2001 No. 3853

ANIMALS, ENGLAND

Fur Farming (Compensation Scheme) (England) Order 2001

Made - - - - -	*3rd December 2001*
Laid before Parliament	*3rd December 2001*
Coming into force - -	*1st January 2002*

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The Minister of Agriculture, Fisheries and Food, in exercise of the powers conferred upon her by section 5 of the Fur Farming (Prohibition) Act 2000(**a**), and having consulted with such persons as appear to her to be likely to be entitled to payments under the following scheme and such organisations as appear to her to represent such persons, makes the following Order:

Title, commencement and extent

1. This Order, which shall extend to England only, may be cited as the Fur Farming (Compensation Scheme) (England) Order 2001 and shall come into force on 1st January 2002.

Interpretation

2.—(1) In this Order—

"the Act" means the Fur Farming (Prohibition) Act 2000;

"agricultural occupancy condition" means a condition either imposed or having effect under section 70 of the Town and Country Planning Act 1990(**b**) by virtue of which the occupation of a dwelling is limited to a category of persons which includes persons solely or mainly working in the locality for the purposes of agriculture;

"applicant" means a person claiming to be entitled to compensation in accordance with this Order and making a first-stage application;

"asbestos" means amosite, crocidolite, chrysotile, fibrous actinolite, fibrous anthophyllite, fibrous tremolite and any mixture containing one or more of those minerals;

"associate" means any of the following—

(a) in relation to a natural person—

(i) that person's spouse or any of that person's relatives;

(ii) any person with whom that person, that person's spouse or any of that person's relatives is in partnership; or

(iii) any body corporate of which that person, that person's spouse or any of that person's relatives is a director or controller;

(b) in relation to a body corporate—

(i) any of its directors or controllers;

(ii) any subsidiary of the body corporate;

(iii) any of the directors or controllers of such a subsidiary;

(iv) if the body corporate is itself a subsidiary, any other subsidiary of the holding company they have in common;

(v) any director or controller of any such other subsidiary; or

(vi) any person with whom that body corporate is in partnership; or

(c) in relation to any person, the spouse or any of the relatives of any of the natural persons identified as associates elsewhere in this definition;

and for the purposes of this definition—

"acting in concert" means acting in accordance with an agreement or arrangement with respect to either—

(a) the acquisition, holding or disposal of shares or other interests in a body corporate; or

(b) the exercise of voting power in a body corporate;

"controller" means (in relation to a body corporate) any person—

(a) in accordance with whose directions or instructions the directors of that body corporate or of any other body corporate which is its controller are accustomed to act; or

(b) who (either alone or with any associate or with any person with whom he is acting in concert) is entitled to exercise or control the exercise of at least one-third of the voting power at any general meeting of that body corporate or of any other body corporate which is its controller;

(**a**) 2000 c. 33. See section 6 for the definition of "appropriate authority".

(**b**) 1990 c. 8. See also section 2(2) of the Planning (Consequential Provisions) Act 1990 (c. 11).

"director" means—

(a) in relation to a body corporate whose affairs are managed by a board of directors or similar body, a member of that board or body;

(b) in relation to a body corporate whose affairs are managed by a single director or similar person, that director or person; or

(c) in relation to a body corporate whose affairs are managed by the members themselves, a member of the body corporate;

"holding company" means a holding company within the meaning of section 736(1) of the Companies Act 1985(**a**);

"relative" means parent (or step-parent), child (or step-child), brother, sister, uncle, aunt, nephew, niece, grandparent or grandchild; and

"subsidiary" means a subsidiary within the meaning of section 736(1) of the Companies Act 1985;

"Bank of England base rate" means the rate announced from time to time by the Monetary Policy Committee of the Bank of England(**b**) as the official dealing rate, being the rate at which the Bank of England is willing to enter into transactions for providing short term liquidity in the money markets;

"breeding female" means a female mink kept solely or primarily for either or both of the following purposes—

(a) breeding progeny for slaughter for the value of their fur; or

(b) breeding progeny for sale for such slaughter;

"determination as to amount" means a determination made by the Minister under article 8 as to the amount of compensation payable to an entitled applicant;

"determination of entitlement" means a determination made by the Minister under article 5 that an applicant is entitled to compensation under this Order;

"discounted replacement cost" means (in relation to an item of equipment) the reasonable cost of replacing that item less a reasonable allowance in respect of depreciation which—

(a) takes into account both—

(i) the age, condition and expected useful life of the item; and

(ii) any other factors that are relevant; and

(b) is arrived at in accordance with UK GAAP;

"entitled applicant" means an entitled person making a second-stage application;

"entitled person" means a person in respect of whom a determination of entitlement has been made;

"equipment" includes—

(a) equipment which is attached to any land or building (as well as equipment which is not);

(b) specialised buildings; and

(c) security installations;

"first-stage application" means an application made in accordance with article 4 and Schedule 2 for a determination of entitlement;

"the Minister" means the Minister of Agriculture, Fisheries and Food;

"mink" means an animal of the species *Mustela vison*;

"non-qualifying business" means a business carried on (or formerly carried on) so far as it consists (or consisted) of activities other than keeping mink for one or more of the relevant purposes;

"professional fees" means any fees paid by an applicant or an entitled applicant to an accountant or to a surveyor or valuer (or both) in respect of the work carried out by them in preparing a first-stage application or a second-stage application (or both);

"qualifying business" means a business carried on (or formerly carried on) so far as it consists (or consisted) of keeping mink for one or more of the relevant purposes;

"reference date" means (in relation to a qualifying business) the date on which the last complete accounting period prior to the cessation of the qualifying business ended; and

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(**a**) 1985 c. 6.

(**b**) The Monetary Policy Committee of the Bank of England was constituted on a statutory basis by section 13 of the Bank of England Act 1998 (c. 11).

"reference period" means (in relation to a qualifying business) the period of five years ending on the reference date for that qualifying business.

"relevant planning gain" means any increase in the value of a restricted property which—

(a) results from the removal of the agricultural occupancy condition from that property following the cessation of a qualifying business; and

(b) is realised on the sale of the property within three years of the date on which the entitled person ceased to carry on his qualifying business;

"relevant purposes" means (in relation to the keeping of mink) the following purposes—

(a) slaughter (whether by the keeper of the mink or by any other person) solely or primarily for the value of their fur;

(b) sale for such slaughter;

(c) breeding progeny for such slaughter; and

(d) breeding progeny for sale for such slaughter;

"restricted property" means any property—

(a) in which an entitled person (or any associate of that entitled person) had a freehold or leasehold interest at any time between 23rd November 2000 and the date on which the entitled person ceased to carry on his qualifying business; and

(b) which was subject to an agricultural occupancy condition at any time during that period.

