

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

**05689**

**Friday 16 June 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

You have traded as an independent transport consultant for two years. You employ a number of CPC holders to visit clients and to write reports. One of these employees, Mehmet Balak, visited Al Kuai Transport Ltd yesterday on your behalf and has completed a 'Client Visit Form'. Late last night, Mehmet emailed you this form and told you that he is now too ill to complete the report for the client, which is due today.

Relevant extracts from Mehmet's 'Client Visit Form' are set out below.

### Extracts from Client Visit Form

Consultant	Client	Date
Mehmet Balak	Al Kuai Transport Ltd	Thursday 15 June 2017

#### General Information

Al Kuai Transport Ltd operates refuse and skip lorries and also runs a plant hire business from its head office in Peterborough, where the plant is kept. It has lorry parking available at Freight Yard and Industrial Park.

The company's vehicle fleet comprises:

18,000kg GVW refuse lorries to collect refuse from customers on industrial estates and deliver to a local landfill site.

18,000kg GVW flatbed lorry with crane (and beavertail ramps) to collect items of construction plant and deliver them to the next hirer or return to base. From time to time, it will move its customers' own items of plant between sites the customers are working on, for a fee.

18,000kg GVW lorry with tail lift to move smaller plant items and spare parts.

26,000kg GVW skip lorry to deliver and collect skips. It delivers loads to a local landfill site.

3,500kg GVW van is used by the company's mechanic, to get to customer sites to repair hired plant.

#### Regulatory licences

<b>Operator licence:</b>	Restricted licence, granted 2/6/2013, authorising 5 vehicles at Freight Yard and 3 vehicles at Industrial Park.
<b>CLO Notifications:</b>	The company has not made any notifications to the Traffic Commissioner in 2017.
<b>Other licence(s):</b>	Upper Tier Waste Carrier Dealer registration. Number CBDU12345, issued 1/6/2014.
<b>Notes:</b>	A search of Applications & Decisions shows no activity in the past year. The company is registered for operator self-service, but is unaware of its current Operator Compliance Risk Score.

## Vehicles

Al Kuai Transport Ltd own one 18,000kg GVW refuse lorry (acquired 1/3/2015 and currently parked at Head Office) and have contract hired a further six (two since 2015, three since 2016 and 1 added this year - five of these are at Freight Yard and one is at Head Office). They also operated another refuse lorry between 2/1/2017 and 25/4/2017, based at Freight Yard.

Of the two refuse lorries at Head Office, one is not in use (it has no wheels, tachograph or engine and its operator licence disc is in the windscreen) and the other has been "spare" (the client said that it has been parked up for two weeks and they only pay for it on the days it is used). The "spare" vehicle was last used two days ago, to cover for a company vehicle that would not start.

They bought one 18,000kg GVW flatbed lorry with crane on 1/3/2015, based at Freight Yard.

They have contract hired two 26,000kg GVW skip lorries since 25/5/2015, based at Industrial Park.

They bought one 18,000kg GVW lorry with tail lift on 1/7/2015, based at Industrial Park.

They bought one 3,500kg GVW van on 14/6/2017, based at Industrial Park.

## Drivers hours

<b>Tachographs:</b>	All vehicles (except the 3,500kg GVW van) are fitted with digital tachographs.
<b>Records:</b>	<p>The company downloads data from vehicle units every two months, and from the drivers' cards every four weeks. Data is stored electronically and analysed using commercially available software.</p> <p>The client prints out any reports of infringements from the software system and these were sampled, showing notes of driver interviews and signatures of manager and driver.</p>
<b>Workforce Agreement(s):</b>	There are no Workforce Agreements in place.

## Financial

The company has analysed its costs and produced a sheet that shows standing and running costs (attached Fig. 1). They do not know how to put together a costing to show how much should be charged for a particular run.

I promised that we would prepare a costing for a single-manned half-day journey that covers 128km, using the 18,000kg GVW lorry with tail lift. Going forward, they can use this as an example.

**Notes:** The client advises that this vehicle is used on 240 days each year, covering 30,000km and they want to add a mark-up of 15% on all costs. Drivers also work on 240 days each year.

<b>Vehicle maintenance</b>	
<b>Maintenance provider(s):</b>	Posh Garages Ltd (owned vehicles). Casimir Vehicle Rentals plc (hired vehicles).
<b>Daily checks:</b>	There is evidence that the drivers complete daily checks at the start of every shift, but they only complete paperwork when a defect is found. There is ample evidence of defects being identified and signed off as rectified.
<b>Vehicle files:</b>	There is a paperwork file for every vehicle in the vehicle list, including hired vehicles. The company keeps records of maintenance work for 13 months, before shredding vehicle files.
<b>Notes:</b>	I saw the contract with Posh Garages Ltd, dated 11 April 2017, when they took over from GGG Repairs plc.  LOLER thorough examinations are carried out by an external contractor.  The company wants to introduce a suitable nil defect reporting system for the vehicle checks. I have made a start in compiling a set of instructions for them.

#### **Other issue (1) - Saturday delivery**

The client is contracted to carry out deliveries, using the 18,000kg GVW lorry with tail lift, requiring one driver to start work on Saturday (17 June 2017) at 07.00hrs. The Traffic Clerk's plan indicates that the entire journey will involve 9 hours 45 minutes driving, 1 hour 45 minutes of other work, 30 minutes of POA and 1.5 hours for breaks. The Clerk has printed a summary of drivers' tachograph and manual records for the week ended today (Thursday), for the five drivers who might be available to work on this run (attached, Fig. 2), none of whom are working on Friday.

