

SCHEDULE 24

This is Schedule 24 comprising certain provisions relating to LCCE Reconciliation referred to in the Project Agreement for the PRIME Project

BETWEEN

The Secretary of State for Work and Pensions

- and -

The First Secretary of State

- and -

Trillium (PRIME) Limited

- and -

Trillium (PRIME) Property GP Limited

**dated 27 March 1998
as Expanded and Restated on 15 December 2003**

PART A

TARGET LIFE CYCLE EXPENDITURE

FORMER ES LCCE TARGET IN OCT 2003 PRICES**	
Reconciliation Period	Target LCCE
15th Dec 2003 - 31st March 2007	£[withheld]
1st April 2007 - 31st March 2010	£[withheld]
1st April 2010 - 31st March 2013	£[withheld]
1st April 2013 - 31st March 2016	£[withheld]
1st April 2016 - 31st March 2018	£[withheld]
FORMER DSS LCCE TARGET IN OCT 2003 PRICES	
Reconciliation Period	Target LCCE*
1st April 2004 - 31st March 2007	£[withheld]
1st April 2007 - 31st March 2010	£[withheld]
1st April 2010 - 31st March 2013	£[withheld]
1st April 2013 - 31st March 2016	£[withheld]
1st April 2016 - 31st March 2018	£[withheld]

* The Target Life Cycle Expenditure will have added to it the LCCE costs spread evenly over time relating to any properties occupied by DWP which are not in the Life Cycle Maintenance Plan (other than Minor Occupancies not in the Life Cycle Maintenance Plan on the Commencement Date) and until this occurs all expenditure in respect of Life Cycle Works at those properties shall be excluded from Actual Life Cycle Expenditure.

** The amounts for the Former DSS and Former ES Target should be added together and reconciliation undertaken for the estate as a whole.

PART B

EXAMPLES

(by way of illustration not limitation)

	1	2	3	4	5
Reconciliation Period	15/12/2003¹- 31/03/2007	1/4/2007- 31/03/2010	1/4/2010- 31/03/2013	1/4/2013- 31/03/2016	1/4/2016- 31/03/2018
Carried Savings from the Reconciliation Period Before Last ²	£12,300,000	£1,000,000	£0	£7,500,000	£0
Last Reconciliation Period Savings/Overrun	£1,000,000	(£13,300,000)	£7,500,000	(£2,500,000)	£5,000,000
Accrued Savings³	£13,300,000	£0	£7,500,000	£5,000,000	£5,000,000
Target LC Expenditure	£80,000,000	£50,000,000	£50,000,000	£50,000,000	£100,000,000
Actual LC Expenditure	£150,000,000	£20,000,000	£60,000,000	£30,000,000	£50,000,000
Cost Saving/(Overrun)	(£70,000,000)	£30,000,000	(£10,000,000)	£20,000,000	£50,000,000
Savings paid to DWP ⁴	£0	£7,500,000	£0	£5,000,000	£12,500,000
Overrun Paid to LST ³	(£13,300,000)	£0	(£2,500,000)	£0	£0
Reconciliation Period Savings/Overrun ⁵	(£13,300,000)	£7,500,000	(£2,500,000)	£5,000,000	£12,500,000

¹ Start of Reconciliation Period is 15/12/03 in respect of the Former ES Estate, and 01/04/03 in respect of the Former DSS Estate.

² Cost savings generated in the Reconciliation Period ending 31/3/2007 are unavailable for the Reconciliation Period ending 31/3/16.

³ Accrued savings is the sum of the Carried Savings and the Last Reconciliation Period Savings.

⁴ DWP is paid 25% of savings. LST is paid 25% overrun up to a maximum of the Accrued Savings.

⁵ Accrued savings are available until settlement of payment for the relevant Reconciliation Period is made, i.e. the year following the end of the relevant period.

Part C

TEMPLATES

(by way of illustration, not limitation)

Schedule of Life Cycle Works												
GOR	Property Number (5 Digit)	Building / Block Number (4 Digit)	Property Name/Address	JC+ Fit-Out	InStar Project Reference (L) Number	Sub Element	Master/Child	Description of Work	Impact on DSS Business	Duration (Days)	Start_Date	Finish_Date
<i>Nr</i>	<i>Nr</i>	<i>Nr</i>	<i>Nr &/or Text</i>	<i>Text (Y/N)</i>	<i>Nr</i>	<i>Text</i>	<i>Text</i>	<i>Text</i>	<i>Text</i>	<i>Nr</i>	<i>Date</i>	<i>Date</i>
GOR 11	84613	9876	Waverley House, Fort William	Y	L00847561	Office Areas - Redecorations	Child	Redecorate wall finishes on first floor	Work out of Hours to prevent impact	90	01-Nov-04	30-Jan-05
GOR 10	98765	6789	Plaza 2, Telford Plaza	N	L00455678	Office Areas - Flooring	Child	Replace defective carpets on fifth floor	Disruptive works to be done out of hours	58	29-Apr-04	26-Jun-04
GOR 9	56789	5678	640-656 Tottenham High Road, London	Y	L00987654	Windows	Master	Replace defective windows to rear elevation	Noisy works out of hours to prevent impact	88	03-Oct-04	30-Dec-04

