



**OXFORD CAMBRIDGE AND RSA EXAMINATIONS**

**LEVEL 3 CERTIFICATES OF PROFESSIONAL  
COMPETENCE**

**05608**

**UNIT 4 MANAGING NATIONAL ROAD HAULAGE TRANSPORT OPERATIONS**

**FRIDAY 3 JUNE 2011**

**12.45pm – 2.45pm**

**TIME: 2 HOURS**

**SCENARIO**

## Background

OCR Limited (OCR) is a private limited company involved in general haulage, local tipper work and delivering loaded semi-trailers from Avonmouth docks to Manchester, Leeds, Southampton, Cambridge, Nottingham, Wigan and Peterborough.

It holds a Standard National Operator Licence authorising 55 vehicles and 35 trailers. There are three operating centres specified on the licence, one on the outskirts of Bath, one at Avonmouth and one at Shepton Mallet.

The tippers (10) are all based at the Shepton Mallet depot and are maintained in-house by a mechanic employed by OCR.

Twenty tractor units are based at the Avonmouth depot to service the trunking part of the business, pulling loaded semi-trailers which are owned by customers. Two semi-trailers, owned by OCR, are also based at the Avonmouth depot and are kept there to cover the occasional general haulage contract.

The remaining vehicles and trailers are based at the Bath depot.

All vehicles and trailers based at Bath and Avonmouth are maintained under a contract with a company which has garage premises in Avonmouth and Keynsham.

You have recently been appointed as the Transport Manager for the company following the retirement of the previous post holder. You have overall responsibility for all three depots, although an assistant based at Shepton Mallet will oversee the day to day operation of the tippers.

The next five yearly review of the 'O' licence is due next month and there is a "major change" application pending for a new operating centre in Winscombe. The directors are worried that the Traffic Commissioner may take action against the existing 'O' licence, and/or refuse the pending application, because OCR's recent record has led to its having a red Operator's Compliance Risk Score. This is primarily because of the following: two PG9s have been issued in the last year for defective steering components; three drivers have been convicted of exceeding their daily driving limits and two drivers and the company have been convicted for failing to take a long enough weekly rest period or permitting the same. The directors are also concerned as OCR is currently under investigation by H.M. Revenue and Customs in relation to alleged tax evasion.

## Current Fleet

- 10 x Tippers 32 tonne G.V.W. (registered 2005-2010)
- 25 x three-axle tractor units (registered 2000- 2009)
  - 8 x two-axle tractor units (registered 2006-2008)
  - 4 x three-axle rigid box 26 tonne G.V.W. 36 tonne GTW (registered 2005)
  - 6 x two-axle rigid box 18 tonne G.V.W. (registered 2005-2009)
- 15 x three-axle semi-trailers
  - 8 x two-axle semi-trailers
  - 8 x two-axle drawbar trailers

## **Current Work (Samples)**

### **Bath Depot**

#### **Contract 1**

The company has a contract with a white goods distributor which requires the following runs to be made as shown below:

- |                      |  |
|----------------------|--|
| Run A: 08.00 – 18.30 | This run involves nine hours of driving and is carried out every day of the week.        |
| Run B: 06.00 – 16.00 | This run involves nine hours of driving and is carried out on Mondays to Fridays only.   |
| Run C: 05.45 – 19.00 | This run involves nine hours of driving and is carried out from Monday to Saturday.      |
| Run D: 09.00 – 21.00 | This run involves ten hours of driving and is carried out from Monday to Saturday.       |
| Run E: 02.00 – 14.00 | This run involves ten hours of driving and is carried out from Wednesday to Sunday only. |

#### **Contract 2**

Sixteen one-tonne pallets are collected from a distribution centre on the outskirts of Bristol at 02.00 and have to be delivered in Carlisle by 09.00. On the return journey, 22 one-tonne pallets are collected from Lancaster at 10.30 and delivered to Cheltenham by 15.30. The vehicle then returns empty to the depot. This run is carried out six days a week every week of the year. The total distance for each round trip is 960km and the average speed achieved is 80kph.

### **Shepton Mallet Depot**

The company has a standing contract with a construction company to provide five tippers for ten hours a day from Monday to Friday and for five hours on Saturday. The vehicles are charged for on the basis that they will cover 15km each per hour even if they do not do so.

### **Avonmouth Depot**

Four semi-trailers are collected at 07.00 and delivered to Nottingham. Total distance for each round trip is 480km.

Two semi-trailers are collected at 08.00 and delivered to Wigan. The total distance for each round trip is 560km.

Two semi-trailers are collected at 09.00 and delivered to Peterborough. The total distance for each round trip is 560km.

The contract price is charged according to the above distances unless they are exceeded by more than 5% because the customer arranges the collection and delivery of a return load.

## Future Plans

OCR is hoping to expand by purchasing an additional eight 2-axle tractor units and twelve 3-axle semi-trailers. These vehicle combinations are to be based at a new operating centre in Winscombe for which planning permission has been obtained.

They will be used on general haulage work and on contracts to carry packaged dangerous goods in loads that will be fully regulated.

Consideration is being given to the future maintenance of the fleet as there are sheds available at each of the operating centres that could be converted for the purpose. In particular, there is a large shed at the Avonmouth depot that has two entrances, one at each end. One leads directly onto a public highway and the other leads into a yard over which other haulage contractors have a right of way. There is also an existing open inspection pit in the shed.

Due to the proposed expansion OCR will be seeking to recruit additional personnel. You have been asked to consider how to attract the best candidates.

OCR is also looking to promote people from within and help the existing drivers gain additional entitlements on their driving licences. To this end you have been asked to consider what help could be given to the current employees in general and whether there are suitable vehicles in the fleet to assist with in-house LGV training.

You have also been asked to update the staff handbook as OCR recently lost a case at the Employment Tribunal. This was mainly due to the fact that it was unable to demonstrate that it had acted fairly, in the absence of any documentary evidence being kept.

## Costings (existing and new vehicles)

	3-axle tractor units	2-axle tractor units	3-axle rigid box	2-axle rigid box	Tipper	3-axle semi-trailer	2-axle semi-trailer	2-axle drawbar trailers
GVW	44T	40T	26 T	18 T	32 T			
Kerbside weight	8.5T	7.0T	7.5T	5.0T	10.5T	7.0T	6.5T	6.5T
Standing costs (per day) (£)	180	160	160	140	170			
Standing costs (per half day) (£)	90	80	80	70	85			
Number of tyres	10	6	10	6	12	6	4	4
Cost per tyre (£)	300	200	250	175	400	350	350	350
Tyre life span (km)	30000	33600	37500	35000	24000	42000	35000	35000
Maintenance cost (per km) (£)	0.06	0.05	0.05	0.05	0.06	0.01	0.01	0.01
Fuel usage (km per litre)	3	4	4	5	3			
Days available (per year)	300	300	325	325	280	300	300	300

Fuel costs £1 per litre.

Driver costs are as follows:

Monday to Friday – full day £100, half day £50

Saturday and Sunday – full day £140, half day £70

OCR adds a mark-up of 20% to the above costs when quoting for work.

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