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Examination Details:

Paper Title:	March 2022 Series P2 (Passenger Transport) Case Study
Paper No:	CPCP20322
Date of Examination:	11/03/2022 13:00 - 15:15

Instructions to the candidate - to be read before the examination**Time allowed: 2 hours 15 minutes****You must have:**

- the case study

You may use:

- a calculator
- a dictionary
- any permitted written materials

Instructions

- Complete your name and your name below in capital letters and include your date of birth and signature.
- Use black ink.
- Use the case study to answer all the questions.
- Write your answer to each question in the space provided. If you need extra space use the lined page(s) at the end of this 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.
- Do all calculations and rough work the following pages. Cross out any work you do not wish to have marked.

Information

- The total mark for this paper is 60.
- The marks for each question are shown in brackets () .
- This document has 5 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.
- Covid-19: Candidates will not be questioned on any temporary rules introduced due to Covid-19. Answers that reflect such measures will not be credited.





Sam Crooke began trading as SC Coaches ('SCC') in March 2018. He had been granted a Standard International operator licence in February 2018, authorising 20 vehicles at Sam's only operating centre, at the privately-owned Walvingham Bus Station in the West Midlands Traffic Area. The operator licence has a condition attached, forbidding any vehicle with more than 15 passenger seats from entering or leaving the operating centre between 01.00hrs and 05.00hrs.

SCC usually operates a number of local bus services, schools transport and private hires.

Except where specified below, Sam has made no reports, notifications, applications or registrations since the operator licence was granted.

Sam's accountant met with him in November 2021 and advised that there were significant advantages to operate as a limited company, rather than as a sole trader. Taking this advice, Sam successfully applied to register SC Coaches Ltd in December 2021. All vehicles and insurance policies have been transferred into the company, all SCC documents have been changed into the company's name and new employment contracts issued. SCC's cash at bank amounting to £50,000 was transferred to a new account for the company. There was no overdraft facility, and this was the highest balance since March 2018.

SCC's current fleet comprises the following vehicles:

Vehicle type	Number of vehicles
15-seat minibus	5
35-seat coach	8
49-seat coach	8

The fleet was originally maintained at Walvingham Garage Services ('WCS'), but Sam was unhappy with the standard of their work. WCS provided all maintenance documents electronically, which Sam retained on hard disk for 14 months. SCC entered into a new maintenance contract with another local dealer in January 2022. The vehicles have been well maintained under the new arrangement, so far.

SCC's first transport Manager resigned in May 2018 and Sam's cousin (Amanda) was appointed as his replacement. Amanda holds a National Passenger Transport CPC qualification, certificated in 2009. She was appointed as a transport manager for another operator in May 2021 and was too busy to visit SCC. In fact, she took no active part in SCC's business between June 2021 and January 2022. SCC approached Bill, whose Passenger CPC was issued in June 2019, and Bill has fulfilled the role very well since January 2022.

Marketing

Sam has completed four exercises, intended to provide marketing information to the business. These were:

1. An analysis of private hire journeys, completed for local schools during 2021, from sales records.
2. Notes on customer responses to sales telephone calls made by Sam this week.
3. An analysis of customer feedback cards, completed by passengers in February 2021.





4. Addresses and telephone numbers for all schools in the county, obtained by Sam through Internet research.

Recent events

The following events have occurred since October 2021:

- SCC's workplace pension scheme had been established with company contributions set at 1%. In October 2021, the company contribution was increased to 2%, with employees continuing to contribute 6%.
- In November 2021 one of SCC's drivers slipped on ice while unloading passengers' luggage on completion of a private hire. The driver suffered a broken leg and was taken to hospital by ambulance. A replacement driver was sent to recover SCC's vehicle.
- SCC hired in a coach from Walvingham Rentals Ltd, to operate a private hire in December 2021, because it already had 20 vehicles in use and one minibus out of service. Sam took a photocopy of one of SCC's vehicle discs and placed in the window of the hired coach, having handwritten the vehicle's registration number on the disc.
- Some work for a customer required SCC to base one of its vehicles at another operator's premises in London between November 2021 and February 2022.
- In January 2022, SCC did not have enough vehicles to complete its contracted school runs on three days. This work was subcontracted to Walvingham Travel Ltd.
- Sam had noticed that there were not enough taxis operating locally over Christmas and New Year. He sent one of SCC's 15-seat minibuses to ply for hire in Walvingham town centre.
- Sam has found that all SCC's drivers hold Driver Qualification Cards which were issued in September 2018. Records for the drivers show that they all have completed 28 hours of Driver CPC Periodic Training since their cards were issued.
- Adrian is one of SCC's drivers. He lost his digital tachograph driver card on 1 February 2022. He made the appropriate notifications and applications and completed the required driving and working records while continuing to drive on private hires on every weekday since. Adrian's replacement card was issued on 28 February 2022.
- Sam reviewed drivers' digital tachograph records. He found the following information for two of the drivers, for single-manned private hire work in 35-seat coaches, that started and finished at SCC's operating centre.

