

### 3 OPERATING LEASES - YEAR ENDED 31ST MARCH 2002 (AN64-2002)

The Committee are asked to note the following position regarding operating leases.

At the end of the financial year 2001-02 operating leases were entered into for the following vehicles and equipment:

	<u>£</u> <u>Capital Value</u>
Information Technology: Equipment in various Council Departments	666,950.01
Vehicles:	
ECPD Client	183,946.64
ECPD DSO	728,753.00
Leisure and Parks DSO	211,573.00
Workshop Equipment for ECPD	<u>168,046.37</u>
TOTAL	<u>1,959,269.02</u>

The lease for the Information Technology equipment was entered into with Sovereign Finance plc. The lease will run for 5 years at a rental of £132,196.16 per annum.

The lease for all of the vehicles and equipment was entered into with Societe Generale Ltd. There were a number of terms within this lease ranging from 5 years to 8 years. The annual rentals are as follows:

	<u>£</u>
5 year lease	39,810.98
6 year lease	115,461.32
7 year lease	36,992.74
8 year lease	28,186.41

Both lessors were chosen from a tender process. They were chosen on the basis of best value over the whole life of the lease, including the secondary period.

Provision for all these lease rentals is included in the approved Revenue Budget for 2002/03.