



Oxford Cambridge and RSA

**Level 3 Certificate of Professional
Competence for Transport Managers
(Passenger Transport) Unit P2 Case Study 05678**

Friday 16 September 2016 – 1.00 PM – 3.15 PM

Time Allowed: 2 hours 15 minutes

Case Study

This document consists of 8 pages. Any blank pages are indicated.

Background

You are a freelance transport consultant and hold an International Certificate of Professional Competence in passenger transport. One of your key clients is OCR Holdings PLC (OCR) and your contact there is Head of Operations, Gilbert Kay.

OCR owns five activity centres in the UK. Each centre is operated by one of OCR's wholly owned subsidiary companies. Each of these five companies holds its own Restricted operator licence and operates two 16-seat minibuses. The vehicles are used to transport clients to and from local airports, railway stations and attractions.

The five activity centres are in Dumfries, Penrith, Richmond, Markfield and Maidstone, each of which is in a different Traffic Area.

Each centre has a small maintenance facility, just large enough to accommodate one 16-seat minibus. The facilities at each centre are only suitable for use on the minibuses. The current safety inspection interval for all activity centre minibuses is 8 weeks.

Potential Future Business

OCR has been in negotiations with RSA Craft and Learn, which runs activity centres in France and Spain. RSA offers different but complementary activities and OCR believes there is potential to enter into a joint venture with RSA to offer 'two centre' holidays between the OCR UK based centres and the RSA centres in France (Paris, Lyon and Montpellier) and Spain (Barcelona).

OCR has authorised the purchase of two new 48-seat coaches which will be based in Dumfries, to be owned, operated and maintained by OCR's subsidiary company that runs the activity centre there. The new coaches will be used to provide a feeder service to Maidstone for clients staying at the other OCR centres. The coaches will then go on to the RSA centres in France and Spain. These services will operate for 50 weeks in a year.

One coach will leave Dumfries on Thursday evenings and one coach will leave on Sunday evenings, following the route shown in Fig. 1, to arrive in Maidstone at 05.30hrs on the following morning. On arrival at Maidstone the drivers will hand over the coach to two new drivers for the journey to the RSA centres in France and Spain.

The first service is planned to leave Dumfries on Thursday 10th December 2016, driven by Angus Bute who will have just completed a Regular Weekly Rest. A second driver, Sara Robins, will board the coach at Penrith. The two drivers will share the driving for the rest of the journey to Maidstone.

The feeder service between Dumfries and Maidstone is only open to OCR clients. OCR intends to offer seats to the public on the service from Maidstone to the centres in France and Spain and on the service back to Maidstone.

The route for the southbound feeder service is shown in Fig. 1.

Details of feeder service

Journey	Distance (km)	Average Speed (kph)
Dumfries to Penrith	90	60
Penrith to Richmond	80	80
Richmond to Markfield	234	90
Markfield to Maidstone	252	90

Fig. 1

- Driver pre-use checks and paperwork take a total of 30 minutes at Dumfries.
- Time allowed to load passengers at Dumfries is 18 minutes.
- Time allowed to load passengers is 18 minutes at each Penrith, Richmond and Markfield.
- Angus and Sarah are only permitted to take over driving from each other at the latest possible time and only at one of the OCR activity centres.
- Angus and Sarah will return to their depots, at the earliest possible time, after completing the vehicle handover at Maidstone. The handover takes 10 minutes.
- Angus and Sarah will share the return drive to Dumfries in a hire car, to be collected in Maidstone. It will take them 30 minutes to collect the car. The car journey will involve 6 hours and 30 minutes driving, including an allowance for breaks and driver changeovers.
- Daily rests, if required, can only be taken at one of the activity centres and must always be taken as late as possible.

