

Applied Business

Advanced GCE

Unit **F257**: Managing Risk in the Workplace

Mark Scheme for June 2011

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by Examiners. It does not indicate the details of the discussions which took place at an Examiners' meeting before marking commenced.

All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the Report on the Examination.

OCR will not enter into any discussion or correspondence in connection with this mark scheme.

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General advice to Assistant Examiners on the procedure to be used

YOU WILL BE REQUIRED TO MARK PRACTICE AND STANDARDISATION SCRIPTS BEFORE STARTING TO MARK LIVE SCRIPTS.

- 1 The schedule of dates for the marking of this paper is very important. It is vital that you meet these requirements. If you experience problems then you must contact your Team Leader (Supervisor) without delay.
- 2 An element of professional judgement is required in the marking of any written paper. Candidates often do not use the exact words which appear in the detailed sheets which follow. If you are in doubt about the validity of any answer then consult your Team Leader (Supervisor) by phone, the messaging system within scoris, or e-mail.
- 3 Correct answers to calculations always gain full credit, even if no working is shown (The "Show your working" instruction is to help candidates, who may then gain credit even if their final answer is not correct.)
- 4 Some questions may have a 'Level of Response' mark scheme. Any details about these will be in the Additional Guidance.
- 5 **Crossed out answers**
 - (i) Where a candidate crosses out an answer and provides an alternative response the crossed out response should not be marked and gains no marks.
 - (ii) Where a candidate crosses out an answer to a whole question, but makes no second attempt, you should attempt to mark the crossed out response and award marks appropriately.
- 6 **Duplicated answers**
 - (i) normally all responses are marked and the highest mark given
 - (ii) where the candidate provides contradictory responses, no mark should be awarded (for example: the candidate writes a statement such as 'water freezes at 0oC this means it is a liquid at -10oC'). The candidate, here, does not seem to understand the context of the 'question'
 - (iii) where the candidate has providing multiple answers to a single response question, no mark should be awarded.
- 7 In addition to the award of 0 marks there is a NR (No Response) option in scoris.

Award 0 marks

- if there is any attempt that earns no credit (including copying out the question or some crossed out working)

Award NR (No Response)

- if there is nothing written at all in the answer space
- OR
- if there is any comment which does not in any way relate to the question being asked (e.g. 'can't do', 'don't know')
- OR
- if there is any sort of mark which is not an attempt at the question (eg a dash, a question mark).

- 8 Abbreviations, annotations and conventions that are used in this Mark Scheme vary from paper to paper. The following annotations are available for this paper.

	Tick
	Cross
	Benefit of doubt
	Unclear
	Repeat
	Level 1
	Level 2
	Level 3
	Level 4
	Own figure rule
	Accepted as context
	Not answering question
	Candidate's response seen

Highlighting is also available to highlight any particular points on the script.

- 9 **The Comments box** will be use by your PE to explain their marking of the practice scripts. Please refer to these comments when checking your practice scripts.

Any questions or comments you have for your Team Leader should be communicated by phone, via the scoris messaging system, or e-mail.

- 10 Please send a brief report on the performance of candidates to your Team Leader (Supervisor) by the end of the marking period. The Assistant Examiner's Report Form (AERF) can be found on the RM Cambridge Assessment Support Portal.

Your report should contain notes on particular strength displayed as well as common errors or weaknesses. Constructive criticism of the question paper/mark scheme is also appreciated.

