



Company Car Policy

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Introduction

In this policy we provide core principles and guidance for colleagues eligible for a Company car or car allowance.

If driving a company car, then Greencore rules apply within both working hours and outside of these hours.

The Company reserves the right to cancel or change the provision of this policy, with or without notice, as the needs of the Company dictate. The Company reserves the right to allocate a car from the spare car fleet to a colleague instead of hiring or providing a new car.

Colleague Entitlement

It is the responsibility for HR alongside the line manager and using appropriate market data to determine when a role is eligible for a company car or car allowance. We will confirm the appropriate car grade or car allowance in the colleague job offer and contract of employment.

Version:

Date:

Provision of a Company Car

We will provide a car within the guidelines set out, new hires and colleagues becoming eligible for a company car may in the first instance be allocated a spare/pool car. A new hire will not be able to order a new company car until such time as all spare pool cars at the appropriate level are utilised.

All colleagues who drive either a company car or are in receipt of the car allowance must meet the requirements set out in the driver's handbook.

Company Car use guidance

- For business purposes
- For social, domestic or pleasure use.
- The Company reserves the right to refuse permission for a family member to drive a car for whatever reason.

Colleagues who are allocated a company car must make the car available to other company colleagues to use on legitimate company business during normal working hours. The car must not be used for the following purposes: Under no circumstances is any person permitted to drive a company car on a provisional driving license or a car to be used for tuition purposes. The car is not insured for this purpose and any damage / liability arising from breach of this condition remains with the colleague to whom the car is allocated.

When it's time to order your Company Car

The fleet team will notify the colleague when it is time to order a company car and will issue each colleague with the current choice list and car order form. Car orders must be approved by the line manager and budget holder of the colleague.

When your car is ready for delivery, you will be notified by the fleet team of the anticipated delivery date. It is your responsibility to inspect the car to ensure that it is satisfactory, and the specification is correct

If the new car is delivered damaged in any way or not to the specification ordered, you should not sign for the car. Instead, contact the fleet team who can help.

Choice

Colleagues can select a car from a specific band which is determined by their job grade and/or function, and they will have the choice of the following options:

- **Trade Down.** Colleagues can choose a car in bands below their standard car grade, which may reduce the tax associated with this benefit in kind. However, care should be taken to consider the impact of the recent law change which results in colleagues being taxed on the 'higher of' the car benefit in kind and the cash allowance foregone, meaning a trade down may not be financially viable. Colleagues can trade down as many car grades as they wish. Colleagues will not receive a cash benefit from the company for choosing a car with a lower P11D value than they are eligible to choose.
- **Car Allowance.** Colleagues can elect to opt out of the company car scheme and receive a cash alternative paid via their salary in lieu of receiving a company car benefit.
- **Private Fuel** Colleagues have the choice of using a fuel card to fund the purchase of all fuel, whether for business or personal use. The use of the fuel card is subject to the conditions of the Greencore Fuel Plan and further details can be found in the "Guide to Greencore Fuel Plan – Employee information". There is a monthly cost to colleagues from taking the benefit of a fuel card, with payments calculated by reference to HMRC issued private fuel rates. Alternatively, colleagues can opt out of the fuel scheme and reclaim business mileage expenses through the company expenses system (Concur).
- **Optional Extras.** Colleagues have the choice to include optional extras. This is to be paid for by the colleague at the point of the car order being raised.

Car Allowance

As an alternative to being provided with a company car, colleagues eligible to receive a company car can choose to receive a car allowance instead. This allowance will be paid monthly, together with salary, which is taxable. It is not deemed to be part of pensionable earnings. Colleagues in receipt of the car allowance will be entitled to reclaim fuel costs for business trips.

Car Allowances are outlined in Appendix A.

When accepting a car allowance, the following conditions will apply:

- The colleague agrees to make available a suitable car for company business when required. It must be a car that is fit for business purposes.
- Colleagues can only opt for the Car Allowance when their present Company car is due for replacement. Colleagues who have opted for the Car Allowance will be able to revert to a company car in certain circumstances, each request will be reviewed individually.
- Colleagues must ensure appropriate insurance which will have to cover business use – please refer to the driver's handbook for further details.

Private Fuel Opt Out

If a colleague chooses not to receive the private fuel benefit, they will not receive a fuel card and must pay for all fuel used in the company car. Business mileage may then be reclaimed through expenses.

Once a colleague has opted to pay for private mileage, they are not able to opt back into the private fuel scheme unless their circumstances change. Each case will be reviewed separately.

Optional Extras

When ordering a new car, colleagues can choose to include the following two options (if not already standard for the model requested) without making additional contributions:

- * Metallic paint
- * Alarm

Please note, these extras will increase the P11D value of the car which increases the value of the taxable benefit in kind.

Additional / Extra Accessories

Extra accessories are permitted when ordering a new car subject to the maximum value of up to 10% of the chosen cars' list price, within your grade. Colleagues can include any manufacturer standard optional extras with their order and must also include in detail on their order form what the extra is and what the standard cost is. All extras must be paid for in full at the point of order.

Please note, any additional extras will increase the P11D value of the car which increases the value of the taxable benefit in kind.

Additional/extra accessories will remain with the car at the end of the lease period. Colleagues are not permitted to remove additional extras before the car is returned, or if they leave employment before the end of the contracted car lease period. Colleagues will not be reimbursed for any value paid for extras at the end of the lease period.