Frank			Georgina		
Start	Finish	Activity	Start	Finish	Activity
20.00	20.15	Other work	07.00	07.10	Other work
20.15	22.37	Driving	07.10	07.20	Driving
22.37	23.00	POA	07.20	07.30	Other work
23.00	23.10	Other work	07.30	11.30	Driving
23.10	01.10	Driving	11.30	12.15	Break
01.10	01.15	Other work	12.15	16.45	Driving
01.15	02.00	Break	16.45	17.30	Break
02.00	04.30	Driving	17.30	19.00	Driving
04.30		Rest	19.00		Rest





Proposed local bus service

SCC has operated an evening local bus service for commuters for two years. The service operates Monday to Friday with stops within its 15km route.

Sam has identified an opportunity to operate a new weekday morning bus commuter service between Walvingham Bus Station and Walvingham Railway Station, via the Chase Estate. He proposes that the first service departs from the Bus Station at 06.00hrs and then every 10 minutes until the last of 18 round trips departs from the Bus Station at 08.50hrs. He has established the following:

- Each service stands for 5 minutes before leaving the Bus Station, extended as needed to meet the timetable, and stand for 5 minutes at the Railway Station.
- Driving from the Bus Station to Chase Estate is 10km at 40kph.
- Within Chase Estate, there will be 8 stops and this part of the journey will take 16 minutes in each direction.
- Driving from Chase Estate to the Railway Station is 3km at 30kph.
- Because there will be more passengers travelling towards the Railway Station, alternate services will return from there directly to the Bus Station (8km at 40kph) without travelling through Chase Estate, starting with the second departure. The first service and every alternate service will return over the original route via Chase Estate.

Paris Regular Service

Sam proposes to operate weekly trips to Paris, France, to start on 4 June 2022. Each trip will leave Walvingham town centre (10km from Walvingham Bus Station at 60kph) on a Saturday at 07.45hrs, returning to Walvingham over the same route, leaving Paris the following morning. Travellers will not have the use of the coach for their time in Paris.

Sam intends to issue a brochure, marketing the trips at an inclusive price for travelling to and from Paris and for the eight nights in the Paris hotel.

Sam has provided the following information for the first journey:

- The service will be operated by a single-manned 49-seat coach.
- All driver breaks must be taken as late as possible, for the shortest possible time.
- All drivers are scheduled 15 minutes for a vehicle check at the beginning of each day.
- Loading passengers and luggage in Walvingham town centre will take one hour, driver to assist.
- Driving from Walvingham town centre to Le Shuttle terminal in Folkestone is 260km at an average speed of 60kph.
- Check-in and embarkation will be scheduled as driving time, to start 10 minutes before the 13.00hrs departure.
- One-way Le Shuttle fare for the coach and all passengers is £436.00
- One way Le Shuttle fare for an unladen coach is £380.00
- The crossing takes 35 minutes.
- Disembarking at Coquelles will take 10 minutes, to be scheduled as driving time.
- Driving to the Paris hotel is 300km at an average speed of 75kph.
- One-way motorway tolls will be €46.15.
- Unloading passengers at the Paris hotel will take 15 minutes, driver to assist.





- The driver will be accommodated at the hotel free of charge.
- The vehicle will return to Walvingham town centre and the bus station over the same route as the outward journey, without passengers.

Financial information - coaches

	35-seat coach	49-seat coach
Purchase price (excluding tyres)	£195,000	£250,000
Expected residual value at 10 years old	£45,000	£70,000
Other standing costs, per year	£35,000	£40,000
Vehicle usage, per year	240 days	250 days
Drivers' wages per day	£120	£135
Tyre cost per set	£1,800	£3,200
Expected tyre life	45,000	40,000
Maintenance cost per km	£0.19	£0.25
Fuel consumption	7kpl	6kpl
Driver overnight allowance, per night	€50	
Fuel cost per litre		£1.20
Exchange rate		£1 = €1.30

