



**OCR CERTIFICATE OF PROFESSIONAL  
COMPETENCE IN ROAD HAULAGE**

**UNIT 5 CASE STUDY**

## **Pre-release case study**

This case study scenario has been published prior to the CPC Road Haulage examinations to be held on Friday 6 March 2009.

The case study scenario will form the subject for questions in the paper. You should thoroughly prepare yourself to answer questions based on the scenario. You should not however limit your study solely to the areas covered in the case study as questions may encompass any area of the syllabus.

You can view the full units, sample assessment materials, tutor and administrative details in each CPC qualification area of the OCR website at [www.ocr.org.uk](http://www.ocr.org.uk) by using the qualification finder on home page to find Vocationally related certificates/Logistics and transport and then selecting the OCR Level 3 Certificate of Professional Competence in National or International Road Transport or Passenger Transport.

## Background

OCR Travel is a bus and coach business which is operated as a partnership between Pauline Baxter and Colin Jones. They hold a Standard National Operators Licence authorising the operation of eight vehicles. OCR Travel has been in business for over 20 years and has a good reputation. The last five yearly review of the O Licence was held on 7 January 2008, and the Traffic Commissioner did not have any concerns. The business occupies a leasehold site close to the town centre of Louth (Lincolnshire). The former nominated transport manager died unexpectedly and you have been recruited to fill this role. You hold a Standard National CPC.

Maintenance is currently contracted out, partly because the size of the depot would not permit an adequate maintenance facility to be installed.

## Current Fleet

2 x 52-seat executive coaches first registered in 2006

1 x 53-seat coach first registered in 1997

1 x 32-seat bus first registered in 2002

3 x 45-seat buses first registered in 2006

## Current Work

OCR Travel has a contract with a Lincoln-based business to provide the two 52-seat coaches for its exclusive use carrying staff and clients of the business to locations throughout the United Kingdom. OCR Travel operates a school contract, using the 53-seat coach, and local bus services under contract to the local authority.

## Financial Information

### Costing (existing and new vehicles)

	52-seat vehicles (£)	53-seat vehicles (£)	32-seat vehicles (£)	45-seat vehicles (£)
Standing costs per vehicle/per day	180	120	100	150
Overhead costs per vehicle/per day	50	50	50	50
Driver costs per day (full-time)	80	70	90	90
Driver costs per day (part-time)	-	40	45	45
Maintenance costs per km	0.40	0.35	0.60	0.80
Fuel/tyre costs per km	0.35	0.30	0.30	0.40
Overnight allowance per night	30	-	-	-

Fuel costs are net of BSOG and VAT where applicable.

When quoting for contracts or preparing tenders a mark-up of 10% is applied to the costs.

### Budget for the Forthcoming Year

Quarter	Income (£)	Expenditure (£)
First	180,000	170,000
Second	200,000	180,000
Third	220,000	190,000
Fourth	150,000	170,000

### Staff

Staff currently employed are as follows:

- 6 x Bus drivers
- 3 x Executive coach drivers
- 1 x Finance and Administration Manager (Colin Jones)
- 1 x General clerical assistant
- 1 x General Manager (Pauline Baxter)
- 2 x Part-time drivers
- 1 x Transport Manager (CPC holder) (you)
- 1 x Traffic Supervisor

### Local Bus Services

OCR Travel operates two bus services.

Service 7 runs between Louth and Grimsby, a distance of 28km. The service operates Monday to Saturday and the contract requirement is for the 45-seat buses to be used. Single journey running time is 50 minutes. The frequency of the service is every 60 minutes, with the first journey departing Louth at 0530 hrs and departing Grimsby at 0625 hrs. The last journey departs Louth at 1930 hrs and Grimsby at 2025 hrs. On Monday to Friday, there are additional round trips from Louth at 0700 hrs and at 1600 hrs, mainly to cater for school and college transport.

Service 11 runs between Louth and Saltfleet, a distance of 12km. The service operates Monday to Saturday and the contract requirement is for the 32-seat bus to be used. Single journey running time is 24 minutes. The frequency of the service is every 60 minutes, with the first journey departing Louth at 0700 hrs and departing Saltfleet at 0730 hrs. The last journey departs Louth at 1800 hrs and departs Saltfleet at 1830 hrs.

### School Contract

The existing school contract is to cease at the end of the term. OCR Travel is keen to retain school work for one vehicle and there are two tenders currently open which interest the partners. Details of the tenders are:

Contract number	Single journey distance (km)	Dead running distance per day (km)	Capacity required
C27	20	15	35
F90	60	70	53

## Executive Coach Drivers

The panel of drivers on the executive coach contract is as follows:

Driver name	Date of birth	Date Category D entitlement obtained
Don Shannon	12.01.1959	16.02.1985
Roger Nelson	23.12.1971	02.10.2001
Helen Lee	18.05.1967	29.04.1992

## New Business Opportunities

The local authority has invited tenders for the operation of a market day service into Louth from Mablethorpe, which is 15km from Louth by the most direct route. The service would be required to operate every Tuesday, Thursday and Friday, departing Mablethorpe at 0945 hrs and returning from Louth at 1300 hrs. The specification requires that the minimum passenger seating capacity of the vehicle used is 30. The service deviates from the most direct route to take in a number of villages, and the single journey distance in service is 25 km, with an average speed of 30 kph.

The partners of OCR Travel are planning to expand their operation to include a programme of day and longer tours. They are purchasing two new 52-seat coaches, to a specification identical to the ones already owned, and will recruit a dedicated group of drivers. Your predecessor started working on this project and had prepared costings for tours to West Wales and to London. The tours to Wales would be of six day's duration, covering 1,300 km. The tours to London would be of three day's duration covering 500km. He had also commenced preparation of a brochure, although his draft only shows the destinations and hotels to be used.

## Current Issues

Pauline Baxter has recently been convicted of assault whilst under the influence of drink. The magistrates have imposed a community order for 100 hours unpaid work.

The current site is not large enough for the expanded operation and the partners have purchased a new site on a new industrial area on the outskirts of Louth.

In discussion, the partners have told you that they believe it is more cost effective to contract out the maintenance. When questioned, they agree that they have not recently considered whether it would be preferable to bring the maintenance in-house when they move to the new premises.

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