"second-stage application" means an application made in accordance with article 7 and Schedule 4 for a determination as to amount;

"security installation" means any device, fence or structure installed or erected in order to retain mink within an area or to exclude any trespassers from entering an area in which mink are kept or housed;

"specialised building" means any building or structure which—

(a) has been used solely or primarily in a qualifying business; and

(b) cannot reasonably be used for any other purpose; and

"UK GAAP" means generally accepted accounting practice in the United Kingdom.

(2) In this Order—

(a) any reference to a numbered article is a reference to the article so numbered in this Order;

(b) any reference to a numbered Schedule is a reference to the Schedule to this Order so numbered in this Order; and

(c) any reference in an article or a Schedule to a numbered paragraph is a reference to the paragraph so numbered in the article or Schedule in which the reference is made.

Compensation

3. The Minister shall pay compensation in accordance with the remaining provisions of this Order to any person who satisfies her that—

(a) on 2nd March 1999, he—

(i) was carrying on a qualifying business, and

(ii) held a licence to keep mink in accordance with the Mink Keeping Order 1997(**a**);

(b) either—

(i) on the date on which this Order comes into force, he had ceased, by reason of the enactment or coming into force of section 1 of the Act, to carry on his qualifying business; or

(ii) not later than 31st December 2002, he has ceased to do so; and

(c) as a result, he has incurred any income losses or non-income losses (or both) of the kind specified in Schedule 1.

First-stage application

4.—(1) Schedule 2 shall apply in relation to first-stage applications and determinations of entitlement.

(**a**) S.I. 1997/3002.

(2) No person may make a first-stage application—

(a) while he continues to keep mink for one or more of the relevant purposes;

(b) subject to article 11, more than three months after the later of—

(i) the date on which this Order comes into force; or

(ii) the date on which he ceased to keep mink for any of the relevant purposes; or

(c) subject to article 12, if he has made a first-stage application on a previous occasion.

Determination of entitlement

5.—(1) The Minister shall make a determination of entitlement in respect of any applicant where, on the basis of the information provided in that applicant's first-stage application and any other relevant information available to her, it appears to her that he fulfils the requirements set out in article 3.

(2) The Minister shall also make a determination of entitlement in respect of an applicant if either—

(a) an arbitrator finds in favour of the applicant following a reference by agreement in accordance with section 5(5) of the Act; or

(b) the Lands Tribunal finds in favour of the applicant following a reference in accordance with section 5(6) of the Act.

(3) The Minister may revoke a determination of entitlement at any time within six years of the date on which it was originally made if—

(a) either—

(i) she believes that any information supplied to her in support of a first-stage application was inaccurate in any material respect, or

(ii) new information, which is relevant and material to a first-stage application, becomes available to her; and

(b) she is satisfied that the person in respect of whom the determination of entitlement was made does not fulfil the requirements set out in article 3.

(4) Where the Minister either—

(a) does not make a declaration of entitlement in respect of an applicant, or

(b) revokes a determination of entitlement in respect of any person,

she may, if she is satisfied that the person fulfils the requirements set out in paragraphs (a) and (b) of article 3, make a payment to that person in respect of any reasonable professional fees paid by him.

Interim payment

6. The Minister shall, within six weeks of making a determination of entitlement, pay to the entitled person in respect of whom it was made the following amounts—

(a) an interim payment calculated in accordance with the provisions of Schedule 3; and

(b) interest on that amount at 1 per cent per annum over the Bank of England base rate from the date on which that entitled person's first-stage application was received by the Minister until the date on which the payment is made by the Minister.

Second-stage application

7.—(1) Schedule 4 shall apply in relation to second-stage applications and determinations as to amount.

(2) No person may make a second-stage application—

(a) unless he is an entitled person;

(b) subject to article 11, more than six months after the date on which the Minister notified him that she had made a determination of entitlement in respect of him; or

(c) subject to article 12, if he has made a second-stage application on a previous occasion.

Determination as to amount

8.—(1) The Minister shall make a determination as to amount in respect of an entitled applicant specifying the amount which, on the basis of the information provided in that entitled applicant's second-stage application and any other relevant information available to her, she considers is due to that entitled applicant in accordance with the provisions of Schedule 5.

(2) The Minister may revise a determination as to amount either—

(a) in accordance with paragraph 8(1)(a) of Schedule 4;

(b) following an arbitration in accordance with section 5(5) of the Act; or

(c) following a reference to the Lands Tribunal in accordance with section 5(6) of the Act.

(3) The Minister shall revise a determination as to amount in accordance with paragraph (2) above to the extent (if any) that either—

(a) an arbitrator finds in favour of the applicant following a reference by agreement in accordance with section 5(5) of the Act; or

(b) the Lands Tribunal finds in favour of the applicant following a reference in accordance with section 5(6) of the Act.

(4) The Minister may also revise a determination as to amount at any time within six years of the date on which it was originally made if—

(a) either—

(i) she believes that any information supplied to her in support of a second-stage application was inaccurate in any material respect, or

(ii) new information (including information relating to a change in circumstances), which is relevant and material to a second-stage application, becomes available to her; and

(b) she is satisfied that the amount payable to the person in respect of whom the determination as to amount was made is different from the amount specified in the determination as to amount.

(5) Where there has been a change of circumstances which is relevant and material to a second-stage application, the Minister may revise a determination as to amount under paragraph (4) above, irrespective of whether or not—

(a) the information provided in the second-stage application was correct at the time when it was submitted to her, or

(b) the amount specified in the original determination as to amount was correctly calculated on the basis of the information provided in the second-stage application and any other relevant information available to her at the time.

(6) Where the Minister revises a determination as to amount in accordance with this article, she shall notify the person in respect of whom the determination as to amount was made that she has done so and paragraphs 6 to 12 of Schedule 4 shall apply.

(7) Where—

(a) a person in respect of whom a determination as to amount has been made subsequently realises a relevant planning gain on the sale of a restricted property, and

(b) the amount to be deducted in accordance with Part IX of Schedule 5 from the compensation otherwise payable to that entitled applicant is equal to or exceeds the amount payable in accordance with Parts III to VIII of Schedule 5,

the Minister shall specify in her revised determination as to amount that the amount of compensation payable to that person is zero.

(8) A determination as to amount made in respect of any person whose determination of entitlement is revoked in accordance with article 5(4) shall automatically be revoked.

