

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

05689

**Friday 9 March 2018
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.

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Background

Glenn Green and Bill Brown run their own separate transport businesses in Stockport in the North Western Traffic Area. Each of them holds a Standard International operator licence. Glenn currently owns 4 lorries, 1 trailer and 1 small van and Bill owns 3 lorries, the maximum authorised by their operator licences. Glenn and Bill both provide general haulage services and Glenn also transports abnormal loads.

The friends decided that they would have more success if they worked together and have agreed that they will set up a partnership under the name of Owl Oak Haulage. Bill insisted that the partners must have limited liability for any debts of the business and that it must start trading on 23 April 2018.

Glenn's lease for his operating centre expires at the end of April 2018. Bill owns his own premises, which can accommodate both vehicle fleets but no extra vehicles. The friends have decided to use Bill's premises as the operating centre for the new partnership, transferring all vehicles across. Vehicle maintenance will be contracted out. Glenn employs 3 drivers and Bill employs 2 drivers. All the drivers will move to Owl Oak Haulage.

You have been appointed as the Transport Supervisor for Bill, Glenn and the new partnership. Glenn holds a CPC in Road Haulage, which he gained in September 2012. He will be the nominated transport manager for Owl Oak Haulage.

Partnership policies

Glenn and Bill have agreed to adopt the following policies in the new combined operation, trading as Owl Oak Haulage.

- Vehicles will always be single manned.
- Vehicle checks must be completed at the start of every driver shift (only) and 15 minutes must be allocated for this.
- When carrying abnormal loads, a further 20 minutes must be allowed before departure for a briefing.
- Drivers are paid for 10 hours on working days (including breaks and periods of availability). Overtime will be paid at time and a half for any additional hours or part hours.
- Drivers will sign a workforce agreement to opt out from the working time limit for night workers.
- Drivers must take all breaks and rest periods at the latest possible time and for the shortest possible period. This rule does not apply when drivers are on a ferry, when breaks must be taken if they would shorten the length of the working day.
- When undertaking abnormal load movements, driver breaks and rest periods may only be taken at motorway service areas, at collection points, or on ferries.

Driver Information

Details of the drivers who will transfer to Owl Oak Haulage are set out in **Fig. 1**

| DRIVER NAME | CURRENT DRIVING LICENCE ISSUED IN | CATEGORIES SHOWN ON DRIVING LICENCE | RESIDENT IN UK | UK DRIVER NUMBER |
|-------------|-----------------------------------|---|----------------|------------------|
| Piotr | Poland | B, B+E, C1, C, C+E | 3 years | ZIELI701017PR9GG |
| Rory | Ireland | B, B+E, C1, C, C+E | 9 years | ONEIL602028R99FT |
| Bryn | UK | B, C, D, D+E | 25 years | JONES905020BB9FN |
| Kat | UK | B,C | 19 years | SMITH806104K99PC |
| Jan | Serbia | B, B+E, C1, C, C+E Serbian equivalents | 7 months | - |

Fig. 1

Proposed delivery to Antwerp (Belgium)

One of Glenn's current customers is based in Buxton. The customer has asked Glenn to transport some specialist equipment units from Buxton and Thurrock to Antwerp, Belgium on 25 April 2018. Glenn intends to use a 44,000kg GTW tractor unit with an extendable semi-trailer for the journey, accompanied by a hired-in escort vehicle and driver, both starting from Stockport. The articulated combination will need to be extended to 20.5m in length for the outward journey but will be reduced back to 16.5m for the return leg.

Bill has identified the following information about the journey to Antwerp and return:

- Dartford Crossing - total return cost for the lorry and escort vehicle will be £18.00.
- Tolls in Europe will cost €53.00 for the round trip.
- Ferry costs for the lorry will be £9.50 per metre each way.
- Ferry costs for the escort vehicle will be £105.00 return.
- The escort vehicle will cost £0.67 per km travelled on roads. It will escort Glenn's vehicle on both the outward and return journeys. This includes the charge for its driver's work.
- The customer will provide free accommodation for both drivers in Antwerp.
- The LGV driver will be paid at his basic wage hourly rate for the first 10 hours of each of the outward and return journeys and at time and a half for any additional hours or part hours. He will not be paid for time spent resting in Antwerp.
- Other Standing costs will be for 3 days.
- Current exchange rate is €1 = £0.91.

Glenn has provided the following information:

- Loading at Buxton must begin at 14.30hrs and will take 1 hour 45 minutes.
- The outward journey will take just under 15 hours (including delivery) and the return journey will take 12 hours.
- Loading at Thurrock will take 10 minutes.
- The only suitable ferry from Dover to Calais sails at 22.50hrs and the crossing takes 1 hour 40 minutes.
- The vehicles must be scheduled to arrive at the docks before the time to embark the ferry. Ferry embarkation is at 22.20hrs and takes 30 minutes. Disembarkation takes 15 minutes and both are to be treated as 'driving time.
- Travel distances and average speeds for the journey stages are set out in **Fig. 2**

| FROM / TO | DISTANCE (KM) | AVERAGE SPEED (KPH) |
|--|------------------|---------------------------|
| Stockport to Buxton | 25 | 60 |
| Buxton to South Mimms Services (M25/A1) | 240 | 80 |
| South Mimms Services (M25/A1) to Thurrock collection point | 60 | 75 |
| Thurrock collection point to Dover | 90 | 75 |
| Calais to Antwerp | 224 | 70 |
| Antwerp to Stockport – return trip | 580 km | |

Fig. 2

Financial information for the Owl Oak Haulage lorries is set out on the following page.

Financial Information

Owl Oak Haulage lorries

| | 26,000KG GVW RIGID CURTAINSIDE | 26,000KG GVW RIGID FLATBED | 26,000KG GVW RIGID FLATBED WITH CRANE | 44,000KG GTW ARTICULATED COMBINATION WITH CRANE |
|---|--------------------------------------|----------------------------------|--|---|
| Number of vehicles | 2 | 2 | 2 | 1 |
| Number of tyres per vehicle | 8 | 8 | 8 | 14 |
| Life expectancy of tyres (km) | 85,000 | 85,000 | 65,000 | 75,000 |
| Cost of each tyre | £215.00 | £235.00 | £235.00 | £255.00 |
| Maintenance costs (per km) | 6p | 5p | 9p | 16p |
| Fuel costs (per km) | 46p | 42p | 70p | 55p |
| LGV driver's basic wage (hourly rate) | £9.00 | £9.00 | £10.00 | £11.00 |
| Other Standing costs (per vehicle, per day) | £163.25 | £183.25 | £183.25 | £195.90 |

Fig. 3

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