#### **Other issue (2) - Digger collections and deliveries**

The client is concerned about the Traffic Clerk's scheduling ability, and has asked us to prepare a schedule to compare with his attempt. This journey will happen next Tuesday (20 June 2017) using the 18,000kg GVW flatbed lorry with crane. It involves the collection and delivery of one digger, then driving to Thirsk, where he will take an overnight rest.

The digger is to be collected in Durham (295km from base) at 13.00hrs, loading to take 25 minutes, including paperwork. Unloading the digger at Rotherham (185km from Durham) must be at 17.00hrs, when their customer will arrive to take delivery (this will take 1 hour, including paperwork), but the client insists that the lorry be scheduled to arrive 30 minutes before this. The client will book overnight accommodation for the driver to take a 9-hour Reduced Daily Rest in Thirsk (105km from Rotherham).

The average speed to be used for all driving periods is 60kph. I have been told that the driver is to take all breaks as late as possible and for the shortest possible time, even if this would lengthen the working day.

I have started to prepare the schedule.

**Attachments from Mehmet****Fig. 1** Al Kuai Transport Ltd costing information – 18,000kg GVW lorry with tail lift.

<u>Standing costs information</u>	
Purchase price, excluding tyres	£78,000
Reducing balance depreciation rate	20%
Driver wage costs, per driver, per annum	£28,800
Other standing costs, per annum	£60,000
<u>Running costs information</u>	
Fuel consumption	4 km/l
Fuel price, per litre	£0.90
Maintenance costs, per annum	£12,000
Tyre costs, per annum	£1,200

**Fig.1**

**Fig 2.** Summary of drivers' tachograph and manual records for the week ended yesterday.

	<b>Shift times</b> <b>Start - Finish</b>		<b>Driving</b>	<b>Other Work</b>	<b>POA</b>	<b>Breaks</b>
<b>Driver 1</b>						
Friday	03.00	15.30	10 hrs	30 mins	21 mins	1 hr 39 mins
Saturday	REST		0	0	0	0
Sunday	REST		0	0	0	0
Monday	07.00	19.30	9 hrs 47 mins	25 mins	20 mins	1 hr 58 mins
Tuesday	06.45	15.30	7 hrs 6 mins	39 mins	15 mins	45 mins
Wednesday	07.00	19.25	9 hrs 12 mins	55 mins	44 mins	1 hr 34 mins
Thursday	06.45	14.30	5 hrs 13 mins	1 hr	17 mins	1 hr 15 mins
<b>Driver 2</b>						
Friday	REST		0	0	0	0
Saturday	REST		0	0	0	0
Sunday	15.00	23.00	5 hrs 15 mins	1 hr 40 mins	15 mins	50 mins
Monday	08.15	21.20	3 hrs 20 mins	8 hrs 40 mins	5 mins	1 hr
Tuesday	06.30	20.30	5 hrs 30 mins	7 hrs 15 mins	10 mins	1 hr 5 mins
Wednesday	06.30	16.00	6 hrs 20 mins	1 hr 35 mins	20 mins	1 hr 15 mins
Thursday	07.00	16.00	5 hrs 30 mins	1 hr 25 mins	1 hr	1 hr 5 mins
<b>Driver 3</b>						
Thursday	05.30	16.30	8 hrs 30 mins	1 hr 45 mins	0	45 mins
Friday	REST		0	0	0	0
Saturday	05.00	14.00	1 hr 20 mins	6 hrs 55 mins	0	45 mins
Sunday	06.00	15.00	45 mins	7 hrs 30 mins	0	45 mins
Monday	06.00	15.00	40 mins	7 hrs 30 mins	0	50 mins
Tuesday	06.00	15.00	4 hrs 15 mins	3 hrs 50 mins	0	55 mins
Wednesday	06.00	15.00	5 hrs 5 mins	2 hrs 50 mins	0	1 hr 5 mins
Thursday	06.00	15.00	0	7 hrs 45 mins	0	1 hr 15 mins

	<b>Shift times</b>		<b>Driving</b>	<b>Other work</b>	<b>POA</b>	<b>Breaks</b>
	<b>Start - Finish</b>					
<b>Driver 4</b>						
Friday	07.00	21.50	9 hrs 25 mins	3 hrs 20 mins	45 mins	1 hr 20 mins
Saturday	REST		0	0	0	0
Sunday	REST		0	0	0	0
Monday	07.00	21.30	5 hrs 25 mins	7 hrs 25 mins	15 mins	1 hr 25 mins
Tuesday	08.00	19.00	9 hrs 5 mins	40 mins	10 mins	1 hr 5 mins
Wednesday	07.00	19.00	6 hrs 25 mins	3 hrs 35 mins	25 mins	1 hr 35 mins
Thursday	05.45	13.00	1 hr 15 mins	5 hr10 mins	5 mins	45 mins
<b>Driver 5</b>						
Friday	REST		0	0	0	0
Saturday	REST		0	0	0	0
Sunday	REST		0	0	0	0
Monday	07.00	20.30	0	12 hrs 30 mins	0	1 hr
Tuesday	08.00	21.30	0	12 hrs 30 mins	0	1 hr
Wednesday	06.30	19.30	0	12 hrs 30 mins	0	30 mins
Thursday	05.30	18.30	0	12 hrs 30 mins	0	30 mins

Fig. 2



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