SCHEDULE 4

Regulation 10

Holdings situated partly outside England

Agency arrangements

1. The Secretary of State may arrange for any of her functions under these Regulations in relation to any claim in respect of a holding situated partly in Scotland to be exercised on her behalf by the Scottish Ministers, and may agree to exercise any corresponding functions on behalf of the Scottish Ministers.

2. Any such arrangement shall be in writing and be signed by or on behalf of the Secretary of State and the Scottish Ministers and any such arrangement may be subject to such conditions (including conditions as to the costs and charge for costs) as may be agreed from time to time.

Set-off

3. In relation to a holding situated partly outside England, the amount of any sum payable by the Secretary of State by way of hill farm allowance, whether as principal or on behalf of any other competent authority, may, without prejudice to the amount of any sum payable by the Secretary of State to any other competent authority, be set off against the amount of any sum recoverable by the Secretary of State, whether as principal or on behalf of such competent authority.

Apportionment of livestock units

4. Where any holding in respect of which a claim has been made is situated partly outside England, the number of livestock units grazed on that part of the holding which is situated in England shall be calculated as follows—

 $\mathbf{N} = \mathbf{T}\mathbf{L}\mathbf{U} \times \mathbf{X} \div \mathbf{Y}$

where----

"X" is the claimed forage area in hectares of that part of the holding which is situated in England;

"Y" is the total claimed forage area in hectares of that holding;

"TLU" is the total number of livestock units grazed on that holding; and

"N" is the number of livestock units grazed on that part of the holding situated in England.

Apportionment of individual reference quantity of milk

5. Where any holding in respect of which a claim has been made is situated partly outside England, the individual reference quantity of milk which shall be treated as available to a claimant in relation to his land in England shall be calculated as follows—

 $IRQ = TIRQ \times X \div Y$

where---

"X" is the claimed forage area in hectares of that part of the holding which is situated in England;

"Y" is the total claimed forage area in hectares of that holding;

"TIRQ" is the total individual reference quantity of milk available to the claimant in respect of that holding; and

"IRQ" is the individual reference quantity of milk which is treated as available in respect of that part of the holding which is situated in England.