus minimising feed costs. Supplementary feeding, if any, is usually confined to provision of blocks.

• Some stock clubs pay for labour – this could be provided by the shareholders themselves, a shepherd, or other third party help. In the stock clubs surveyed payments ranged from £8.50/hr to £14.04/hr.

• Most of the stock clubs are reliant on a small number of people, or a person, for management.

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3 Cattle and Sheep Enterprise Profitability in Scotland 2010, QMS
4 One club in-winters its hogs which ensures that ewes will subsequently take a feed if they ever require to be taken in
There are a number of shareholders who are ‘inactive’ e.g. due to age, or lack of interest or live away from the township.

All survey respondents were positive about the stock clubs and felt they delivered benefits such as community interest, a useful management tool and provision of an income.

13.0 Do stock clubs have a role to play in the future?

The main disadvantage highlighted in this study is the difficulties of an ageing population. However, this is not a problem unique to stock clubs, but is a widely recognised problem in crofting agriculture and the wider agricultural industry.

The issue of inactive shareholders gaining a dividend has also been raised, but again that problem is not unique to stock clubs - there are a number of ‘slipper’ crofters (and farmers) throughout the country.

There is strong support from all the survey respondents for the concept of stock clubs, although by virtue of the fact they have responded, they may be viewed as a self-selecting sample. They are probably the most proactive of the stock clubs in the crofting areas and therefore would be more likely to support this form of livestock and land management.

The stock clubs provide a focus for stock management, and provide the structure and opportunity for the club to be driven, if necessary, by a small number of keen and able shareholders (physically able and skilled) without detriment to the interests of the other members and whilst still maintaining a common bond.

Stock clubs have been in place for many years - in some cases since the 1886 Act. They have withstood the challenges of crofting agriculture including the legislative burden and this, therefore, suggests that they are an enduring form of land and livestock management.

Stock clubs are unique in that they focus on land use and management through livestock production. Consideration should, therefore, be given to the role they can play in future land management, for example:

- to mitigate the decline in hill sheep
- to re-establish hill flocks in order to regain the bio-diversity balance of these habitats
- to provide an effective and practical management tool for health initiatives such as the Scottish BVD Eradication Scheme which is currently underway and whose success relies on a high level of bio-security in the early stages – something which is difficult to achieve in shared grazing situations
- to retain and subsequently pass on local knowledge of the land characteristics and their effect on livestock husbandry requirements
- to encourage re-population of derelict grazings and positive land-use

Returning to the question of whether stock clubs have a role to play in the future; the study findings would suggest that they do and can provide a mechanism and potential for a number of positive outcomes, not as a stand alone solution, but as one of a number of tools. They can be used to effectively manage the landscape and improve its biodiversity, promote community cohesion and co-operation, provide a system for managing livestock, contribute to food production in an extensive, low-input system and provide a renewed interest and enthusiasm for stock production.
14.0 How could new stock clubs be set up?

It would depend very much on the circumstances of the township and the nature of the grazings. To reintroduce sheep to a hill or moor grazing would realistically require fencing, as the skilled shepherding required otherwise would almost certainly be prohibitive. Starting a stock club could form part of a holistic review of a township’s assets. Woodland development on a common grazing could fund the necessary fencing and other facilities required.

The kind of scenario where a SSC could be started at present would be where an existing group of crofters with sheep on the ground decided to work co-operatively, starting from the same base line. Such a situation might be where the crofters are getting too old for major hill gatherings, but, by pooling their resources, could employ people for such tasks. For new entrants, a cattle club might be the more immediately achievable option, if the relevant Rural Priorities measures could be accessed.

In view of impending CAP reform, if a business model is envisaged which would need to acquire entitlement to direct support payments, caution would seem the best policy at present. In any proposed stock club scenario, a strong degree of agreement and co-operation within the township will be required, as well as a carefully-drafted constitution, integrated as far as possible into the Grazings Regulations.

References


Thompson, S. 2011 Response from the hills: Business as usual or a turning point? An update of ‘Retreat from the hills’ http://www.sac.ac.uk/mainrep/pdfs/responsefromthehills.pdf
Appendix

Taking Stock Questionnaire

As part of the Crofting Resources Programme the Scottish Crofting Federation is undertaking a study of crofter’s stock clubs. It would be much appreciated if you could complete the following questionnaire as part of this study. All of the information gathered will be in the strictest confidence and no stock club will be identified without consent of its members. Please complete the questionnaire and return in the free post envelope provided. If you are willing to talk to one of our representatives please add your contact details at the bottom of the page.

Organisational Information
Name of Stock Club: _________________________________________________________________
Parish number: _____________________________________________________________________
Number of shareholders: _____________________________________________________________
How many crofters in the township that are not members: ___________________________________
What are the various mechanisms in existence for supplying labour:
  Paid Shepherd □
  Other Paid Third Party □
  Mandatory Attendance □
  Paid Shareholders □
  Other □
Please specify: _____________________________________________________________________
__________________________________________________________________________________

How many days of paid work were undertaken last year:
  a) By shareholders _________________________________________
  b) By other people__________________________________________
How many shareholders are present at the average fank: __________________________________
__________________________________________________________________________________
What rate per hour are you paying:
  a) Shareholders (incl. zero) _________________________________________________________
  b) Other people?_____________________________________________________________________
What is the area of the grazings available to the club: ____________________________________
__________________________________________________________________________________
Does the club have total rights to the common grazing: __________________________________
__________________________________________________________________________________
If not who also has rights and what are they entitled to: _________________________________
__________________________________________________________________________________
Do inactive crofters retain a share of the common grazing: ________________________________
Does this cause any issues and if so explain:
__________________________________________________________________________________

Animal Information
What is the flock size approximately (ewes & gimmers): ________________________________
__________________________________________________________________________________
What breed(s) are kept: ______________________________________________________________

What breed(s) of tups are used: ________________________________________________________

What is the breeding policy: ____________________________________________________________

Are any cattle kept by the stock club: ____________________________________________________

What is the marketing policy in place: _____________________________________________________

What is the animal health policy: _________________________________________________________

What is the feeding policy: _______________________________________________________________

How many lambs (wedder and ewe) were sold last year: _______________________________________

What was the approximate dividend in total: ______________________________________________

What is the policy on dividing the surplus between dividend and reserves: _______________________

Is the income of the club solely derived from lamb/cast/wool sales and subsidy? If not, please explain
and give proportion from other sources (e.g. RSS, wind farm rent, house site sales etc.): __________

General Thoughts
What are the biggest strengths and weaknesses of your club: _________________________________

Do you think the club system has a future and why: _________________________________________

The SCF would like to thank you for your time taken to complete this questionnaire. If you
would like to make any additional comments please add them below.
___________________________________________________________________________________
___________________________________________________________________________________

If you would like to have further participation in this project please add you contact details below. We
will not disclose any information to other parties and it will be treated with the strictest confidentiality.

Name: _______________________________________________________________________________
Role in Stock Club: ____________________________________________________________________
Contact Telephone number: ___________________________________________________________
Email Address: ____________________________________________________________