

Annex A

New Contracts Procedure

Ref – Finance and ICT Solutions Finance Procedure Manual Section 5 Purchasing

5.5 Procuring photocopiers and telephone systems

Schools should demonstrate best value when procuring photocopiers and telephone systems to ensure that they buy through the most effective method.

ESPO has now collaborated with General Procurement Service (GPS) framework, where arrangements are in place which provides a cost effective solution rather than shopping around.

The frameworks are not based purely on price, best value includes quality, delivery issues, durability, maintenance and replacement as well as the costs of procurement and paying invoices

5.6 Rental of Assets

Before a school enters into a financial arrangement (e.g. a contract for a photocopier or telephone system other than those purchased, leased or rented through centrally approved arrangements e.g. GPS contracts) details **must** be forwarded to Head of Schools Finance Team to determine its nature.

ICT Shared Services can confirm for schools whether contracts are part of an approved arrangement.

This is important as finance leases cannot be entered into by schools, but operating leases can. Finance leasing is effectively borrowing which is outside the powers of a governing body to enter in to. Schools should always rent or ensure the contract is an operating lease.

Signing an approved contract from the GPS framework means you will be dealing with one supplier only. The supplier will be responsible for the repairs and maintenance of that asset. This gives you the protection of an all inclusive package with no hidden costs or extras.

Please refer to Annex D of Norfolk's Scheme for Financing Schools for the Contract Standing Orders if you are considering making your own arrangements. Any documentation that refers to a finance company identifies the contract as a finance lease and therefore should not be signed.