

ICT Development Services Operating Lease facility through CHG-MERIDIAN

CHG-MERIDIAN (CHG) is one of the World's leading manufacturer and bank independent providers of IT leasing and services in the field of information and communications technology.

CHG have over 30 years experience in working in the education sector providing compliant Operating leases to help our customers improve their technology resources.

In the UK alone, CHG leases IT equipment to more than 500 Local Authorities, Schools, Academies, HE/FE Establishments, Universities and other Public Sector entities. CHG is an approved Lessor on a number of Public Sector leasing frameworks.

Here are some of the reasons ICT Development Services have chosen to work with CHG as a finance provider.

Collaboration

CHG's dedicated team will manage your portfolio requirements at the start of the lease through to the end of term and beyond. Not only can they manage your asset finance needs, their clear communication platform will enable you to manage your IT estate globally.

Openness

CHG's clear and transparent terms will ensure that their solutions can accommodate flexible add-ons, upgrades and trade-ins to meet your product requirements as they evolve over time.

Professional delivery

You will benefit from a seamless link from procurement through to asset disposal. CHG's dedicated team will help you manage your entire asset lifecycle.

Compliant Operating Lease

- Operating lease based on the true accounting treatment as stipulated by IFRS17 with rentals based on a Net Present Value of 89.99%
- Lease duration will be less than the expected working life of the equipment
- At the end of the term, continued usage will be based on fair market value

Flexibility

CHG offer tailor made ICT focused finance models to support your learning requirement and overcome any budget constraints. We can provide payment deferrals as well as structured repayments to enable you to access the technology you need as opposed to 'can afford'

Framework Approved Finance

Using existing approved Public Sector leasing framework agreements offers pre-agreed and simple documentation.



Frequently Asked Questions ?



“An equipment purchase isn't in my budget this year.”

Financing can translate capital outlay into low monthly/quarterly payments; a lease structure can be developed to accommodate your budget constraints. Deferred payment terms will also help you obtain the equipment now rather than waiting for the next financial year.

“What type of equipment can we lease?”

All manner of ICT hardware procured through ICT Development Services at Warwickshire can be financed via an operating lease with CHG, this can include: Laptops, Desktops, Tablet PC's, Servers and Audio Visual Equipment

“What value of equipment can be leased?”

The minimum order value that we would generally consider would be £5k

“What length of time can we lease over?”

We can offer a compliant Operating Lease over a term of between 12-36 months. Most schools will usually finance equipment over 3 years

“What will the frequency of our rental payments be?”

The rental payments can be collected monthly, quarterly, annually or termly

“How do we pay the rental?”

It is our preference for all rentals to be collected by DDM. It may be possible for the rentals to be made by invoice however there may be a charge. Direct Debit payments will be made directly to CHG

“What Type of leasing do you offer ?”

CHG-MERIDIAN will only provide a compliant Operating Lease to any LA controlled school or Academy.

“Are the rental repayments fixed?”

The rental payments will be fixed for the duration of the lease agreement

“Do you charge a documentation fee ?”

We do not charge administration or documentation fees.

“Who is responsible for the insurance and maintenance of the new equipment?”

You are responsible for maintaining the equipment and providing the proper insurance cover. We would need confirmation of the insurance policy prior to the activation of the lease. With regards to the equipment maintenance this will be available through the ICT Development Service standard subscription.

“What happens if any of the equipment is damaged?”

If any of the equipment fails throughout the duration of the lease agreement it is the responsibility of the school to have the equipment repaired / replaced.

“What happens at the end of the agreement?”

At the end of the lease agreement you have the options to:

- Return the leased assets and refresh with the latest technology
- Apply to have further use of the equipment via an extension rental. The extension rentals will be based upon the Fair market Value of the Assets at that point in time.

How Does The Lease Process Work ?

| Step | Action | Who |
|--|---|------------------------------------|
| Create quotation for equipment | Send to School | ICT Development Services |
| School or ICT Development Services send equipment quote to CHG | Quote sent to CHG | School or ICT Development Services |
| CHG provide lease quotation | Send to School | CHG |
| School accepts quotation | CHG raise lease paperwork and send to the school | CHG |
| Customer signs and returns lease paperwork | Invoice instructions sent to ICT Development Services | CHG |
| ICT Development Services supply equipment | Arrange delivery to School | ICT Development Services |
| On delivery of equipment school sign and return the acceptance certificate | CHG activates lease | CHG |
| CHG Pay ICT Development Services and collect Lease payment by Direct Debit from the School as per the profile (Monthly, Quarterly etc..) | Lease activated | CHG |

Example Illustrations

School A

| | |
|----------------------------------|-----------|
| Total AV/IT purchases with ICTDS | £25,500 |
| Length of contract | 36 Months |
| Annual rentals (3 Payments) | £8,105.50 |

At the end of contract the options are:

- Return the leased assets and refresh with the latest technology through ICT Development Services
- Apply to have further use of all, or some of the equipment via an extension rental. The extension rentals will be based upon the Fair market Value of the Assets at that point in time and will be calculated based on the equipment you would like to continue using

School B

| | |
|----------------------------------|-----------|
| Total AV/IT purchases with ICTDS | £14,004 |
| Length of contract | 24 Months |
| Quarterly rentals (8 Payments) | £1,661 |

At the end of contract the options are:

- Return the leased assets and refresh with the latest technology through ICT Development Services
- Apply to have further use of all, or some of the equipment via an extension rental. The extension rentals will be based upon the Fair market Value of the Assets at that point in time and will be calculated based on the equipment you would like to continue using

The above examples are provided for illustration purposes. Pricing excludes VAT and is subject to completion of lease documentation

Obviously leasing is a major financial obligation and schools will need to follow the usual due diligence before committing to a leasing agreement.

For information I have attached an FAQ sheet that should hopefully address many of your questions and also includes some worked examples.

To discuss your requirements with ICT Development Service please contact Martin Barlow:

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If you would like more information on CHG please contact Jamie Bird:

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