Company Car Lease Period

A colleague is expected to keep their company car for the period of its lease – outlined as 4 years or 120,000 miles whichever is reached first. When a colleague's car is due for renewal the following options will be considered: -

- **Extension of Existing Lease Agreement**
If the car has particularly low mileage within its lease period, the fleet team will negotiate an extension of the lease agreement.
- **Order a new Company Car**

Colleague Changes

If a colleague changes role and because of this, they become eligible for a car from a higher band they will keep the existing car until the end of the lease period at which point they will then be able to request a car from the appropriate higher band.

Should your working arrangements change in any other way, i.e. a reduction in your hours, you will be able to keep your current car for the length of its lease. Should your working hours reduce below 30 hours per week our company car grade may be adjusted to a lower grade upon the renewal of the Lease. In addition, should you have opted for the car allowance, the amount would be pro-rated as appropriate.

Taxation

It is the colleagues' responsibility to inform HM Revenue and Customs (HMRC) of any benefits received as well as any subsequent changes to benefits, this includes all company car benefits,

Leaving the Company Car Scheme

If a colleague is leaving the car scheme for whatever reason, they should contact the fleet team. Arrangements will then be made for the collection of the used car at a mutually convenient time and place. Legitimate reasons for leaving the car scheme during the contract leasing period of the car are limited to:

- Disqualification from driving
- Unable to drive as a result of a medical condition
- Termination of employment
- Or at company discretion

Used Car Collection

The car being returned should be in a presentable condition both inside and outside and commensurate with the age and mileage of the car. This will be reviewed by the car vendor. Any car returned in an unacceptable condition may be subject to charges for repairs and a valet. In these circumstances, Greencore reserves the right to charge these costs to the colleague and reserves the right to deduct such charges from their salary.

Buying a Used Company Car

When a colleague's car is reaching the end of its lease period, they may have the option to buy the car. The car can only be purchased when it has reached its contract expiry date.

Accurate quotations, which will include warranty, can only be given in the month of purchase and may vary from month to month.

Taking Care of the Car / Driver Responsibility

All Company Car drivers should read the Driver handbook to understand their responsibilities. In addition, they should ensure the car is serviced according to the manufacturer's recommendations, at the correct times. All service and maintenance repairs can be organized by calling the company car vendor.

NOTE: The Company will hold each colleague personally responsible for any damage caused to a car as a result of failing to adhere to the manufacturer's service schedule. Any costs arising due to car damage or lost warranty as a result of negligence from the colleague will be recharged in full to the colleague.

We reserve the right to recharge to colleagues end of lease damage, such as cigarette burns in upholstery and scratches to paintwork, if it is deemed to be more than fair wear and tear.

Please note that our company car insurance does not cover your personal belongings, and you must therefore make necessary provision for this. Company lap top insurance only applies if stolen from the boot (i.e. it is not on display).

Tyres

The Greencore Policy is to replace tyres when the depth is 2mm.

Tyres can be supplied and fitted on site, i.e. on the road or at your place of work. Contact Company Car vendor for further information.

Motoring Offences / Fines

For further information on Motoring offences and fines – please read the Drivers Handbook.

Car Running Costs

It is each colleague's responsibility to pay for the following in relation to their company car:

- Top up of all fluids between services*
- Interior valeting.
- Cleaning and washing.
- Breakdown and recovery insurance for private journeys abroad.

*Please note that Ad-blue and oil can be purchased via your fuel card or expensed if the garage restricts purchase through the fuel card.

Accident / Car Damage

In the event of an accident or breakdown it is the driver's first responsibility for ensuring the safety of themselves, passengers, and other road users. The driver shall cooperate fully with the emergency services and render any assistance required.

Where possible the driver must obtain the names and contact details of witnesses (including car registration numbers), if possible take photographs of the scene of the accident.

The driver is not required to admit liability but will provide contact details.

ALL accidents and damage however minor must be reported immediately, or as soon as discovered. To the company car vendor. Also ensure that your direct line manager and fleet team are informed of the incident as soon as possible.

Foreign Travel

Please contact the company car vendor, at least three weeks prior to taking your company car out of the UK and they will arrange for all required documentation to be provided. Documentation is valid for 12 months once supplied. Please contact them with details of your travel dates. This is mandatory as without the appropriate documentation the colleague will be driving illegally. The colleague will also need to take with them a copy of the insurance policy.

Personalised Number Plates

Drivers own number plates are permitted at the colleague's own expense. Please ensure you have authorisation from the company car vendor before you proceed. All number plates fitted must be legal within the country that the car is driven. Personalised number plates must not cause or be deemed to cause offence in any way.

It is the driver's responsibility to arrange and fund the removal of any personalised number plates.

Driving Licences

Please refer to the Drivers Handbook

Mobile Phones / Portable Electronic Devices

Please refer to the Drivers Handbook

Withdrawal of Company Cars

The company reserves the right to require a colleague to return the company car where deemed appropriate, following due consultation.

Appendix A

Company Car Grades and Car Allowance Value

Car Grade	Car Allowance (£ per annum)
4	£9,500
5	£8,000
6	£6,500
7	£5,000
8	£4,000

Appendix B

Company Car Contacts

Car Vendor:

Zenith – 0370 732 4119

e-mail: greencore@zenith.co.uk

Greencore Fleet Contacts:

Tel: 01909 49 33 33

e-mail: Fleet@greencore.com