Question	Expected Answer	AO	Mark	Additional Guidance
1 (a)	<p>In the context of health and safety, what is meant by the term 'hazard'?</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • cause harm/injury/hurt • dangerous material, substance or method of working <p>Eg A dangerous substance (1) which could cause harm (1).</p> <p>Eg Something which can cause harm (1), such as a pole sticking out of the ground could cause someone to trip and fall, hurting their leg (1)</p> <p>Eg Something which could hurt or injure someone (1) such as a wet floor (1).</p>	AO1 2	2	<p>Up to two marks</p> <p>Award example only if used to exemplify the meaning.</p> <p>No context required.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
1 (b)	<p>State THREE principles of the Health and Safety at Work Act.</p> <p><i>One mark for each correct identification up to a maximum of three identifications.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • provision of training • provision of protective clothing • ensuring equipment and/or machinery has appropriate guards • satisfactory emergency procedures • safety signage • reporting all hazards to employer • adequate breaks. <p>Eg Allowing staff breaks (1).</p> <p>Eg Providing protective head gear (1).</p>	AO1 3	3	<p>No context required.</p> <p>Watch out for repetition.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
1 (c)	<p>With reference to Text 1, identify THREE different stakeholder groups of <i>CFC</i>.</p> <p><i>One mark for each correct identification up to a maximum of three identifications.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • Tom /Ellie/Owners/Employers • Mike/Brenda/Employees • Alice/campers/Customers • training providers • fire hydrant installers • government/HSE. <p>Eg Tom (1)</p> <p>Eg People staying in the caravans (1)</p> <p>Eg Staff (1)</p>	AO2 3	3	<p>Must be from Text1.</p> <p>Watch out for repetition.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
1 (d)	<p>Other than the Health and Safety at Work Act, describe TWO health and safety laws which could impact upon the activities of <i>CFC</i>.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two descriptions.</i></p> <p>Responses include:</p> <ul style="list-style-type: none"> • EC Directive on Work with Display Screens • Workplace (Health and Safety and Welfare) Regulations • Health and Safety (Display Screen Equipment) Regulations • Manual Handling Operations Regulations • Provision and Use of Workplace Equipment Regulations • Personal Protective Equipment at work Regulations • Management and Health and Safety at Work Regulations • Working Time Regulations. <p>Eg EC Directive on Work with Display Screens (1). Requires staff to be given breaks on a frequent basis (1).</p> <p>Eg Provision and Use of Workplace Equipment Regulations (1). As Tom and Ellie have groundsmen, they may need to give them appropriate equipment, eg. hedge cutters for cutting the hedges around the plots (1).</p>	<p>AO1 2 AO2 2</p>	<p>4</p>	<p>Law must be identified to award marks.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
1 (e)	<p>Other than poor customer relations, describe THREE likely negative consequences to <i>CFC</i> of not fully meeting its required duty of care.</p> <p><i>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three descriptions.</i></p> <p>Responses include:</p> <ul style="list-style-type: none"> • visit from the HSE • increased risk of injury/accident • permanent/temporary closure • de-motivated workforce/poor working relations • industrial action • loss of custom/revenue/earnings/cash inflows • loss of profit/make a loss • legal action/sued • fines/compensation/damages • bad publicity/reputation/corporate image. <p>Eg A visit from the Health and Safety Executive (1). If the owners of <i>CFC</i> are not looking after customers/staff appropriately, they could face temporary closure (1).</p> <p>Eg An accident could occur (1). The owners might not put in place the appropriate measures to ensure the safety of their workers/customers (1).</p> <p>Eg A customer could take legal action against <i>CFC</i> (1) which may result in the business having to pay a fine (1).</p>	<p>AO1 3 AO2 3</p>	<p>6</p>	<p>Award descriptions relating to reasons or further consequence.</p> <p>Watch out for repetition.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
2 (a)	<p>Identify TWO types of on-the-job training that Mike could provide for Brenda.</p> <p><i>One mark for each correct identification up to a maximum of two identifications.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none">• shadowing• mentoring/coaching• working with an experienced employee• observation. <p>Eg Work shadowing (1)</p> <p>Eg Working alongside Mike who is an experienced colleague (1)</p>	AO1 2	2	Do not accept answers which include off-the-job training or induction training.