Payment of compensation

9.—(1) The Minister shall, within six weeks of the date on which she receives written notification under paragraph 6(1) of Schedule 4 or paragraph 9(1) of Schedule 4 (as the case may be) that a determination as to amount has been accepted, pay to the person in respect of whom it was made the following amounts—

(a) the amount specified in the determination as to amount; and

(b) subject to paragraph (3), (4) and (5) below, interest on that amount at 1 per cent per annum over the Bank of England base rate for the period from the date on which that person's first-stage application was received by the Minister until the date on which the payment is made by the Minister.

(2) If, after nine months has elapsed from the date on which the Minister first notifies an entitled applicant in accordance with paragraph 3(b) of Schedule 4 or paragraph 5 of Schedule 4 (as the case may be) of her determination as to amount, the Minister has not received written notification under paragraph 6(1) of Schedule 4 or paragraph 9(1) of Schedule 4 (as the case may be) from that entitled applicant as to whether or not he accepts the determination as to amount, the Minister may pay to the entitled applicant—

(a) the amount specified in the determination as to amount; and

(b) subject to paragraphs (3) and (4) below, interest on that amount at 1 per cent per annum over the Bank of England base rate for the period from the date on which that person's first-stage application was received by the Minister until, as the case may be—

(i) the date three months after the date on which the Minister made a determination as to amount in respect of that entitled applicant in accordance with paragraph 3(b) of Schedule 4;

(ii) the date three months after the date on which the Minister made a determination as to amount in respect of that entitled applicant in accordance with paragraph 5 of Schedule 4;

(iii) the date one month after the date on which the Minister made a revised determination as to amount in respect of that entitled applicant in accordance with paragraph 8(1)(a) of Schedule 4; or

(iv) the date one month after the date on which the Minister confirmed her original determination as to amount in accordance with paragraph 8(1)(b) of Schedule 4.

(3) Interest shall not be payable in accordance with paragraphs (1)(b) or (2)(b) above on any amount payable in accordance with Parts IV, VI, VII or VIII of Schedule 5 for any period prior to the date on which the payment, judgment, arbitral award or settlement to which the amount relates was made.

(4) Interest shall not be payable in accordance with paragraphs (1)(b) or (2)(b) above in respect of any period from the date two months after the date on which the Minister notified the person to whom interest is payable that she had made a determination of entitlement in respect of that person until the date on which that person's second-stage application was received by the Minister.

(5) If a person to whom interest is payable in accordance with paragraph (1)(b) above did not notify the Minister as to whether or not he had accepted the determination as to amount within the time limit provided for in paragraph 6(1) of Schedule 4 or paragraph 9(1) of Schedule 4 (as the case may be), interest shall not be payable in accordance with paragraph (1)(b) above in respect of any period from the date on which that time limit expired until the date on which he notified the Minister in accordance with paragraph 6(1) of Schedule 4 or paragraph 9(1) of Schedule 4 (as the case may be) that he had accepted the determination as to amount made in respect of him.

Recovery of any overpayment

10.—(1) Where a determination of entitlement is revoked by the Minister in accordance with article 5(3), the following amounts shall immediately become payable to the Minister by the person in respect of whom the determination of entitlement had been made—

(a) any amount paid to that person by the Minister under article 6;

(b) any amount paid to that person by the Minister under article 9; and

(c) interest on those amounts at 1 per cent per annum over the Bank of England base rate from the date of payment until the date of repayment.

(2) Where a determination as to amount is revised by the Minister in accordance with article 8(4) and the amount specified in the revised determination as to amount ("the revised amount") is less than the the amount specified in the original determination as to amount ("the original amount"), the following amounts shall immediately become payable to the Minister by the person in respect of whom the determination as to amount had been made—

(a) the difference between the original amount and the revised amount; and

(b) subject to paragraph (3) below, interest on that amount at 1 per cent per annum over the Bank of England base rate from the date of the original payment until the date of repayment.

(3) To the extent (if any) that the difference referred to in paragraph (2)(a) above results from a relevant planning gain realised on the sale of a restricted property after the date of the original payment, interest shall not be payable on that difference for any period prior to the date on which the relevant planning gain was realised.

(4) Subject to paragraph (5) below, any amount payable to the Minister in accordance with paragraph (1) or (2) above shall be recoverable as a civil debt.

(5) The Minister shall not take any steps to enforce payment of any amount payable to her under this article until the procedures set out in Schedule 2 or Schedule 4 (as the case may be) have been exhausted.

Power to extend time limits

11.—(1) The Minister may, if she thinks fit in a particular case, extend any of the time limits provided for in the following provisions of this Order—

(a) article 4(2)(b);

(b) article 7(2)(b);

(c) articles 9(4) and 9(5);

(d) paragraphs 4, 6(1), 6(2) and 8 of Schedule 2; and

(e) paragraphs 4, 6(1), 6(2), 7(1), 7(2), 9(1), 9(2), 10(1) and 10(2) of Schedule 4.

(2) The Minister may extend a time limit in accordance with paragraph (1) above even if it has already expired.

Power to permit further applications

12. Notwithstanding articles 4(2)(c) and 7(2)(c), the Minister may, if she thinks fit in a particular case, permit a person who has already made a first-stage application or a second-stage application to make a further first-stage application or second-stage application (as the case may be).

Elliot Morley
Parliamentary Under-Secretary of State,
3rd December 2001 Department for Environment, Food and Rural Affairs

SCHEDULE 1

INCOME LOSSES AND NON-INCOME LOSSES

Income losses

1. The income losses for which compensation shall be payable in accordance with the remaining provisions of this Order shall be net trading profits lost as a result of ceasing, by reason of the enactment or coming into force of section 1 of the Act, to carry on a qualifying business.

Non-income losses

2. Subject to paragraph 3 below, the non-income losses for which compensation shall be payable in accordance with the remaining provisions of this Order shall be the following—

(a) the residual breeding value of any breeding females;

(b) any statutory redundancy payments paid to employees formerly engaged solely or primarily in a qualifying business;

(c) any loss sustained on the sale or disposal of equipment used solely or primarily in a qualifying business where the proceeds of the sale or disposal are less than the discounted replacement cost of the equipment;

(d) the cost of removing and disposing of asbestos from any specialised building; and

(e) any contractual liability to a third party sustained as a result of having ceased to carry on a qualifying business.

3. Non-income losses shall be excluded for the purposes of paragraph 2 above to the extent that—

(a) they were sustained or incurred otherwise than as a result of ceasing, by reason of the enactment or coming into force of section 1 of the Act, to carry on a qualifying business;

(b) they were not reasonably sustained or incurred; or

(c) they are recoverable from any other source.

