

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

**Friday 12 June 2015 – 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**

Five years ago you took early retirement. Using funds from an inheritance, you established a minibus operation as a sole trader having previously gained your International CPC.

You obtained your Category D driving entitlement on 1<sup>st</sup> July 2013 and you hold no other vocational entitlements.

The business has progressed well and you now have a Standard National Operator Licence authorising 7 vehicles.

You have two children. Matthew, the youngest, will be 18 years old on 9<sup>th</sup> February 2016. Both he and his sister, Tracey, have expressed an interest in joining the business. Matthew is keen to obtain a PCV category D licence as soon as possible. Tracey is currently working as a manager in the transport office of a major bus company.

As the business is growing steadily, and the children are keen to join the family business, you feel it may be time to consider converting from the current business structure as a sole trader, to a private limited company, wholly owned by you.

## **Current fleet details**

	<b>Number of vehicles</b>	<b>Number of passenger seats per vehicle</b>	<b>Vehicle length (metres)</b>	<b>Vehicles used for</b>
<b>Executive Mini-coaches</b>	2	16	7.5	Private hire
<b>Midi-coach</b>	1	38	9.9	Contracts and private hire
<b>Tour coach</b>	1	45	12.0	Private hire
<b>School bus</b>	1	67	12.0	Contracts S1A & S2A

**Contracts S1A & S2A**

School Contract S1A is due for renewal in January 2016 and you intend to submit a tender by the deadline of 1<sup>st</sup> October 2015.

Sports Contract S2A was renewed in August 2014 for five years.

You intend to use the 67-seat School bus for both contracts daily in the order shown in the tables below.

<b>School Contract S1A (am)</b>	<b>Distance (km)</b>
Depot to High Street	16
High St to Plumbland	8
Plumbland to Blennerhasset	12
Blennerhasset to School	14

<b>Sports Contract S2A</b>	<b>Distance (km)</b>
School to Swimming Baths	11
Swimming Baths to School	11
School to Outdoor Centre	14
Outdoor Centre to School	14

<b>School Contract S1A (pm)</b>	<b>Distance (km)</b>
School to Blennerhasset	11
Blennerhasset to Plumbland	14
Plumbland to High Street	14
High Street to Depot	16

**Financial details**

<b>Vehicle</b>	<b>67-seat school bus</b>
Purchase price excluding tyres	£68,500
Expected resale value	£25,000
Period for depreciation	5 years
Fuel consumption	4 kpl
Tyre costs	£0.035 per km
Maintenance costs	£0.10 per km
Fuel price	£1.20 per litre
Driver costs	£100.00 per day
Other standing costs	£10,000 per annum
Management charge	8%
Days worked	190 per annum

## **Future Business**

You have an opportunity to fulfil your ambition to drive coaches in Europe by tendering for a contract to supply coach travel for a holiday company running ski holidays in the French Alps.

The service for which you are tendering will operate weekly, starting next February. The first trip will return empty and the final trip in April will go out empty and return with passengers. The holiday company require all journeys to be completed in the shortest possible time.

## **Ski trip details**

The pickup point for passengers on the Ski holiday is Charnock Richard Motorway Services. You and your second driver will drive the coach to the services and take your Regular Daily Rest in the hotel there.

At the end of your rest period, you will begin preparations for the arrival of your passengers who will have been brought in by feeder services. This preparation takes 15 minutes and includes the daily walk around check. Loading passengers will take 30 minutes. Both drivers will be involved in these activities.

The holiday company has successfully negotiated a discount for the 10.30 hrs Le Shuttle departure and insist that this must be used. Check-in procedures will take 30 minutes and will involve both drivers. Embarkation onto and disembarkation from Le Shuttle each take ten minutes (driving time). The journey time on Le Shuttle is 35 minutes.

On arrival at the hotel in St Sorlin, both drivers will spend 30 minutes assisting with passenger unloading before starting a rest period.

<b>Road journey details</b>	<b>Distance</b>	<b>Average Speed*</b>
Depot to Charnock Richard Motorway Services	176 km	80 kph
Charnock Richard Motorway Services to Le Shuttle Terminal, Cheriton	460 km	80 kph
Le Shuttle Terminal, Coquelles to St Sorlin, France	900 km	80 kph

\*The average speeds stated are to be used for planning purposes. These take into account driver changeovers and include an allowance for delays.

Both drivers have signed a work force agreement to opt out of the 10-hour limit for night workers.

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