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STATUTORY INSTRUMENTS

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**1990 No. 2012**

**FOOD**

**The Welfare Food Amendment (No. 3) Regulations 1990**

<i>Made</i>	- - - -	<i>9th October 1990</i>
<i>Laid before Parliament</i>		<i>12th October 1990</i>
<i>Coming into force</i>	- -	<i>4th November 1990</i>

The Secretary of State in exercise of the powers conferred by sections 13(3) and (4) and 15A of the Social Security Act 1988(1) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Welfare Food Amendment (No. 3) Regulations 1990 and shall come into force on 4th November 1990.

(2) In these Regulations “the principal Regulations” means the Welfare Food Regulations 1988(2).

**Amendment of regulation 2 of the principal Regulations**

2. In regulation 2(1) of the principal Regulations (interpretation)—

- (a) in the definition of “approved price” before the word “customers” there shall be inserted the word “retail”;
- (b) the definition of “metropolitan police district” shall be deleted;
- (c) in the definition of “milk” the words “except in the definition of “processor” below,” shall be deleted;
- (d) the definition of “processor” shall be deleted;
- (e) the definition of “standard reimbursement price” shall be deleted;
- (f) in the definition of “supplier” the words “or a person, other than a beneficiary or the Secretary of State, who receives a milk token” shall be deleted;
- (g) after the definition of “supplier” there shall be inserted—

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(1) 1988 c. 7; section 15A was inserted by paragraph 8(10) of Schedule 6 to the Social Security Act 1990 (c. 27) and section 13 was amended by paragraph 8(11) of that Schedule.  
(2) S.I.1988/536; the relevant amending instrument is S.I. 1990/3.

“total retail milk supply” means the total of—

- (a) the volume of milk a supplier sells to his retail customers; and
- (b) his welfare milk supply;”;

(h) after the definition of “vitamins” there shall be added—

“welfare milk supply” means the volume of milk which a supplier supplies against milk tokens or for which he has made an allowance in accordance with regulation 13.”.

### **Substitution of regulation 15 of the principal Regulations**

3. For regulation 15 of the principal Regulations (return of milk tokens to the Secretary of State) there shall be substituted the following regulation—

#### **“Standard reimbursement of suppliers**

15. Subject to regulation 15A(5), the Secretary of State shall reimburse a supplier who has submitted a milk token in accordance with Schedule 5 with an amount equal to the approved price of the milk which the supplier has supplied against that milk token or for which he has made an allowance in accordance with regulation 13, less 9 per cent.”.

### **Insertion of regulation 15A into the principal Regulations**

4. After regulation 15 of the principal Regulations there shall be inserted the following regulation—

#### **“Arrangements for special reimbursement of suppliers**

15A.—(1) A supplier may apply to the Secretary of State for approval to participate in the arrangements for reimbursement under this regulation.

(2) An application for approval under paragraph (1) shall be in accordance with Part I of Schedule 5A.

(3) The Secretary of State shall give his approval in writing if satisfied that—

- (a) the supplier’s welfare milk supply during a period of 52 consecutive weeks in the 60 weeks immediately preceding the date of the application under paragraph (1) was more than 7.5 per cent. of his total retail milk supply for that period; or

(b) the supplier—

- (i) at the time of his application under paragraph (1) had not carried on a retail trade in milk for 52 weeks or more but had carried on such a trade for a period of at least 13 consecutive weeks ending immediately preceding the date of his application, and

- (ii) had a welfare milk supply during that period of at least 13 consecutive weeks which was more than 7.5 per cent. of his total retail milk supply for that period,

and he has not given an approval under this paragraph in respect of the supplier during the period of one year immediately preceding the date of the application.

(4) Where the Secretary of State is satisfied under paragraph (3) he shall determine the percentage by which the supplier’s approved price will be reduced for the purpose of reimbursement under paragraph (5) and notify the supplier in writing of the percentage so determined.

(5) The Secretary of State shall reimburse a supplier approved under paragraph (3) who submits a milk token in accordance with Schedule 5 during the period of one year beginning with the date of the application under paragraph (1) with an amount equal to the approved price of the milk which the supplier has supplied against that milk token or for which he has made an allowance in accordance with regulation 13, less a percentage determined in accordance with Part II of Schedule 5A.”.

#### **Amendment of regulation 17 of the principal Regulations**

5. At the end of regulation 17(1) of the principal Regulations (powers of an authorised officer) there shall be inserted “or 15A as the case may be”.

#### **New Schedule 5 and 5A to the principal Regulations**

6. For Schedule 5 to the principal Regulations (submission of tokens to Secretary of State for reimbursement) there shall be substituted the Schedules 5 and 5A set out in the Schedule to these Regulations.

#### **Transitional provision**

7.—(1) These Regulations shall apply to all milk tokens the period of validity of which begins on or after the date on which these Regulations come into force.

(2) In relation to a milk token the period of validity of which begins before these Regulations come into force, the principal Regulations shall continue to have effect as if these Regulations had not been made.

Signed by authority of the Secretary of State for Health.