Question	Expected Answer	AO	Mark	Additional Guidance
2 (b)	<p>Explain TWO relevant health and safety issues Mike could discuss with Brenda if she were to receive some training in basic life saving skills.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of the two explanations.</i></p> <p>Responses include:</p> <ul style="list-style-type: none"> • general working conditions (poor 'housekeeping'/untidy and dangerous areas/lack of consideration for others) • lifting and moving heavy loads • lack of duty of care • substances (chemicals/solvents) • environmental risks (fire/drowning) • lack of guidance for visitors • first aid • emergency procedures • personal protective clothing. <p>Eg Poor housekeeping (1) such as leaving things like buoyancy aids around the pool (1).</p> <p>Eg Dealing with substances (1) making sure that she handles chemicals like chlorine properly when cleaning the pool (1).</p>	<p>AO1 2 AO2 2</p>	<p>4</p>	<p>Award two marks if issue identified and reasoning given.</p> <p>Award one mark if issue identified with no reasoning.</p> <p>Do not award hazards.</p> <p>Mark for explanation is not for method of training.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
2 (c)	<p>What is meant by the term 'strategic change'?</p> <p><i>Up to two marks.</i></p> <p>Strategic change is a major alteration in the direction a business is heading. It results in fundamental adjustment to business objectives and policies.</p> <p>Eg An adjustment (1) to the direction in which a business is heading (1).</p> <p>Eg Where a business chooses to go in a different (1) direction (1).</p> <p>Eg A radical shift (1) in a business' aims (1)</p>	AO1 2	2	<p>One mark for 'change' and one mark for 'strategic'.</p> <p>Do not award examples.</p> <p>Do not award the words 'change', 'strategy' or 'strategic'.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
2 (d)	<p>Evaluate the extent to which an indoor pool and kiosk would be a successful strategic change for <i>CFC</i>.</p> <p>Level 1 (1–2 marks) Candidate identifies the benefits(s)/drawback(s) of strategic change with no context.</p> <p>Level 2 (3–5 marks) Candidate applies knowledge and understanding of the benefit(s)/drawback(s) to <i>CFC</i> of having an indoor pool and kiosk.</p> <p>Level 3 (6–9 marks) Candidate analyses the benefit(s) and/or drawback(s) to <i>CFC</i> of having an indoor pool and kiosk.</p> <p>Level 4 (10–14 marks) Candidate evaluates the benefit(s) and/or drawback(s) to <i>CFC</i> of having an indoor pool and kiosk.</p> <p>Indicative content</p> <ul style="list-style-type: none"> • could bring in those customers who travel abroad • attract new customers to the campsite • attract new customers to the pool • effect on revenue • may increase popularity for families • if indoor, then it is all-weather it could extend the season • effect on profits • could improve the tarnished reputation as a good place to stay in the camp guides • staff motivation • effect on reputation • additional pricing opportunities 	AO1 2 AO2 3 AO3 4 AO4 5	14	<p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p> <p>Context should be annotated every time L2 is awarded with the icon ‘CONT’.</p> <p>Non-contextual answer max level 1.</p> <p>Must be benefits/drawbacks to business.</p> <p>L1 [1-2 marks] [1 mark] candidate identifies one benefit/drawback of strategic change with no use of context. [2 marks] candidate identifies more than one benefit/drawback of strategic change with no use of context.</p> <p>L2 [3-5 marks] Look for something more than CFC/campsite /site/Tom/Ellie/Brenda/Mike. [3 marks] candidate applies understanding of one benefit/drawback of having an indoor pool and kiosk at <i>CFC</i>. [4-5 marks] candidate applies understanding of more than one benefit/drawback of having an indoor pool and kiosk at <i>CFC</i>.</p> <p>L3 [6-9 marks] [6-7 marks] candidate analyses the benefit(s) or drawback(s) of having an indoor pool and kiosk at <i>CFC</i>. [8-9 marks] candidate analyses the benefit(s) and drawback(s) of having an indoor pool and kiosk at <i>CFC</i>.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
	<ul style="list-style-type: none"> • competitive advantage • the costs will be £20,000 (to build just the pool) • it will have to take out a bank loan. • staffing issues <p>Eg Offering new facilities at CFC will attract a wider customer base (L1). The pool (CONT) may increase its sales as more families with young children may like to swim in the pool and so will stay there (L2), which should improve cash flow (L3). However, in order to get those vital customers, CFC may need to advertise the pool (CONT) which will impact negatively on the cash flow in the short term but in the long term should result in increased revenue even in bad weather (L4).</p>			<p>L4 [10-14 marks] [10 marks] candidate gives a weak judgement as to the extent to which having an indoor pool and kiosk is likely to be a successful strategic change for <i>CFC</i>. [11-12 marks] candidate gives a detailed judgement as to the extent to which having an indoor pool and kiosk is likely to be a successful strategic change for <i>CFC</i>. [13-14 marks] candidate gives a detailed and specific argument as to the extent to which having an indoor pool and kiosk is likely to be a successful strategic change for <i>CFC</i>.</p> <p>Level annotation required.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
3 (a)(i)	<p>Explain THREE activities Tom should have undertaken during his initial risk assessment of the building work.</p> <p><i>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of the three explanations.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • identify areas of potential risk/hazards • assess the risks/who could be harmed • decide whether existing precautions are adequate or what more should be done • record findings • review assessment/revise if necessary. <p>Eg Identify areas of potential risk (1), such as the hole for the swimming pool which campers could fall into (1).</p> <p>Eg Record findings (1). Tom should have a grid which will have the degrees of risk level and should put all possibilities down on it (1).</p>	<p>AO1 3 AO2 3</p>	<p>6</p>	<p>Answers must be based on the standard five steps of risk assessment.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
3 (a)(ii)	<p>Explain TWO benefits to <i>CFC</i> of Tom completing this risk assessment.</p> <p><i>One mark for each correct identification not in context, up to a maximum of two identifications, plus up to a further two marks for each explanation.</i></p> <p>Responses include:</p> <ul style="list-style-type: none"> • identification of hazards • reduction of potential health and safety risks • reduction of accidents • reduction of injuries • reduction of possible legal action • helps to reduce possible financial problems • reduction in possible fines • possible avoidance of a visit from the HSE • possible avoidance of temporary/permanent closure • reduction in damage payments • good review from critics • enhanced reputation • satisfied customers • increased custom • increased profit • meeting obligation for duty of care • improved staff morale • increased productivity • clarifies decision on whether to stay open during building works. <p>Eg Identification of potential hazards (1). Such as the impact of construction tools placed around the site (1). Tom could put appropriate signs up to prevent campers from going near it and tripping on cables (1).</p>	AO1 2 AO2 4	6	<p>Accept explanation relating to consequence and/or cause.</p> <p>Watch out for repetition.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
	Eg Reducing the chance of legal action (1). If a camper fell in the hole dug for the pool they could injure themselves (1). Possible legal action could negatively affect <i>CFC's</i> finances (1).			

