

# March 2024 Series R2 (Road Haulage) Case Study

The envelope, which contained this paper, will have been cut open in front of you.

### **Examination Details:**

Paper Title:	March 2024 Series R2 (Road Haulage) Case Study
Paper No:	RCS0324S
Date of Examination:	08/03/2024 13:00 - 15:15

Time allowed: 2 hours 15 minutes

#### You must have:

This case study

A guestion/answer booklet

# You may use:

- a calculator
- a dictionary
- any permitted written materials

#### Instructions

- Use the case study information to answer all the questions.
- Write your answer to each question in the space provided in the question/answer booklet. If you need extra space, use the lined page(s) at the end of the question/answer booklet. The question numbers must be clearly shown.
- Additional paper may be used if required but you must clearly show your name, date of birth and question number(s).
- Answer all the questions.

# Information

- The total mark for this paper is 60.
- The marks for each question are shown in brackets () in the question/answer booklet.
- This document has 4 pages.
- Assessment material has been prepared in line with legislation current at the time of production. Any subsequent changes to legislation have not been taken into account, however, responses that refer to amended legislation will be credited.

## **Background**

Walvingham Deliveries plc (WD) collects and delivers letters and parcels within the UK. It operates vehicles from its 12 operating centres, detailed in the table below.

All of WD's vehicles are contracted on full-maintenance leases for three years.

## **Current operations**

WD holds a number of operator licences, authorising the minimum number of operating centres required for current operations. Each licence included a margin of two authorised vehicles at each authorised operating centre.

WD employs a qualified transport manager at each authorised operating centre, except at its Newcastle operating centre where it contracts with an external transport manager. The transport managers all report to Shailesh Patel, who is the transport manager at Walvingham.

# WD's operating centres and vehicle fleets

		Number of vehicles based at each operating centre			
Operating centre	Traffic Area	40,000Kg GTW articulated combinations	18,000Kg GVW rigid lorries	7,500Kg GVW rigid lorries	3,500Kg GVW vans
Bristol	West	-	-	2	8
Cardiff	Wales	-	-	-	7
Carlisle	Northwest	-	-	-	3
Edinburgh	Scotland	-	-	-	8
Folkestone	Southeast	-	-	-	5
Glasgow	Scotland	-	-	-	11
Ipswich	East	-	-	-	4
London	Southeast	2	-	2	15
Manchester	Northwest	2	-	-	10
Newcastle	Northeast	-	-	1	6
Sheffield	Northeast	-	-	2	4
Walvingham	West midlands	4	2	-	15
Average fuel consumption (per 100 Kilometres)		10 litres	9 litres	8 litres	7 litres
Fuel cost	cost £1.25 per litre				

From time-to-time Shailesh Patel authorises vehicles to be transferred between WD's operating centres. These transfers are occasionally used to cover short-term operational needs and sometimes are permanent transfers.

## WD's regular routes

WD operates eight regular routes five days every week (Monday to Friday) between its operating centres. Its vehicles carry letters and parcels from WD's own customers and items from local courier operators, who pay fees to use WD's national distribution network. The routes are shown in the table below

- All vehicles start and finish at their 'home' operating centre, returning over the same route as the outward journey
- Loading at the start of each route is completed by warehouse staff before the vehicle is made available to driver(s), using the tail lifts fitted to all of WD's lorries
- For vehicles starting at the Walvingham operating centre, loading must be completed at 14.00hrs, when the driver(s) start work
- Vehicles starting at London, Manchester and Sheffield must wait for incoming deliveries from Walvingham before loading and making vehicles available to driver(s). Journeys starting at these sites must begin at the earliest possible time
- Drivers must be scheduled for a 15-minute vehicle check at the start of each route
- Driver schedules must allow 15 minutes for unloading incoming vehicles and a further 15
  minutes for loading outgoing vehicles at each delivery/collection site en route. Both of these
  activities are completed by warehouse staff and the drivers are not required to assist.
- Unloading on arrival back at the vehicle's 'home' operating centre takes 15 minutes, driver(s) to assist
- Driver breaks must be scheduled to be taken as late as possible, for the shortest possible time
- All WD's drivers have signed a workforce agreement to opt out of working time limits for night worker
- Schedules must assume an average speed of 70kph

Route	Vehicle used (GVW)	Start & finish operating centre	Deliveries & collections at	Outward journey distance (Km)
1	40,000Kg	Walvingham	Manchester	70
2	40,000Kg	Walvingham	Bristol Cardiff	220
3	40,000Kg	Walvingham	London	170
4	18,000Kg	Walvingham	Sheffield	140
5	40,000Kg	London	Folkestone	150
6	7,500Kg	Sheffield	Newcastle	210
7	7,500Kg	London	Ipswich	175
8	40,000Kg	Manchester	Carlisle Glasgow Edinburgh	400

#### **Future events**

## Operator licence review

The Central Licensing Office has informed WD that it intends to review the company's operator licences soon. Shailesh is to prepare for this process.

#### Fuel cost review

Shailesh is considering changing the company's fuel card supplier. To calculate the potential savings, he has already established the current cost of fuel for the company's fleet of 3,500Kg GVW vans.

## Fleet review

WD's transport manager at its London operating centre has suggested replacing most of its 3,500Kg GVW vans with 7,500Kg GVW lorries. Shailesh is to consider this proposal.

# CourFrance proposal

Shailesh Patel is looking into ways that WD could offer international services. He has been approached by CourFrance, a French courier company operating across Europe.

CourFrance's CEO has told Shailesh that her company is thinking about closing its UK operation, to be replaced by an arrangement with a UK courier company. She suggested that CourFrance could send one lorry to Folkestone every day, to deliver parcels destined for UK addresses and collect parcels from the UK

destined for Europe. WD is invited to tender for including these loads in its own trunking network and local collection/delivery service.

Shailesh wants to use CourFrance's European network to allow WD to offer international deliveries to its own customers. His idea is to send and receive parcels to and from Europe, meeting CourFrance's lorry at Folkestone, using WD's Route 5.

Shailesh will have to consider any changes that may need to be made to WD's standard terms and conditions of carriage, in the event that the tender to CourFrance is successful. WD's current terms and conditions include provisions that cover the following matters:

- Acceptable shipments and packaging requirements
- Acceptable collection and delivery addresses
- Charges and fees
- Liability for loss or damage (maximum £20 per kilogram)
- Time limits for delivery
- Optional customer shipment insurance
- Deliveries and undeliverables
- Routeing
- Governing law (UK)
- WD is a private carrier