SCHEDULE 2

FIRST-STAGE APPLICATION AND DETERMINATION OF ENTITLEMENT: PROCEDURE

Interpretation

1. In this Schedule, "signed statement" means a statement which is either—

(a) signed by the applicant; or

(b) signed on the applicant's behalf by a person with authority to bind the applicant.

Requirements for a first-stage application

2.—(1) A first-stage application shall be made in writing and shall contain the following information—

(a) in the case of a sole trader, that person's name and home address;

(b) in the case of a partnership, the names and home addresses of the partners;

(c) in the case of a body corporate—

(i) the body corporate's registered name, place of registration, registered address and any registration number;

(ii) the names and addresses of the directors and any controllers of the body corporate;

(d) the address of the applicant's principal place of business and, if different, any address at which he kept mink for one or more of the relevant purposes within the last five years;

(e) the address to which any correspondence relating to the first-stage application should be sent;

(f) any trading name used by the applicant within the last five years;

(g) the date on which the applicant ceased to keep mink for any of the relevant purposes;

(h) the reason for the applicant ceasing to carry on his qualifying business;

(i) the number of breeding females kept by the applicant on 28th February 2001 or, if the entitled person's premises were visited on behalf of the Minister by the Brown Rural Partnership on any other date in February 2001, on the date of that visit; and

(j) any other information that the applicant considers to be relevant and material to his first-stage application.

(2) A first-stage application shall be accompanied by a signed statement that—

(a) the applicant fulfils the requirements set out in article 3;

(b) the information contained in the first-stage application is true to the best of the applicant's knowledge and belief;

(c) the applicant consents to the Minister making such inquiries as she thinks fit in connection with the applicant's first-stage application, including (without limitation)—

(i) inspection of the applicant's business premises and records; and

(ii) obtaining information from the Inland Revenue, Customs and Excise and any local authority; and

(d) the applicant undertakes to inform the Minister within one month of any new information (including any change of circumstances) coming to his knowledge, if—

(i) it is relevant and material to his first-stage application; and

(ii) it comes to his knowledge within six years of the date on which the first-stage application is made.

Initial decision by Minister

3. The Minsiter shall, within three months of the date on which she receives a first-stage application either—

(a) make a written request to the applicant requiring him to provide additional information in support of his first-stage application, specifying—

(i) the nature of the information requested; and

(ii) her reasons for making the request;

(b) make a determination of entitlement in respect of the applicant and notify the applicant in writing that she has done so; or

(c) notify the applicant in writing that his first-stage application has been unsuccessful, specifying the reasons why she considers that the applicant does not fulfil the requirements set out in article 3.

Request for further information

4. If the Minister makes a written request for further information in accordance with paragraph 3(a) above, the applicant shall, within three months from the date on which the request is made, provide—

(a) the further information requested; and

(b) a signed statement that the further information provided is true to the best of the applicant's knowledge and belief.

5. The Minister shall, within three months of the date on which either she receives the information requested in accordance with paragraph 3(a) above or the date on which the period referred to in paragraph 4 above expires (as the case may be), either—

(a) make a determination of entitlement in respect of the applicant and notify the applicant in writing that she has done so; or

(b) notify the applicant in writing that his first-stage application has been unsuccessful, specifying the reasons why she considers that the applicant does not fulfil the requirements set out in article 3.

Reconsideration of initial decision

6.—(1) If the Minister does not make a determination of entitlement in respect of an applicant and notifies him in accordance with paragraph 3(c) above or paragraph 5(b) above (as the case may be) that his application has been unsuccessful, the applicant may, within three months of the date on which the Minister so notifies him, request the Minister to reconsider her decision.

(2) If the Minister revokes a determination of entitlement and notifies the person in respect of whom the determination of entitlement had been made in accordance with article 5(3) that she has done so, the applicant may, within three months of the date on which the Minister so notifies him, request the Minister to reconsider her decision.

(3) A request for reconsideration made in accordance with sub-paragraph (1) or sub-paragraph (2) above—

(a) shall be made in writing;

(b) shall specify the grounds upon which the applicant wishes the Minister to reconsider her decision;

(c) may be supported by any additional information which is relevant and material to the request for reconsideration; and

(d) shall be accompanied by a signed statement that any information contained in or supporting the request for reconsideration is true to the best of the applicant's knowledge and belief.

7. The Minister shall, within three months of the date on which she receives a request for reconsideration made in accordance with paragraph 6(1) or paragraph 6(2) above (as the case may be), either—

(a) make a determination of entitlement in respect of the applicant and notify the applicant that she has done so; or

(b) notify the applicant in writing that his request for reconsideration has been unsuccessful, specifying the reasons why she considers that the applicant does not fulfil the requirement set out in article 3.

Dispute resolution

8. If the Minister—

(a) notifies a person in respect of whom a declaration of entitlement had been made in accordance with article 5(3) above that she has revoked the declaration of entitlement,

(b) notifies an applicant in accordance with paragraph 3(b) above that his first-stage application has been unsuccessful,

(c) notifies an applicant in accordance with paragraph 5(b) above that his first-stage application has been unsuccessful, or

(d) notifies an applicant in accordance with paragraph 7(b) above that his request for reconsideration has been unsuccessful,

the person in respect of whom the declaration of entitlement had been made or the applicant (as the case may be) may, within one month of the date on which the Minister so notifies him, give notice to the Minister in writing that there is a dispute to be resolved between them regarding his entitlement to compensation under this Order.

9. If a person in respect of whom a declaration of entitlement has been made and subsequently revoked or an applicant (as the case may be) gives notice in accordance with paragraph 8 above, he and the Minister may agree in accordance with section 5(5) of the Act to refer the dispute to arbitration, conducted in such manner as may be agreed between them.

10.—(1) If—

(a) either—

(i) agreement to refer to arbitration any dispute between the Minister and an applicant is not reached within nine months from the date on which the Minister first notified the applicant in accordance with paragraph 3(b) above or paragraph 5(b) above (as the case may be) that his first-stage application had been unsuccessful,

(ii) agreement to refer to arbitration any dispute between the Minister and a person in respect of whom a determination of entitlement had been made and subsequently revoked is not reached within nine months from the date on which the Minister first notified him in accordance with article 5(3) that the declaration of entitlement had been revoked, and

(b) the dispute has not otherwise been resolved within that period, the Minister shall refer the dispute to the Lands Tribunal in accordance with section 5(6) of the Act.

(2) The Minister may refer a dispute to the Lands Tribunal under sub-paragraph (1) above whether or not notice has been given in accordance with paragraph 8 above.

(3) Any reference to the Lands Tribunal made in accordance with section 5(6) of the Act shall be conducted in accordance with the Lands Tribunal Rules 1996(**a**).