Question	Expected Answer	AO	Mark	Additional Guidance
3 (b)	<p>Whilst work was carried out to construct the indoor swimming pool and kiosk, explain THREE hazards that could have affected CFC's customers.</p> <p><i>One mark for each identification up to a maximum of three identifications, plus a further one mark for each of three explanations up to three times.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • fall (1), hole in ground (+1) • trip (1), equipment/cables/drills (+1) • run over (1), digger in operation (+1) • noise levels (1), generator (+1) • dust (1), pneumatic drill (+1) <p>Eg There could be an unguarded hole dug (1) where a person could fall in (1).</p> <p>Eg Cables could be left on the pathways (1) whereby a person could trip and fall on them (1).</p> <p>Eg Someone could be run over (1) by an excavator (1).</p>	AO1 3 AO2 3	6	<p>Response must relate to hazard not the nature of the injury.</p> <p>Must be hazards to customers rather than workers.</p> <p>Watch out for repetition.</p>
3 (c)	<p>Describe TWO possible causes of Joe's accident at the pool.</p> <p><i>One mark for each identification up to a maximum of two times, plus a further one mark for each of two explanations.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • there was no life guard around the pool/Mike at kiosk/Mike overworked/no time to watch • the boy was running/disobeyed orders • there were not enough staff 	AO1 2 AO2 2	4	<p>Do not award 'lack of experience', 'training' or 'duty of care'.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
	<ul style="list-style-type: none"> • lack of parental supervision • poor quality floor tiles • lack of warnings signs. <p>Eg There was no life guard present at the pool (1). If there was, they would have seen the boy running and stopped him (1).</p> <p>Eg The boy was running (1) he ignored warnings given by Mike and, therefore, he slipped as a result (1).</p>			
3 (d)*	<p>Discuss to what extent, <i>CFC</i>'s problems would be solved by taking on more employees.</p> <p>NB This question is assessed for QWC.</p> <p>Level 1 (1–2 marks) Candidate identifies the drawback(s)/benefits(s) of taking on more employees with no context.</p> <p>Level 2 (3–5 marks) Candidate applies knowledge and understanding of the benefit(s)/drawback(s) to <i>CFC</i> of taking on more employees.</p> <p>Level 3 (6–9 marks) Candidate analyses the benefit(s) and/or drawback(s) to <i>CFC</i> of taking on more employees.</p> <p>Level 4 (10–14 marks) Candidate evaluates the benefit(s) and/or drawback(s) to <i>CFC</i> of taking on more employees.</p>	AO1 2 AO2 3 AO3 4 AO4 5	14	<p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p> <p>Context should be annotated every time L2 is awarded with the icon 'CONT'.</p> <p>Non-contextual answer max level 1.</p> <p>Accept benefits/drawbacks to business/ employees.</p> <p>L1 [1-2 marks] [1 mark] candidate identifies one benefit/drawback of taking on more employees with no use of context. [2 marks] candidate identifies more than one benefit/drawback of taking on more employees with no use of context.</p> <p>L2 [3-5 marks] Look for something more than <i>CFC</i>/campsite/site/Tom/Elle/Brenda/Mike/Joe. [3 marks] candidate applies understanding of one benefit/drawback to <i>CFC</i> of taking on more</p>

