

## SCHEDULE 7

Regulation 18

### AGENCY ARRANGEMENTS AND CROSS BORDER HOLDINGS

#### *Agency arrangements*

1. The Scottish Ministers may, with the agreement of any competent authority, arrange for any of their functions under these Regulations in relation to any claim to be exercised on their behalf by that competent authority.

2. The Scottish Ministers may also agree to exercise functions on behalf of another competent authority corresponding to those which are exercisable by the Scottish Ministers under these Regulations.

3. Any such arrangement shall be in writing and be signed by or on behalf of the Scottish Ministers and the competent authority 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*

4. Without prejudice to the amount of any sum payable by the Scottish Ministers to any other competent authority, the amount of any sum payable by the Scottish Ministers, whether as principal or agent, by way of a specified payment may be set off against the amount of any sum recoverable by the Scottish Ministers, whether as principal or agent.

#### *Calculation of payments in respect of cross border holdings*

5. Where any holding in respect of which a claim has been made is a cross border holding, the Scottish Ministers may pay, on such occasions as they consider fit, in respect of the Scheme Year in question to an applicant less favoured area support for actively farming eligible land, providing the applicant has declared the eligible land in a single application which has been treated as a valid application by the competent authority concerned.

6. Whether the active farming undertaken on the eligible land is an integral part of the management of the whole holding or independently managed, the Scottish Ministers will only pay less favoured area support in respect of the active farming actually undertaken on eligible land defined as a less favoured area for the purposes of these Regulations.

7. For cross border holdings where the applicant has submitted a declaration of eligible land to another competent authority, the Scottish Ministers will apply the standard rate of payment.

8. Applicants in respect of cross border holdings are required to supply such information as authorised persons may reasonably require to assess the active farming actually undertaken on eligible land defined as a less favoured area for the purposes of these Regulations.

9. All conditions applying to applicants in respect of holdings lying wholly within the less favoured areas apply equally to applicants in respect of cross border holdings.