

SCHEDULE 3

Regulation 8

Deductions from Relevant Forage Area

1. If, on 31st March 2005, a claimant had available to him an individual reference quantity of milk, the relevant forage area shall, subject to paragraph 5 of Schedule 4, be subject to the deductions specified in paragraph 4 of this Schedule.

2. The deductions shall be calculated by reference to the number of livestock units deemed to constitute the dairy herd kept by the claimant on land in England (“the notional dairy herd”), determined in accordance with paragraph 3.

3. The notional dairy herd shall be calculated as follows—

$$\text{TLU} = \text{IRQ} \div 5730$$

where—

“IRQ” is the individual reference quantity of milk (expressed in litres) available to the claimant in relation to his land in England;

“TLU” is the number of livestock units in the notional dairy herd; and

“5730” is the number of litres of milk deemed to be equivalent to the annual production of one dairy cow.

4. The deductions to relevant forage area shall be made as follows—

(a) X hectares shall be deducted from A, where X is equal to the lesser of—

(i) $\text{TLU} \div 1.8$; and

(ii) A;

(b) if TLU is greater than $1.8X$, Y hectares shall be deducted from B, where Y is equal to the lesser of—

(i) $(\text{TLU} - 1.8X) \div 1.4$; and

(ii) B;

(c) if TLU is greater than $1.8X + 1.4Y$, Z hectares shall be deducted from C, where Z is equal to the lesser of—

(i) $\text{TLU} - (1.8X + 1.4Y)$; and

(ii) C;

where—

“A” is the number of hectares of relevant forage area not within a less favoured area;

“B” is the number of hectares of relevant forage area which is disadvantaged land or severely disadvantaged land, in each case other than moorland or common land;

“C” is the number of hectares of relevant forage area which is moorland or common land; and

“TLU” is the total number of livestock units in the notional dairy herd.