SCHEDULE 3

INTERIM PAYMENT: CALCULATION

The amount of the interim payment due to an entitled person in accordance with article 6 and payable in respect of the non-income losses of the kind referred to in paragraph 2(a) of Schedule 1 shall be the amount produced by the formula (B × £40) ÷ X, where—

B equals the number of breeding females kept by the entitled person on 28th February 2001 or, if the entitled person's premises were visited on behalf of the Minister by the Brown Rural Partnership on any other date in February 2001, the date of that visit; and

X equals, as the case may be—

(a) 1, where the entitled person ceased to keep mink for one or more of the relevant purposes not later than 30th September 2001;

(b) 2, where either—

(**a**) S.I. 1996/1022.

(i) the entitled person ceased to keep mink for one or more of the relevant purposes on or after 1st October 2001 but before the date on which this Order comes into force; or

(ii) he ceases to do so on or after the date on which this Order comes into force but not later than 28th February 2002; or

(c) 6, where the entitled person ceases to keep mink for one or more of the relevant purposes between 1st March 2002 and 31st December 2002, inclusive of both dates.

SCHEDULE 4

SECOND-STAGE APPLICATION AND DETERMINATION AS TO AMOUNT: PROCEDURE

Interpretation

1. In this Schedule, "signed statement" means a statement which is either—

(a) signed by the entitled applicant; or

(b) signed on the entitled applicant's behalf by a person with authority to bind the entitled applicant.

Requirements for a second-stage application

2.—(1) A second-stage application shall be made in writing and shall contain the following information—

(a) the entitled applicant's name and address;

(b) the name and address of the entitled applicant's book-keeper or accountant (if any);

(c) the address to which any correspondence relating to the second-stage application should be sent;

(d) the total amount claimed by the entitled applicant in accordance with Schedule 5;

(e) the amount claimed by that entitled applicant in accordance with each of Parts III to VIII of Schedule 5;

(f) any amount to be deducted in accordance with Part IX of Schedule 5 from the compensation otherwise payable to that entitled applicant;

(g) the net trading profits of the entitled applicant's qualifying business for each of the accounting periods comprising the reference period;

(h) details of any theft or unlawful release of mink, criminal damage or other illegal activity adversely affecting the entitled applicant's net trading profits during that period;

(i) the amounts of any redundancy payments made to employees formerly engaged by the entitled applicant, specifying in relation to each employee to whom redundancy payments were made—

(i) that employee's date of birth and length of service;

(ii) the nature of the work for which he was formerly engaged; and

(iii) the reason why he was made redundant;

(j) an inventory of any equipment for which the entitled applicant is claiming compensation in accordance with Part V of Schedule 5, specifying in relation to each item of equipment—

(i) the original cost of that item;

(ii) its age and expected useful life;

(iii) its current replacement cost;

(iv) its discounted replacement cost;

(v) details of any factors other than the age and expected useful life of the item taken into account when calculating its discounted replacement cost; and

(vi) the amount of any proceeds from the sale or disposal of that item;

(k) details of any work carried out in relation to the removal or disposal (or both) of asbestos from any specialised buildings, together with details of—

(i) any amounts paid by the entitled applicant for that work and the names and addresses of any persons to whom such amounts were paid;

(ii) any such work carried out by the entitled applicant, any of his employees or any of his associates; and

(ii) all estimates (numbering not less than three) obtained by the entitled applicant for the work;

(l) details of any contractual liability sustained by the entitled applicant as a result having ceased to carry on a qualifying business;

(m) details of any professional fees incurred by the entitled applicant;

(n) details of any property which is subject to an agricultural occupancy restriction and in which the entitled applicant (or any associate of the entitled applicant) had an interest at any time between 23rd November 2000 and the date on which the entitled applicant ceased to carry on his qualifying business, together with details of—

(i) any relevant planning gain made in respect of that property prior to the date on which the second-stage application is made; and

(ii) details of any pending application to a local planning authority (as defined in section 1 of the Town and Country Planning Act 1990(**a**)) to have the agricultural occupancy restriction lifted; and

(o) any other information that the entitled applicant considers to be relevant and material to his application.

(2) A second-stage application shall be accompanied by—

(a) copies of the accounts of the entitled applicant's business for each of the accounting periods comprising the reference period; and

(b) copies of any other documentation that evidences the information provided in accordance with sub-paragraph (1) above.

(3) A second-stage application shall also be accompanied by a signed statement that—

(a) the entitled applicant fulfils the requirements set out in article 3;

(b) the information contained in the second-stage application is true to the best of the applicant's knowledge and belief;

(c) the entitled applicant consents to the Minister making such inquiries as she thinks fit in connection with the applicant's second-stage application, including (without limitation)—

(i) inspection of the applicant's business premises and records; and

(ii) obtaining information from the Inland Revenue, Customs and Excise and any local authority; and

(d) the entitled applicant undertakes to inform the Minister within one month of any new information (including any change of circumstances) coming to his knowledge, if—

(i) it is relevant and material to his second-stage application; and

(ii) it comes to his knowledge within six years of the date on which the second-stage application is made.

Initial decision by Minister

3. The Minister shall, within three months of the date on which she receives a second-stage application, either—

(a) make a written request to the applicant requiring him to provide additional information or documentation in support of his second-stage application, specifying—

(i) the nature of the information or documentation requested; and

(ii) her reasons for making the request; or

(b) make a determination as to amount in respect of the entitled applicant and notify him in writing that she has done so, specifying—

(i) the total amount payable to that entitled applicant in accordance with the provisions of Schedule 5;

(ii) the amount payable to that entitled applicant in accordance with each of Parts III to VIII of Schedule 5;

(iii) any amount to be deducted in accordance with Part IX of Schedule 5 from the compensation otherwise payable to that entitled applicant; and

(iv) where the amount payable or to be deducted (as the case may be) in accordance with any Part of Schedule 5 ("the amount determined") differs from the corresponding amount in the entitled applicant's claim ("the amount claimed"), the reasons why she considers that the amount determined should be different from the amount claimed.

Request for further information

4. If the Minister makes a written request for further information in accordance with paragraph 3(a) above, the entitled applicant shall, within three months from the date on which the request is made, provide—

(a) the further information requested; and

(b) a signed statement that the further information provided is true to the best of the entitled applicant's knowledge and belief.

5. The Minister shall, within three months of the date on which she receives the information requested in accordance with paragraph 3(a) above or the date on which the period referred to in paragraph 4 above expires (as the case may be), make a determination as to amount in respect of the entitled applicant and notify him in writing that she has done so, specifying—

(**a**) 1990 c. 8.

