

**Reference No:** E109/85/84;     **Date:** 02/12/85

## **Circular 1/1985:- Supply of Office Machinery and Related Equipment**

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1. I am directed by the Minister for the Public Service to refer to existing arrangements regarding the purchase of office machinery and related equipment and, in particular, to Department of Finance Confidential Circulars 6/74, 8/75 and 3/76 and to state that the following revised arrangements will apply until further notice. All cost figures mentioned below are inclusive of Value Added Tax

### **2. Computer based office automation equipment:**

This category includes all mainframe computers, minicomputers, microcomputers, word processors, personal and business computers and related peripherals, consumables and modifications.

3. Proposals for the acquisition of all such equipment should be submitted, in writing, to the Computer Control Section of this Department.

### **4. Non-computer based office equipment:**

This category includes all office equipment other than the categories listed in paragraph 2.

5. Subject to an upper cost limit of £5,000, equipment may be purchased without prior approval of the Management Services Section of this Department, provided that:

(i) Sufficient funds are available in the appropriate subhead as approved by the Department of Finance for the Department/Office;

(ii) the purchase is approved for promotion of economy and/or efficiency by a trained and currently practising Organisation Officer;

(iii) the purchase is made on the basis of information, advice and guidelines issued from time to time by Management Services Section of this Department.

### **6. Leasing and Rental:**

All proposals for lease and/or rental of equipment should be submitted to the Management Services Section of this Department.

7. In future, notwithstanding any short-term advantages that leasing arrangements may have, the policy to be followed is that leasing proposals should only be accepted if they are no more expensive than conventional Government borrowing and do not entail tax loss. In order to ensure that no tax advantage is taken by the lessors, proposals should not be in the form of a standard financial lease. The transaction and documentation should rather take the form of lease purchase in which the leasee is regarded as the legal owner thereby ensuring that the lessor cannot claim tax allowances. Where leasing proposals are being contemplated by Departments, quotations should be made on the basis of a variable rate Irish pound lease purchase arrangement, indicating not only term and margin but also all associated costs including legal and arrangement fees. The Department of Finance will, on request, advise on the merits of any leasing proposals.

### **8. Disposal of Office Equipment:**

Departments who wish to dispose of items of non-computer based equipment other than manual typewriters, which are dealt with in paragraph 11 below, should notify the Management Services Section of this Department, in writing, as follows:

type, brand and make;  
date and cost of purchase or lease;  
company/supplier;  
service record;  
history of usage;  
recommendations for future optimum usage.

Details of such items will be circulated to Departments from time to time: the onus will be on Departments, wishing to obtain such equipment, to make arrangements for delivery/collection and installation.

9. In relation to the financial aspects of the disposal of equipment, the position is as follows:

- If equipment is being written off and is totally worthless, there are no audit etc., requirements;
- If equipment is being transferred from one Department to another, no payment will be necessary but a note should be appended to the Appropriation Accounts for both Votes adverting to the transfer of the equipment, without payment;
- If surplus machinery is sold by any Department or Office the receipts should be treated as appropriations-in-aid to the Department's Vote.

10. **Government Contracts Committee Procedures:**

Instructions for complying with Government Contracts Committee procedures are issued by the Department of Finance. It is the responsibility of individual Departments to ensure that they are aware of such instructions; that in all cases, they ensure that adequate competitive procedures are followed, and obtain the approval of the GCC in appropriate cases.

11. **Stationery Office:**

The Stationery Office will continue to supply, maintain and repair manual typewriters on request. In the case of manual typewriters being replaced by electronic machines, or being transferred to another Department or Office, the Stationery Office should be advised, in writing, of the replacement or re-location.

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P.J. Moore  
Director of Management Services