

**Level 3 Certificate of Professional
Competence for Transport Managers
(Road Haulage) Unit R2 Case Study**

05689

**Friday 3 March 2017
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

Original Can Resources Ltd (OCR) holds a Standard National operator licence and operates its fleet of 17 vehicles and 14 trailers from its only operating centre in Cardiff, which it uses under a long term lease. The licence has a margin of 6 vehicles. Maintenance is carried out at a local garage, 5km from the operating centre. The company has decided to continue to use the Office of The Traffic Commissioner's forms for all submissions and applications.

OCR specialises in transporting sheet aluminium from factories to can manufacturers, and in supplying drinks companies with stocks of new cans. The company's biggest customer is Cardiff Cans, whose factory is adjacent to OCR's operating centre, OCR also gets work from Cardiff Cans' customers, by recommendation.

OCR employs 20 staff who hold Category C+E driving entitlement and have current Driver Qualification Cards. OCR is registered as an approved training centre for Periodic Training.

You have recently been appointed as an assistant to OCR's Transport Manager, Phil Smith, who holds a Certificate of Professional Competence in National Road Haulage Operations. When you have passed the CPC exam you have been promised a promotion to Deputy Transport Manager and you will be nominated on OCR's operator licence, alongside Phil.

Company policies and rules

1. Drivers must be scheduled to carry out vehicle checks at the beginning of every shift. Schedules must allow 15 minutes for this activity.
2. Drivers may not be scheduled to extend driving hours on any day (this time is reserved to allow for traffic delays).
3. Driver schedules must allow every driver to take a Regular Daily Rest every day. Phil has advised you that this rule will be waived for drivers working outside the UK.
4. Driver breaks and rest periods may only be scheduled to be taken at OCR premises or at loading or unloading points. Again, Phil has advised you that this rule will be waived for drivers working outside the UK.
5. Driver breaks and rest periods must be scheduled to be taken as late as possible, and for the shortest possible time.
6. Drivers working outside the UK will be required to obey Regulation EC 561/2006 and Working Time Regulations, even when outside the EU. All of OCR's drivers have signed an opt-out from the working time limit for night workers.

Current issues

Compliance

In recent weeks OCR has received a number of forms that were issued by DVSA officers. Phil has passed all of these forms to you to deal with. These include three PG35EC forms, one PG9 form, one PG9C form and one PG10 form.

Driver CPC

Phil has told you that none of OCR's drivers have completed any Periodic Training since August 2014. In order to ensure that the drivers comply with Driver CPC regulations, and to avoid problems for the company, Phil has set aside one day per year for in-house Periodic Training courses. This programme will start in the last week of June 2017 and continue annually in June.

Phil has identified two OCR drivers who he believes will not fulfil the training requirement under his plan, and he has summarised all of his findings in the table below.

Driver(s)	Date Category C licence obtained	Date Category C+E licence obtained	Date current Driver Qualification Card obtained
Joe Bloggs	30/1/2015	20/3/2015	6/2/2015
Simon Smithers	16/8/2012	1/9/2012	13/10/2012
The 18 other drivers	Before 2009	Before 2009	August 2014

Future plans

Proposed contract with Cymru Beers

Cymru Beers produces canned drinks from its brewery in Mountain Ash, which is 30km from Cardiff Cans' premises. You have attended a preliminary meeting with executives from Cymru Beers and gathered the following information in respect of a proposed contract to deliver cans to them.

- Cymru Beers requires one delivery from Cardiff Cans to arrive every hour, on the hour, throughout every day and night, starting in November 2017.
- Each load will require one of OCR's articulated combination vehicles.
- Each load is to be collected from Cardiff Cans' premises.
- Loading at Cardiff Cans will take 12 minutes for each load, driver assisting.
- Unloading at Cymru Beers will take 18 minutes for each load, driver assisting.
- Average speed between Cardiff and Mountain Ash, for planning purposes, is 60kph.
- OCR's vehicle (or vehicles) to be used on this contract will be based at Cardiff Cans' premises and maintained at the garage currently used for the fleet.

Proposed journey to Moscow (Russian Federation) and Riga (Latvia)

Cardiff Cans' Operations Manager (Charlie White) has told you that his company is experiencing difficulty in obtaining sheet aluminium for can manufacture, although he believes that he has enough stock to last until November 2017. He has identified sheet aluminium manufacturers in Moscow and in Riga that could supply a single lorry load between them.

As Charlie has a delivery of finished cans to Moscow scheduled for Friday 24 November 2017, he is offering a contract to carry out this delivery and to collect sheet aluminium from Moscow and from Riga, to carry on the return journey to Cardiff.

One of OCR's route planners (Jane Green) has begun work on planning this journey and providing a quotation to Cardiff Cans, but she is now on leave. So far, Jane has scheduled the outward journey only. Phil has asked you to take over her work, to schedule the driver as far as Riga and to calculate OCR's costs for the entire return journey. You have gathered the following information from Jane's file.

- The journey will require one articulated combination from the current fleet, fitted with a sleeper cab.
- The route planned takes one articulated combination from Cardiff to Moscow, via the Channel Tunnel, travelling through France, Belgium, Germany, Poland and Belarus on the outward journey. The vehicle's average speed throughout is to be 70kph.
- Costings for the entire journey will be based on a total of 12 days.

Journey stage	Driving distance
Cardiff to Moscow	2,800km
Moscow to Latvian border (Border formalities will take 30 minutes, to be treated as Other Work)	455km
Latvian border to Riga collection point	455km
Riga to Cardiff	2,300km

The driver to be scheduled on this work is Joe Bloggs. He will have started work at 07.00hrs on Monday 20 November 2017, immediately after completing a Regular Weekly Rest period. He will have completed unloading and re-loading in Moscow at 19.50hrs on Friday 24 November 2017, having started that day's shift at 15.50hrs and then completed 1 hour of driving and 3 hours of 'other work'. On the outward journey, Jane has scheduled Joe to take two Reduced Daily Rest and three Regular Daily Rest periods.

Standard costing information

Phil has worked with OCR's accounts department to produce standard costing sheets, for use in preparing all quotations for customers. The sheet for the articulated combination with sleeper cab (to be used on the proposed journey to Moscow is reproduced below).

Type of 'daily' cost	Amount per day
Vehicle combination depreciation	£14.50
Driver costs, per driver (including allowances)	£135.00
Vehicle Excise Duty	£5.40
All other standing costs (including vehicle certifications)	£32.75

Type of 'per kilometre' cost	Amount per km
Fuel	32.00 pence
Vehicle combination maintenance	11.00 pence
Tyres	3.00 pence
Tolls	10.00 pence

Type of 'other' cost (to be included only when applicable)	Amount per return journey
Channel Tunnel return fare	£450.00
Channel ferry return fare	£380.00
TIR Carnet	£65.00
EUR1 Certificate	£13.41
ATR Certificate	£45.00
ITF/ECMT Permit	£18.00
CMR insurance	US\$100.00
Marine insurance	€100.00

Other financial information	
US\$ exchange rate	£1 = US\$ 1.48
Euro exchange rate	£1 = €1.35
Fuel price, per litre	£0.96

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