



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

Examination Details:

Paper Title:	June 2021 Series - CPC Case Study for Passenger Transport
Paper No:	CPCP20621
Date of Examination:	Friday 11th June 2021 - 1.00pm to 3.15pm

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 centre name below in capital letters.
- 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 candidate number, centre number 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 **13** 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.

To be signed by the candidate:

Candidate's name:	
Candidate's date of birth:	
Candidate's ID number:	
Centre name:	
Candidate's signature:	

FOR EXAMINERS' USE ONLY	
Q1	
Q2	
Q3	
Q4	
Q5	
Q6	
Total =	





Passenger Transport P2 Paper

Background

You are the nominated transport manager for Moto Coach Services Ltd (MCS), a coach operator holding a Standard International operator licence authorising 6 vehicles at its only operating centre near Milton Keynes in the Eastern Traffic Area. The licence was first granted in August 2016. MCS has a purpose-built workshop on its freehold site and all maintenance is done in-house.

MCS' parent company Moto Services Ltd. (MS) holds a Standard International road haulage operator licence and has operated trucks for many years from the same operating centre.

MCS currently operates 6 coaches on a mixture of private hire and contract work, mostly working with ACU, the governing body for motorcycle racing in the UK, to provide team transport for motorbike racing teams to race meetings in the UK and Europe. The road haulage division of MS still provides transport for the racing teams' bikes and equipment. The marketing manager at ACU approached MS' managing director in 2016 to ask whether MS could provide transport for the racing teams as well as for their equipment, the result being that MCS was formed and you were appointed to manage the coach hire business. Your brief was to work with the road haulage division, integrating your operations wherever possible. The directors of MS have no previous passenger transport experience and need you to advise them when necessary.

Company Policies.

All drivers are scheduled for 30 minutes at the start of every day for walkaround checks and paperwork.

Drivers are instructed to always take breaks as late as possible and for the shortest possible time (except when on board ferries or trains)

Coaches will be multi-manned when necessary to minimise overall journey times.

The company and its drivers have a workforce agreement in place, whereby they have agreed not to apply the 10-hour night-work limit.

Your current "To Do" List

The parent company of MCS has operated goods vehicles for many years, but the directors have little or no knowledge of passenger transport operations. You were recruited by them to not only manage their passenger transport division but also to advise them on compliance and operational issues which are specific to passenger transport. The first issues which you intend to address are the upcoming first 5 year review of the operator licence, insurances, package holidays and the best way of calculating depreciation on high value coaches.

Future work

You have previous experience in operating coach holidays and you believe that in view of the increasing number of motorcycle-racing fans in the UK, there is a market for running tours to race meetings in Europe. You have researched the market and put together a number of proposals which you will present to the directors at the next management meeting. Your proposals are -:

- To advertise tours to two meetings to be held next year, to Arnhem in the Netherlands in May and to Frankfurt in Germany in June
- To offer the choice of travel in either a standard 50-seat coach or a 28-seat executive coach for both tours





- That each tour will depart from Silverstone circuit, where you have arranged for free parking for travellers
- To arrive at each destination one day before race day, in time to watch the final qualifying session which always starts at 12:00 hrs (Local time)
- To publish a brochure which can be sent to all motorcycle clubs and retailers in the UK
- To provide accommodation for travellers in hotels close to each race circuit
- To replace one of MCS' existing 50 seat coaches with a new one, and purchase an additional new 28 seat executive coach

Knowing that the directors of MCS will require more detail, before agreeing to your proposals, you have prepared the following information.

Financial and operating information

Fig. 1

	50-seat Standard Coach	28-seat Executive Coach
Purchase Price (£) (Vehicles are purchased new and kept for three years)	190,000	285,001
Tyre Cost (Total per vehicle) (£)	1,950	2,600
Likely residual value at 3 years old (£)	98,050	170,000
Standing costs (excluding depreciation) (£) (per day)	140	170
Maintenance (per km) (£)	0.15	0.20
Fuel Consumption (km/l)	4	4
Expected Use (days/year)	250	180
Expected Tyre life (km/tyre)	65,000	52,000
Expected Mileage (km/year)	90,000	75,000
Drivers Wages (£) (per day)	100	140
Drivers Subsistence (£) (per day)	30	30

- All fuel is purchased at £1.20 per litre.

Information for proposed tours

Fig. 2

Depart from	Arrive at	Distance (km)	Average Speed (kph)	Road Tolls per single journey (€)
MCS Depot	Silverstone	15	60	0
Silverstone	Eurotunnel Terminal Cheriton	280	80	0
Eurotunnel Terminal Coquelles	Frankfurt	648	90	130
	Arnhem	360	90	70

- Average speeds take account of boarding and alighting times at intermediate stops and driver changeover times.
- €1.00 = £0.80





Race dates are:

- Frankfurt - 24th June
- Arnhem - 15th May

Passengers will only be picked up from Silverstone and 30 minutes will be allowed for loading of passengers and luggage.

Channel crossings will be via Le Shuttle:

- Check-in at Cheriton takes 30 minutes
- Embarkation onto and disembarkation from Le Shuttle each take 15 minutes (counted as driving time)
- Le Shuttle trains depart from Cheriton on the hour, and at 15 minutes, 30 minutes and 45 minutes past every hour
- Le Shuttle crossing time is 40 minutes





Please complete the table on the previous page.

(10 marks)



Question 2



The brochure which you will produce for the tours must also include the prices to be charged

Calculate the cost per passenger, of operating the 28-seat executive coach for the Arnhem tour

The coach for this tour will be single manned and you should assume 5 days use of the coach and an expected passenger loading of 75%

Your marketing team will add Le Shuttle and accommodation costs, when known, at a later date, before adding your normal mark-up, in order to determine the final tour price for passengers

NOTES.

You **MUST** show all your workings.

You **MUST** name each cost, giving a total for each, to the nearest penny.

(11 marks)





Question 3

The directors of MS have detailed knowledge of the insurance requirements for their road haulage operation, but know nothing of the requirements for a coach operation.

You have been asked to advise them on the insurance requirements for the coach and the coach tour operations.

a) Give **TWO** types of insurance which MCS **MUST** have in place.

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(2 marks)

b) Give **FOUR** types of insurance which you would advise **SHOULD** be in place for the coach operation.

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(4 marks)

c) Give **FIVE** liabilities which should be covered in any holiday insurance which is offered to tour passengers.

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(5 marks)





Question 5

One aspect of coach tour operations of which the directors have no knowledge, are the requirements of The Package Travel and Linked Travel Arrangements Regulations 2018.

They have asked you to prepare a briefing sheet, outlining the regulations for them.

a) Outline **TWO** reasons why the Package Travel regulations would apply to your proposed tours.

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(2 marks)

b) Give **FIVE** items of information that must be included in your proposed brochure for these tours.

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(5 marks)

c) Give **TWO** options available to MCS, to allow it to comply with the requirements of the Package Travel regulations in respect of security of money paid over by clients.

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(2 marks)



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