(a) the total amount payable to that entitled applicant in accordance with the provisions of Schedule 5;

(b) the amount payable to that entitled applicant in accordance with each of Parts III to VIII of Schedule 5;

(c) any amount to be deducted in accordance with Part IX of Schedule 5 from the compensation otherwise payable to that entitled applicant; and

(d) where the amount payable or to be deducted (as the case may be) in accordance with any Part of Schedule 5 ("the amount determined") differs from the corresponding amount in the entitled applicant's claim ("the amount claimed"), the reasons why she considers that the amount determined should be different from the amount claimed.

Acceptance of determination

6.—(1) An entitled applicant shall, within three months from the date on which the Minister makes a determination as to amount in accordance with paragraph 3(b) above or paragraph 5 above (as the case may be), notify the Minister in writing as to whether or not he accepts that determination.

(2) A person in respect of whom a revised determination as to amount is made in accordance with article 8(4) shall, within one month from the date on which the Minister notifies him of her revised determination as to amount in accordance with article 8(6), notify the Minister in writing as to whether or not he accepts that revised determination.

Reconsideration of initial decision

7. (1) If an entitled applicant does not accept the determination as to amount made in respect of him, he may, within three months of the date on which the Minister notifies him of her determination as to amount, request the Minister to reconsider her decision.

(2) If a person in respect of whom a revised determination as to amount is made in accordance with article 8(4) does not accept that revised determination, he may, within one month of the date on which the Minister notifies him in accordance with article 8(6) of her revised determination as to amount, request the Minister to reconsider her decision.

(3) A request for reconsideration made in accordance with sub-paragraph (1) or sub-paragraph (2) above—

(a) shall be made in writing;

(b) shall specify the grounds upon which the applicant wishes the Minister to reconsider her decision;

(c) may be supported by any additional information which is relevant and material to the applicant's request for reconsideration; and

(d) shall be accompanied by a signed statement that any information contained in or supporting the request for reconsideration is true to the best of the entitled applicant's knowledge and belief.

8.—(1) The Minister shall, within three months of the date on which she receives a request for reconsideration made in accordance with paragraph 7(1) above, either—

(a) make a revised determination as to amount in respect of the entitled applicant and notify him in writing that she has done so, specifying—

(i) the extent to which she has revised the determination as to amount she made in accordance with paragraph 3(b) above or paragraph 5 above (as the case may be); and

(ii) where the revised amount payable or to be deducted (as the case may be) in accordance with any Part of Schedule 5 ("the revised amount determined") differs from the corresponding amount in the entitled applicant's original claim ("the amount claimed"), the reasons why she considers that the revised amount determined should be different from the amount claimed; or

(b) confirm the determination as to amount she made in accordance with paragraph 3(b) above or paragraph 5 above (as the case may be) and notify the applicant in writing that his request for reconsideration has been unsuccessful, specifying the reasons why she has not revised her determination as to amount.

(2) The Minister shall, within three months of the date on which she receives a request for reconsideration made in accordance with paragraph 7(2) above, either—

(a) make a further revised determination as to amount in respect of the person in respect of whom a revised determination as to amount had been made in accordance with article 8(4) and notify him in writing that she had done so, specifying—

(i) the extent to which she has further revised the determination as to amount she revised in accordance with article 8(4); and

(ii) where the further revised amount payable or to be deducted (as the case may be) in

accordance with any Part of Schedule 5 ("the new amount") differs from the corresponding amount in the revised determination as to amount ("the old amount"), the reasons why she considers that the new amount should be different from the old amount; or

(b) confirm her revised determination as to amount made in accordance with article 8(4) and notify the applicant in writing that his request for reconsideration has been unsuccessful, specifying the reasons why she has not further revised her determination as to amount.

Acceptance of determination following reconsideration

9.—(1) An entitled applicant shall, within one month from the date on which the Minister, as the case may be—

(a) notifies him that she has made a revised determination as to amount in accordance with paragraph 8(1)(a) above, or

(b) notifies him that she has confirmed her original determination as to amount in accordance with paragraph 8(1)(b) above,

notify the Minister as to whether or not he accepts that determination or revised determination (as the case may be).

(2) A person in respect of whom a revised determination as to amount had been made shall, within one month from the date on which the Minister, as the case may be—

(a) notifies him that she has further revised her determination as to amount in accordance with paragraph 8(2)(a) above, or

(b) notifies him that she has confirmed her revised determination as to amount in accordance with paragraph 8(2)(b) above,

notify the Minister as to whether or not he accepts that revised determination or further revised determination (as the case may be).

Dispute resolution

10.—(1) If an entitled applicant does not accept a determination as to amount which has been, as the case may be—

(a) made by the Minister in accordance with paragraph 3(b) above,

(b) made by the Minister in accordance with paragraph 5 above,

(c) revised by the Minister in accordance with paragraph 8(1)(a) above, or

(d) confirmed by the Minister in accordance with paragraph 8(1)(b) above,

he may, within one month of the date on which the Minister notifies him of her decision, give notice to the Minister in writing that there is a dispute to be resolved between them regarding the amount of compensation payable to him under this Order.

(2) If a person in respect of whom a revised determination as to amount has been made in accordance with article 8(4) does not accept a revised determination as to amount which has been, as the case may be—

(a) made by the Minister in accordance with article 8(4),

(b) further revised by the Minister in accordance with paragraph 8(2)(a) above,

(c) confirmed by the Minister in accordance with paragraph 8(2)(b) above,

he may, within one month of the date on which the Minister notifies him of her decision, give notice to the Minister in writing that there is a dispute to be resolved between them regarding the amount of compensation payable to him under this Order.

11. If an entitled applicant or a person in respect of whom a revised determination as to amount is made in accordance with article 8(4) gives notice in accordance with paragraph 10(1) or 10(2) above, he and the Minister may agree in accordance with section 5(5) of the Act to refer the dispute to arbitration, conducted in such manner as may be agreed between them.

12.—(1) If—

(a) either—

(i) agreement to refer to arbitration any dispute between the Minister and an entitled applicant is not reached within nine months from the date on which the Minister first notified the entitled applicant in accordance with paragraph 3(b) above or paragraph 5 above (as the case may be) of her determination as to amount, or

(ii) agreement to refer to arbitration any dispute between the Minister and a person in respect of whom a revised determination as to amount is made in accordance with article 8(4) is not reached within nine months from the date on which the Minister first notified him in accordance with article 8(6) that she had revised the determination as to amount, and

(b) the dispute has not otherwise been resolved within that period,

the Minister shall refer the dispute to the Lands Tribunal in accordance with section 5(6) of the Act.