Question	Expected Answer	AO	Mark	Additional Guidance
	<p>Indicative content</p> <ul style="list-style-type: none"> • increase staff for work at the campsite • lower stress levels for existing employees • reduction of future hazards/risks/accidents • avoidance of complaints and/or legal action • effect on reputation • effect on profitability • cope with increased demand from pool. • time and cost of recruitment • increased labour costs • the new workers would need to be trained – time and cost <p>Eg When any business takes on more workers it increases costs (L1). As <i>CFC</i> has had many things to pay for recently (the trenches (CONT) and pool and kiosk), it may not be able to afford additional workers (L2) which may adversely affect cash flow (L3). Although they may need an overdraft, more staff should reduce the risk of accidents occurring around the pool (CONT) which would reduce legal action/costs and encourage more customers to visit, increasing revenue and profit (L4).</p>			<p>employees. [4-5 marks] candidate applies understanding of more than one benefit/drawback to <i>CFC</i> of taking on more employees.</p> <p>L3 [6-9 marks] [6-7 marks] candidate analyses the benefit(s) or drawback(s) to <i>CFC</i> of taking on more employees. [8-9 marks] candidate analyses the benefit(s) and drawback(s) to <i>CFC</i> of taking on more employees.</p> <p>L4 [10-14 marks] [10 marks] candidate gives a weak justification as to the extent to which <i>CFC</i>'s problems would be solved by taking on more employees.</p> <p>[11-12 marks] candidate gives a detailed justification as to the extent to which <i>CFC</i>'s problems would be solved by taking on more employees. [13-14 marks] candidate gives a detailed and specific justification as to the extent to which <i>CFC</i>'s problems would be solved by taking on more employees.</p> <p>Level annotation required.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
4 (a)	<p>Explain THREE consequences of poor industrial relations to a business such as <i>CFC</i>.</p> <p><i>One mark for each correct identification, up to a maximum of three identifications, plus a further one mark for each of three descriptions.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • loss of sales • loss of profits • cancellation of bookings • poor relationship between owners and workers • lack of staff morale/motivation/co-operation • increased absenteeism/labour turnover • reduced productivity/tasks left not done • industrial action/strike/picketing/work to rule • bad publicity • poor reputation • problems for future recruitment/retention • closure of business • suppliers may not be paid • investors may pull out • financial cost of dispute settlement . <p>Eg <i>CFC</i> may face a loss in commitment of its workers (1). This could mean that it cannot meet the customers' requirements (1). If the customers are not happy, they may cancel the bookings and go elsewhere (1).</p> <p>Eg The business may have to pay settlements to stop the industrial action (1). This may mean that it cannot pay their suppliers (1). This may mean that the future profitability is negatively affected (1).</p>	<p>AO1 3 AO2 3</p>	<p>6</p>	<p>Do not award 'it may cause a bad relationship between workers and owners' as this is the question.</p> <p>Answers must be consequences not causes.</p> <p>No context required.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
4 (b)	<p>Describe TWO ways in which Tom and Ellie could minimise the risk of industrial action at <i>CFC</i>.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two descriptions.</i></p> <p>Indicative content:</p> <ul style="list-style-type: none"> • recruitment of more workers • pay the staff more • improve working conditions • hold more meetings to listen to staff's issues • give additional training to workers . <p>Eg They could recruit more workers (1). This may take the stress off workers such as Mike at the pool (1).</p> <p>Eg They could pay the staff more (1). This may mean that workers such as Brenda do not resent the extra work which may be placed upon them (1).</p> <p>Eg They could train its workers more (1). In this way, it would be easier for the staff to rotate and do each other's roles efficiently (1).</p>	<p>AO1 2 AO2 2</p>	<p>4</p>	<p>Do not award 'improve employee relations', the question requires methods.</p>