Distances between stops on the international route

Journey	Distance (km)
Maidstone to Folkestone	120
Coquelles to Paris	264
Paris to Lyon	440
Lyon to Montpellier	296
Montpellier to Barcelona	300

Fig. 2

Future Plans

Gilbert Kay has asked you to prepare a plan to develop the transport services to the European centres. The OCR directors have also asked you to provide advice on what needs to be done to meet legal and operational requirements. You have obtained the information given in Fig. 3 and Fig. 4.

Information for the feeder and continental services

Average passenger load per journey	40 passengers
Purchase Price per coach (excluding tyres)	£200,000.00
Annual coach depreciation rate	20%
Total annual allocated driver costs for feeder and continental services (To be treated as a standing cost)	£112,000.00
Other overheads per annum	£15,000.00
Fuel price	£1.20/L
Fuel consumption	4km/L
Other running costs	£0.12/km
Channel Crossing costs per annum. (To be treated as a standing cost)	£46,000.00
Road toll charges per annum. (To be treated as a standing cost)	£12,400.00
Profit mark up	10%
Expected annual mileage for each of the two coaches	207,600km
Euro exchange rate	€1 = £0.80

Fig. 3

Guide to safety inspection intervals from the DVSA publication 'A Guide to Maintaining Road Worthiness'

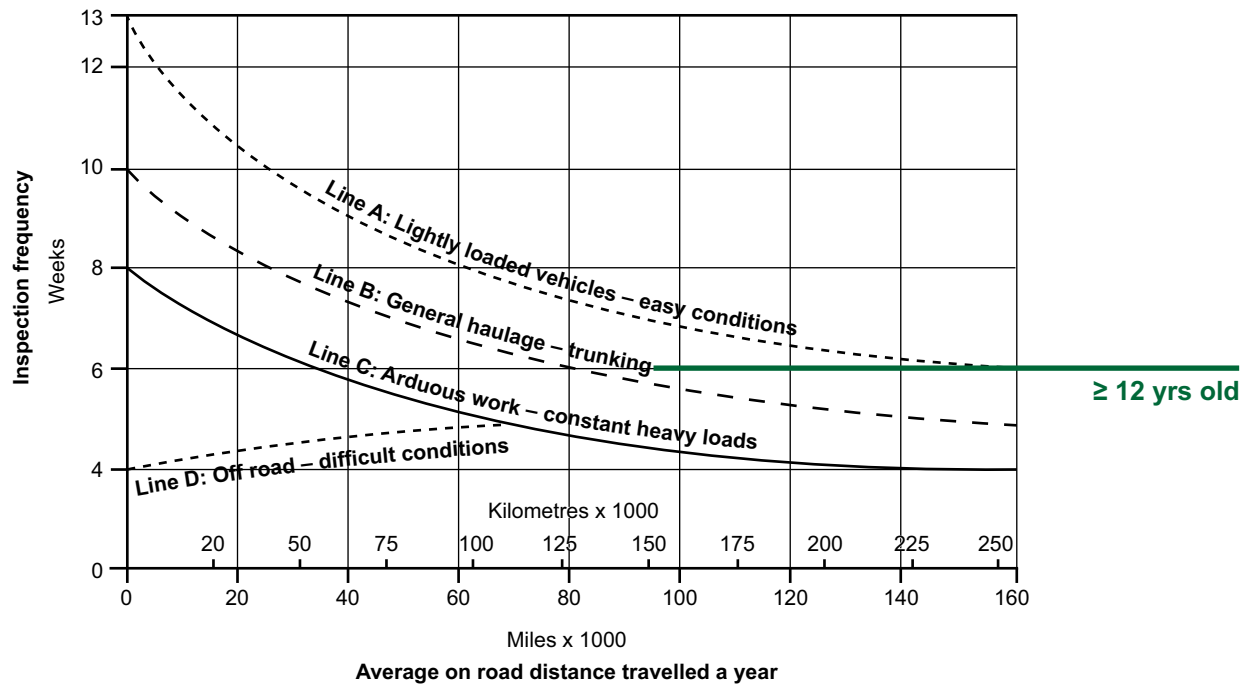


Fig. 4

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