(2) The Minister may refer a dispute to the Lands Tribunal under sub-paragraph (1) above whether or not notice has been given in accordance with paragraph 10(1) or 10(2) above.

(3) Any reference to the Lands Tribunal made in accordance with section 5(6) of the Act shall be conducted in accordance with the Lands Tribunal Rules 1996(**a**).

SCHEDULE 5

FINAL PAYMENT: CALCULATION

PART I—INTERPRETATION

Interpretation

1. In this Schedule—

"qualifying breeding value" means non-income losses of the kind referred to in paragraph 2(a) of Schedule 1;

"qualifying clearance costs" means non-income losses of the kind referred to in paragraph 2(d) of Schedule 1;

"qualifying contractual liability" means non-income losses of the kind referred to in paragraph 2(e) of Schedule 1;

"qualifying equipment losses" means non-income losses of the kind referred to in paragraph 2(c) of Schedule 1;

"qualifying income losses" means income losses of the kind referred to in paragraph 1 of Schedule 1; and

"qualifying redundancy payments" means non-income losses of the kind referred to in paragraph 2(b) of Schedule 1.

PART II—COMPENSATION

Compensation for income losses and non-income losses

2. The compensation payable to an entitled applicant shall be the amount produced by the formula Q − G, where—

Q equals the sum of the following amounts—

(a) the amount (if any) calculated in accordance with Part III of this Schedule, payable in respect of any qualifying income losses sustained by the entitled applicant;

(b) the amount (if any) calculated in accordance with Part IV of this Schedule, payable in respect of any qualifying redundancy payments made by the entitled applicant;

(c) the amount (if any) calculated in accordance with Part V of this Schedule, payable in respect of any qualifying equipment losses sustained by the entitled applicant,

(d) the amount (if any) calculated in accordance with Part VI of this Schedule, payable in respect of any qualifying clearance costs sustained by the entitled applicant; and

(e) the amount (if any) calculated in accordance with Part VII of this Schedule, payable in respect of any qualifying contractual liability sustained by the entitled applicant; and

(f) the amount (if any) calculated in accordance with Part VIII of this Schedule, payable in respect of any professional fees incurred by the entitled applicant; and

G equals the amount (if any) calculated in accordance with Part IX of this Schedule, to be deducted from any compensation payable to the entitled applicant in respect of any relevant planning gain made by the entitled applicant or by any associate of the entitled applicant.

No compensation for excluded or other losses

3. Compensation shall not be payable in respect of any losses other than those specified in Schedule 1.

4. Compensation shall not be payable in respect of any non-income loss which is excluded for the purposes of paragraph 2 of Schedule 1 by virtue of paragraph 3 of that Schedule.

No further compensation for qualifying breeding value

5. No further compensation (in addition to that already paid in accordance with article 6 and Schedule 3) shall be payable in respect of qualifying breeding value.

(**a**) S.I. 1996/1022.

PART III—QUALIFYING INCOME LOSSES

Compensation for qualifying income losses

6. The amount payable to an entitled applicant in respect of any qualifying income losses sustained by him shall be the amount produced by the formula $P \times 4$, where—

P equals the average net trading profits of his qualifying business, calculated in accordance with paragraph 7 below and subject to any adjustment made in accordance with paragraph 8 to 10 below.

Calculation of average net trading profits

7. For the purposes of calculating P in paragraph 6 above—

(a) subject to paragraph 8 to 10 below, the average net trading profits of an entitled applicant's qualifying business shall be the amount produced by the formula $T \div 5$, where—

T equals the total of the net trading profits of that qualifying business for each of the accounting periods comprising the reference period;

(b) for each accounting period, the net trading profits of the qualifying business shall be the net trading profits of that business assessed in accordance with UK GAAP;

(c) where, during an accounting period, a business carried on by an entitled applicant consisted partly of a qualifying business and partly of a non-qualifying business, the net trading profits of the qualifying business for that accounting period shall exclude any element of revenue or costs so far as it related to the non-qualifying business; and

(d) where, in any accounting period, any revenue or costs related partly to a qualifying business and partly to a non-qualifying business, such revenue or costs shall be apportioned between the qualifying business and the non-qualifying business in accordance with—

(i) UK GAAP; and

(ii) accepted costing practice.

Change of accounting date during reference period

8. Where the accounting date for an entitled applicant's qualifying business changed during the reference period and one or more accounting periods during the reference period were more or less than a year in length, the Minister shall, subject to paragraphs 9 and 10, calculate P for the purposes of paragraph 6 above on the basis of the average net trading profits of the qualifying business arrived at in accordance with paragraph 7 above but by using a reasonable estimate of what the net trading profits for any such accounting period would have been had it been a year in length instead of the actual net trading profits for that accounting period.

Acounting periods affected by illegal activity

9. The Minister may, if she thinks fit in a particular case, exclude an accounting period from the calculation of the average net trading profits of a qualifying business in accordance with paragraph 7 above, where—

(a) she is satisfied that the net trading profits of the qualifying business for that accounting period have adversely been affected by the theft or unlawful release of mink, criminal damage or other illegal activity on the part of any person (whether or not that person's identity is known); and

(b) she is satisfied that the illegal activity referred to in sub-paragraph (a) above was not carried out by an associate or an employee of the entitled applicant.

10. Where an accounting period is excluded in accordance with paragraph 8 above, the Minister shall calculate P for the purposes of paragraph 6 above on the basis of the average net trading profits of the qualifying business arrived at in accordance with paragraph 7 above but by using a reasonable estimate of what the net trading profits for the excluded accounting period would have been but for the illegal activity on the basis of which it was excluded instead of the actual net trading profits for that accounting period.

PART IV—QUALIFYING REDUNDANCY PAYMENTS

Compensation for qualifying redundancy payments

11. Subject to paragraph 12 below, the amount payable to an entitled applicant in respect of any qualifying redundancy payments made by him shall be the total amount of any redundancy payments paid by him in accordance with Part XI of the Employment Rights Act 1996(**a**) to employees who—

(a) had been engaged solely or primarily in the entitled applicant's qualifying business; and

(b) were made redundant as a result of the entitled applicant ceasing, by reason of the enactment or coming into force of section 1 of the Act, to carry on his qualifying business.

(**a**) 1996 c. 18.

12.—(1) No payment shall be made to an entitled applicant in respect of any redundancy payment which—

(a) subject to sub-paragraph (2) below, was made to an employee who—

(i) is an associate of the entitled applicant,

(ii) has been re-engaged by the entitled applicant; or

(iii) has been employed by an associate of the entitled applicant after having been made redundant by the entitled applicant; or

(b) is recoverable from any other source.

