

SCHEDULES

SCHEDULE 8

REMEDIATION COSTS UNDER QUALIFYING LEASES ETC

Paragraph 5: the permitted maximum

- 6 (1) In [paragraph 5](#) “the permitted maximum”, in relation to a qualifying lease, has the following meaning.
- (2) The permitted maximum is (subject to [sub-paragraphs \(3\) to \(5\)](#))—
- (a) if the premises demised by the qualifying lease are in Greater London, £15,000;
 - (b) otherwise, £10,000.
- (3) Where the value of the qualifying lease at the qualifying time exceeded £1,000,000 but did not exceed £2,000,000, the permitted maximum is £50,000.
- (4) Where the value of the qualifying lease at the qualifying time exceeded £2,000,000, the permitted maximum is £100,000.
- (5) Where the qualifying lease is a shared ownership lease and the tenant’s total share was less than 100% at the qualifying time—
- (a) the value of the qualifying lease at that time is to be determined as if the tenant’s total share at that time was 100%;
 - (b) the permitted maximum is the tenant’s total share (as at that time) of what would otherwise be the permitted maximum.
- (6) The Secretary of State may by regulations make provision about the determination of the value of a qualifying lease for the purposes of [paragraph 4](#) and [this paragraph](#).
- (7) The regulations may in particular provide that, except in prescribed cases, the value of a qualifying lease at the qualifying time is to be determined by—
- (a) ascertaining the consideration given on the latest disposal of the qualifying lease on the open market to have been made before that time, and
 - (b) if that disposal occurred before 2022, uprating the consideration in accordance with the regulations.
- (8) In [this paragraph](#) “shared ownership lease” and “total share” have the meaning given by section 7 of the Leasehold Reform, Housing and Urban Development Act 1993.