9th October 1990

*Stephen Dorrell*  
Parliamentary Under-Secretary of State,  
Department of Health

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SCHEDULE

Regulation 6

SCHEDULES 5 AND 5A TO THE PRINCIPAL REGULATIONS  
AS SUBSTITUTED BY THESE REGULATIONS

“SCHEDULE 5

Regulations 15 and 15A

SUBMISSION OF TOKENS TO SECRETARY OF STATE FOR REIMBURSEMENT

- 1.—(1) In respect of each claim at a particular approved price the supplier shall—
  - (a) complete a form containing the information specified in paragraph 2 and a declaration that the information supplied is correct and complete;
  - (b) send the form, the declaration and the relevant milk tokens to the Secretary of State.
- (2) The form referred to in sub-paragraph (1)(a) shall be signed by or on behalf of the supplier.
2. The information referred to in paragraph 1(1)(a) is—
  - (1) the name and address of the supplier;
  - (2) the number of milk tokens enclosed for reimbursement;
  - (3) the earliest and latest date shown on each of those milk tokens;
  - (4) the approved price of the milk in either pence per pint or pence per half litre supplied in exchange for each of those milk tokens;
  - (5) in relation to any of those tokens the period of validity of which begins before 4th November 1990—
    - (a) the number of those tokens;
    - (b) the amount of the payment claimed in respect of each token, calculated in accordance with the relevant provisions of these Regulations as they applied immediately before 4th November 1990.

SCHEDULE 5A

Regulation 15A

MILK SUPPLIED AGAINST TOKENS—ARRANGEMENTS  
FOR SPECIAL REIMBURSEMENT OF SUPPLIERS

PART I

APPLICATION TO SECRETARY OF STATE  
FOR APPROVAL—DETAILS TO BE SUPPLIED

- 1.—(1) In respect of an application under regulation 15A(1) the supplier shall—
  - (a) complete a form containing the information specified in paragraph 2 and a declaration that the information supplied is correct and complete;
  - (b) send the form and the declaration to the Secretary of State.
- (2) The form referred to in sub-paragraph (1)(a) shall be signed by or on behalf of the supplier and the information contained therein shall be certified as correct by a duly qualified accountant.
2. The information referred to in paragraph 1(1)(a) is—

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- (1) the name and address of the supplier;
- (2) the dates on which the reference period begins and ends;
- (3) the supplier’s welfare milk supply during that reference period;
- (4) the supplier’s total retail milk supply during that reference period;
- (5) a description of the supplier’s business by reference to whether it is–
  - (a) wholesale and retail or retail only; and
  - (b) doorstep delivery or from premises.

## PART II

### CALCULATION OF PERCENTAGE BY WHICH APPROVED PRICE SHALL BE REDUCED

**3.** The percentage by which the approved price shall be reduced under regulation 15A(5) is determined by–

- (1) ascertaining x, where x is the supplier’s welfare milk supply during the reference period expressed as a percentage of his total retail milk supply during that reference period;
- (2) determining the discount band specified in column 1 of the Table below by reference to the paragraph of column 2 into which x falls;
- (3) for the band determined under sub-paragraph (2) and each of the preceding bands specified in column 1 of the said Table, multiplying the relevant part of x in column 3 by the corresponding figure in column 4; and
- (4) dividing the sum of the figures calculated under sub-paragraph (3) by x.

**Table**

Discount Band	1 Welfare milk during reference period as a percentage of total retail milk supply (x)	2 Relevant part of x	3 Percentage by which approved price reduced	4
1	up to and including 7.5 per cent.	the first 7.5 per cent.	9	
2	more than 7.5 per cent. but not more than 8.5 per cent.	the next 1 per cent. or if less than 1 per cent. that part thereof	8	
3	more than 8.5 per cent. but not more than 9.5 per cent.	the next 1 per cent. or if less than 1 per cent. that part thereof	6	
4	more than 9.5 per cent. but not more than 10.5 per cent.	the next 1 per cent. or if less than 1	5	

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Discount Band	1 Welfare milk during reference period as a percentage of total retail milk supply (x)	2 Relevant part of x	3 Percentage by which approved price reduced	4
		per cent. that part thereof		
5	more than 10.5 per cent. but not more than 11.5 per cent.	the next 1 per cent. if less than 1 per cent. that part thereof	3	
6	more than 11.5 per cent.	nil	nil	

**4.** In this Schedule “reference period” means—

- (1) where approval is sought or given under regulation 15A(3)(a), the period of 52 consecutive weeks;
- (2) where approval is sought or given under regulation 15A(3)(b), the period of 13 or more consecutive weeks during which the supplier has carried on a retail trade in milk.”

**EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Welfare Food Regulations 1988 (the principal Regulations). Regulation 2 amends the definition of “approved price” so as to relate it to the price the supplier charges any of his retail customers; deletes the definitions of “metropolitan police district”, “processor” and “standard reimbursement price”; amends the definition of “milk” to omit the reference to “processor” and the definition of “supplier” to restrict it to a person who supplies milk under the principal Regulations and inserts definitions of “total retail milk supply” and “welfare milk supply”. Regulation 3 removes the provision enabling persons involved in the supply of milk against milk tokens to obtain reimbursement from those from whom they obtained the milk to which the Regulations apply and amends the amount of standard reimbursement which may be claimed to the approved price less 9 per cent. Regulation 4 introduces a provision whereby suppliers of milk against milk tokens may apply to the Secretary of State for approval to participate in arrangements for special reimbursement i.e. at the approved price less a percentage (based on the supplier’s previous welfare milk supply in relation to his total retail milk supply) which will apply to tokens submitted for reimbursement within a period of one year following the date of the application for approval.

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Regulation 5 makes a consequential amendment to regulation 17 of the principal Regulations (powers of an authorised officer) to reflect the addition of regulation 15A to the principal Regulations.

Regulation 6 replaces Schedule 5 to the principal Regulations (incidental obligations on suppliers claiming reimbursement) as a consequence of the other amendments made by these Regulations and inserts a Schedule 5A into the principal Regulations. The new Schedule 5A sets out the manner in which an application for the special rates of reimbursement is to be made and how the percentage reduction of the approved price will be determined in cases where an approval has been given.

Regulation 7 contains a transitional provision in relation to milk tokens the period of validity of which begins before these Regulations come into force.