Three Year Plan									
GOR	Property Number (5 Digit)	Building / Block Number (4 Digit)	Property Name/Address	JC+	InStar Project Reference (L) Number	Sub Element	Condition	Proposed Specification	Year (1, 2, or 3)
<i>Nr</i>	<i>Nr</i>	<i>Nr</i>	<i>Nr &/or Text</i>	<i>Text (Y/N)</i>	<i>Nr</i>	<i>Text</i>	<i>Text</i>	<i>Text</i>	<i>Nr</i>
GOR 11	12345	1234	Clifton House, Peterborough	Y	L00141984	Office Areas - Redecorations	Decoration tired in admin areas	Redecoration to existing specification	3
GOR 10	54321	4321	Norcross Lane, Blackpool	N	L00098763	Office Areas - Flooring	Carpet worn in office areas	Replacement in heavily trafficked areas first	2
GOR 9	56789	5678	640-656 Tottenham High Road, London	Y	L00987654	Windows	Windows poor to rear	Replace defective windows to rear elevation	1

Schedule of Maintenance Works									
Gor	Property Number	Building Number	Property Name/Address	Work Order Number	Work Order Description	Start Date	End Date	Kpi	Impact On Business
GOR11	03545	1299	Station Rd, 28 Station Rd, Warminster	000001646816	ANNUAL INSPECTION OF PORTABLE ELECTRICAL APPLIANCE	01-Sep-03	01-Sep-03	Equipment Maintenance	No impact on business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001579251	ANNUAL INSPECTION OF ASBESTOS REGISTERS	08-Apr-03	08-Apr-03	Building Maintenance	No impact on business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001492389	ANNUAL INSPECTION OF PUMPS	02-Jul-03	02-Jul-03	Building Maintenance	No effect on DSS business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001596619	6 MONTHLY INSPECTION OF INTRUDER SYSTEMS	24-Jul-03	24-Jul-03	Equipment Maintenance	No effect on DSS business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001609696	6 MONTHLY INSPECTION OF VOICE ALARMS SYSTEMS	22-Apr-03	22-Apr-03	Security Maintenance	No effect on DSS business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001569145	6 MONTHLY INSPECTION OF VOICE ALARMS SYSTEMS	28-Oct-03	28-Oct-03	Security Maintenance	No effect on DSS business
GOR11	08040	1306	Homefield House, Polebarn Rd, Trowbridge	000001516924	ANNUAL INSPECTION OF GROUNDS	04-Aug-03	04-Aug-03	Landscape Maintenance	No effect on DSS business
GOR11	08068	1307	Northover House, North Parade, Frome	000001514870	ANNUAL INSPECTION OF EMERGENCY LIGHTING	01-Apr-04	01-Apr-04	Building Maintenance	Work to be done out of hours (@ weekend)
GOR11	08068	1307	Northover House, North Parade, Frome	000001593217	ANNUAL INSPECTION OF FIRE EXTINGUISHERS	09-Feb-04	09-Feb-04	Building Maintenance	No impact on business
GOR11	08068	1307	Northover House, North Parade, Frome	000001550395	ANNUAL INSPECTION OF BUSBAR SYSTEM	26-Apr-03	26-Apr-03	Building Maintenance	Work to be done out of hours
GOR11	08068	1307	Northover House, North Parade, Frome	000001501935	ANNUAL INSPECTION OF LV SWITCHGEAR	26-Apr-03	26-Apr-03	Building Maintenance	Work to be done out of hours
GOR11	08068	1307	Northover House, North Parade, Frome	000001501942	ANNUAL INSPECTION OF LV SWITCHGEAR	26-Apr-03	26-Apr-03	Building Maintenance	Work to be done out of hours
GOR11	08068	1307	Northover House, North Parade, Frome	000001501952	ANNUAL INSPECTION OF LV SWITCHGEAR	26-Apr-03	26-Apr-03	Building Maintenance	Work to be done out of hours
GOR11	08987	1311	Clifton House, Peterborough	000001521197	6 MONTHLY INSPECTION OF EMERGENCY LIGHTING	21-Jul-03	21-Jul-03	Equipment Maintenance	Work to be done out of hours
GOR11	08987	1311	Clifton House, Peterborough	000001521180	MONTHLY INSPECTION OF EMERGENCY LIGHTING	21-Apr-03	21-Apr-03	Equipment Maintenance	No effect on DSS business