Question	Expected Answer	AO	Mark	Additional Guidance
4 (c)	<p>Evaluate whether or not Tom and Ellie should accept the offer from Eucamp for its use of the static caravans.</p> <p>Level 1 (1-3 marks) Candidate identifies advantages and/or disadvantages of entering into a restrictive contract with another business.</p> <p>Level 2 (4–6 marks) Candidate applies knowledge and understanding of advantages and/or disadvantages to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans.</p> <p>Level 3 (7–9 marks) Candidate analyses the advantages and/or disadvantages to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans.</p> <p>Level 4 (10–12 marks) Candidate evaluates the advantages and/or disadvantages to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans.</p> <p>Indicative content</p> <ul style="list-style-type: none"> • stable income • low occupancy levels no longer an issue • effect on image of the business • profitability of the business • the business would only receive 50% of potential income from caravans • loss of control of the business • unknown reputation of Eucamp • new ideas • restricted clientele. 	AO1 2 AO2 3 AO3 4 AO4 5	14	<p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p> <p>Context should be annotated every time L2 is awarded with the icon ‘CONT’.</p> <p>Non-contextual answer max level 1.</p> <p>L1 [1-2 marks] [1 mark] candidate identifies one benefit/drawback of entering into a restrictive contract with another business (no use of context). [2 marks] candidate identifies more than one benefit/drawback of entering into a restrictive contract with another business (no use of context).</p> <p>L2 –L4 Must be benefits/drawbacks to CFC (not Eucamp).</p> <p>L2 [3-5 marks] Look for something more than CFC/campsite/site/Tom/Ellie/Brenda/Mike. [3 marks] candidate applies understanding of one benefit/drawback to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans. [4-5 marks] candidate applies understanding of more than one benefit/drawback to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans.</p> <p>L3 [6-9 marks] [6-7 marks] candidate analyses the benefit(s) or drawback(s) to <i>CFC</i> of accepting the offer from Eucamp for its use of the static caravans. [8-9 marks] candidate analyses the benefit(s) and drawback(s) to <i>CFC</i> of accepting the offer from</p>

	<p>Eg Accepting a contract may restrict a business' control (L1). CFC would be hiring out all its static caravans at 50% of their value (CONT), which is a drop in revenue if they manage to have 100% occupancy (L2) which if costs remain the same will lead to a reduction in profit (L3). However, because its reputation is tarnished, it cannot guarantee hiring out all its static caravans (CONT) and therefore CFC should accept the contract with Eucamp because it will stabilise its income allowing the loan to be repaid more easily (L4).</p>		<p>Eucamp for its use of the static caravans. L4 [10-14 marks] [10 marks] candidate makes a weak judgement as to whether CFC should accept the offer from Eucamp. [11–12 marks] candidate gives a justified as to whether CFC should accept the offer from Eucamp with full justification in context. [13-14 marks] candidate gives a fully justified as to whether CFC should accept the offer from Eucamp with full justification in context.</p> <p>Level annotation required.</p>
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