(2) The Minister may, if she thinks fit in an appropriate case, waive any exclusion that would otherwise operate by virtue of sub-paragraph (1)(a) above.

PART V—QUALIFYING EQUIPMENT LOSSES

Compensation for qualifying equipment losses

13. Subject to paragraph 14 below, the amount payable to an entitled applicant in respect of any qualifying equipment losses sustained by him shall be the amount of any loss reasonably sustained by that entitled applicant on the sale or disposal (to any person other than an associate of the entitled applicant) of equipment formerly used by him solely or primarily in his qualifying business for less than the discounted replacement cost of that equipment.

14. No payment shall be made to an entitled applicant in respect of any equipment purchased after 2nd March 1999, unless that equipment was purchased by him in order to comply with either—

(a) any requirement to which he was subject as a condition of any licence issued to him under the Mink Keeping Order 1997(**a**) or the Mink Keeping (England) Order 2000(**b**); or

(b) any other statutory requirement to which he was subject.

PART VI—QUALIFYING CLEARANCE COSTS

Compensation for qualifying clearance costs

15. The amount payable to an entitled applicant in respect of any qualifying clearance costs incurred by him shall be the total of—

(a) subject to paragraph 16 below, any reasonable amount paid by the entitled applicant to any person (other than an associate of the entitled applicant) in respect of the removal or disposal (or both) of asbestos from specialised buildings, if the use to which the asbestos was being put immediately prior to its removal or disposal—

(i) was not prohibited by the Asbestos (Prohibitions) Regulations 1992(**c**), but

(ii) would have been prohibited by the Asbestos (Prohibitions) Regulations 1992 if that use had commenced at the time the removal or disposal (as the case may be) took place; and

(b) a reasonable amount (which shall not exceed the amount that would have been payable for that work in accordance with sub-paragraph (a) above) for the work carried out, where the removal or disposal (or both) are wholly or partly carried out by one or more of the following—

(i) the entitled applicant;

(ii) an employee of the entitled applicant; or

(iii) an associate of the entitled applicant.

16. Any amount payable in accordance with paragraph 15(a) above shall be limited to the amount of the lowest estimate obtained by the entitled applicant from any person for the work of removing and disposing of any asbestos from specialised buildings, unless the Minister is satisfied that it was reasonable in all of the circumstances for the entitled applicant to engage someone other than the person who provided the lowest estimate.

PART VII—QUALIFYING CONTRACTUAL LIABILITY

Compensation for qualifying contractual liability

17. Subject to paragraph 18 below, the amount payable to an entitled applicant in respect of any qualifying contractual liability sustained by him shall be either—

(a) the amount of any judgment or arbitral award made against an entitled applicant in respect of any contractual liability sustained by an entitled applicant as a result of having ceased, by reason of the enactment or coming into force of section 1 of the Act, to carry on a qualifying business; or

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(**a**) S.I. 1997/3002.
(**b**) S.I. 2000/3402.
(**c**) S.I. 1992/3067, as amended by S.I. 1999/2373 and S.I. 1999/2977.

(b) the amount of any reasonable settlement made by an entitled applicant in respect of a claim against him for such contractual liability.

18.—(1) No payment shall be made to an entitled applicant in accordance with paragraph 17 above—

(a) subject to sub-paragraph (2) below, in respect of any liability to an associate of the entitled applicant;

(b) where the liability was incurred under a contract which was entered into after 2nd March 1999;

(c) to the extent that any judgment or arbitral award made against an entitled applicant would be unenforceable in England;

(d) to the extent that the liability is recoverable from any other source.

(2) The Minister may, if she thinks fit in an appropriate case, waive any exclusion that would otherwise operate by virtue of sub-paragraph (1)(a) above.

PART VIII—PROFESSIONAL FEES

Reimbursement of professional fees

19. The amount payable to an entitled applicant in respect of professional fees shall be the amount of any reasonable professional fees paid by that entitled applicant.

PART IX—RELEVANT PLANNING GAIN

Deduction for relevant planning gain

20. Subject to paragraph 21 below, the amount to be deducted from any compensation otherwise payable to an entitled applicant in respect of any relevant planning gain made by the entitled applicant or by any associate of the entitled applicant shall be 50 per cent of the amount of any such relevant planning gain.

21. The Minister shall waive any deduction that would otherwise apply under paragraph 20 above if she is satisfied that the restricted property had no connection with the entitled applicant's qualifying business.

EXPLANATORY NOTE

(This note does not form part of the Order.)

This Order, which applies to England only, establishes a compensation scheme for mink farmers affected by section 1 of the Fur Farming (Prohibition) Act 2000 (referred to in this Note as "the 2000 Act"). Section 1 of the Act, which prohibits anyone from keeping animals for solely or primarily for the value of their fur or in order to breed animals for that purpose, is being brought into force as from 1st January 2003 by means of a separate Commencement Order.

Article 3 sets out the conditions for entitlement to compensation under the Order and Schedule 1 sets out the categories of income losses and non-income losses for which compensation is payable.

The remainder of the Order provides for the procedure for fur farmers to make claims for compensation and for the Minister to deal with such claims (including calculating the amount payable to those who are eligible for compensation).

Article 4 and Schedule 2 provide for the way in which first-stage applications (which are concerned with eligibility in principle for compensation) are made and dealt with. Schedule 2 also deals with appeals relating to eligibility. Article 5 provides for the Minister to make determinations of entitlement in respect of those who establish in the first stage that they are eligible in principle for compensation. Article 6 provides for the Minister to make an interim payment within six weeks after making a determination of entitlement and Schedule 3 provides for the way in which interim payments are to be calculated.

Article 7 and Schedule 4 provide for the way in which second-stage applications (which are concerned with calculating the amount of compensation payable to those who have established their eligibility in principle in the first stage) are made and dealt with. Schedule 4 also deals with appeals relating to the amount of compensation payable. Article 8 provides for the Minister to make determinations as to amount on the basis of Schedule 5, which provides for the way in which final compensation payments are to be calculated. Article 9 provides for the Minister to make final payments within six weeks of making determinations as to amount and for the calculation of interest due on such payments.

Article 10 provides for the recovery of overpayments in circumstances where determinations of entitlement are subsequently revoked or determinations as to amount are subsequently revised.

Article 11 gives the Minister discretion to extend any of the time limits that apply during the application process to those seeking compensation under the Order. Article 12 gives the Minister discretion to allow a second application for compensation to be made—this would not otherwise be possible under the terms of the Order.

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