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Examination Details:

Paper Title:	Sept 2021 Series - CPC Case Study for Passenger Transport
Paper No:	CPCP20921
Date of Examination:	10/09/2021 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

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

Instructions

- Complete 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.
- Answer all the questions.
- Do all calculations and rough work on 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 11 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 signature:	





P2 Case Study September 2021

Background

Treblig Coaches Ltd (TC) holds a Standard International operator licence authorising 40 vehicles, all currently operated from a single operating centre in Southampton, in the Western Traffic Area.

You are the Nominated Transport Manager, having held an International Certificate of Professional Competence for eight years and you report directly to James, the company's operations director.

TC currently owns a mixed fleet of buses and coaches and operates Local Services, school contracts and private hires. TC's largest client for private hire work is the Ministry of Defence (MOD).

MOD current requirement

The procurement manager at the MOD has asked you to begin operating a new service which will run between Portland in Dorset and Dundee in Scotland, (in the Scottish Traffic Area), picking up and setting down passengers at various MOD establishments in Cambridge, Birmingham, Glasgow and Edinburgh, (Scotland) en route. Route and operating information for this service is given below.

The service will depart from Portland every Monday at 06.00hrs and will stop briefly at TC's operating centre in Southampton to refuel. The coach will then travel to Dundee, stopping only at each pick-up/drop-off point long enough to load and unload passengers and change drivers when necessary. The return journey, from Dundee to Portland will follow the outward route reversed, and must depart from Dundee at the earliest possible time. James has negotiated a deal with a coach company in Dundee for the use of their operating centre, so that the service coach can be parked there overnight and a spare coach can be permanently based there.

Three drivers, Mike, Jan and Vlad have offered to operate this service, as they normally only work on weekdays, always having all of Saturday and Sunday as their weekly rest period.

Portland - Dundee Service Route Details

The average speeds shown take account of the time taken to load and unload at intermediate points and the time taken for driver changeovers.

Route Section	Distance	Average Speed
Southampton to Portland	120km	60kph
Southampton to Cambridge	260km	60kph
Cambridge to Birmingham	170km	60kph
Birmingham to Glasgow	456km	60kph
Glasgow <mark>to Edinburg</mark> h	88km	60kph
Edinburgh to Dundee	121km	60kph

Current concerns

 One of your current concerns is the number of hours being worked by drivers on the MOD work and in particular, the limitations imposed by the Road Transport (Working Time) Regulations.
 James has asked you to produce a briefing sheet for him and all drivers, outlining the provisions of these





- James has concerns about the financial viability of some of the MOD work currently being
 undertaken, especially in view of the distances involved and the number of hours being worked by
 the You have decided to review some of the vehicle running costs and have also requested sight of
 the company's last annual accounts, so that you will be able to determine the profit mark up to be
 applied to costs in order to achieve a satisfactory return.
- The company's current Operator Compliance Risk Score (OCRS) is in the green band but you are
 concerned, following a review of some safety inspection record sheets that there are too many
 driver defects tha should have been detected by the drivers, are being recorded by the workshop
 engineers and should these be found by a DVSA examiner, the OCRS would be adversely affected.
 Drivers have all recently completed a 7 hour periodic training module covering Daily Walkround
 Checks.

TC Vehicle data is shown in Fig.2.

TC Workshop costs are shown in Fig.3.

TC Ltd's Balance sheet and other financial data as at 31st August 2021 is given in Fig.4.

TC Company Policies

- All drivers' hours' and working time breaks must be taken as late as possible and for the shortest possible Drivers must make full use of all extensions to drivers' hours regulations when appropriate.
- Drivers must complete a walkround check on the vehicle they are to drive when beginning their duty or when they take over a vehicle from another driver. 15 minutes must be scheduled for this. (Note; this does not apply to driver changeovers during a multi-manned journey).
- All drivers are based in Southampton and always start and finish their duties there, unless taking a
 daily rest elsewhere when operationally
- Schedules must always allow 15 minutes for passenger boarding at the start of each MOD journey and 15 minutes for passenger alighting at the end
- TC have a workforce agreement in place opting everyone out of the 10-hour night worker limit

TC Coach Fleet Information - Fig.2

Coach seating capacity	Number of vehicles owned	Average annual mileage (per vehicle)
25 seats	5	40,000km
35 seats	10	67,200km
49 seats	20	62,720km



TC Workshop Costs - Fig.3

Cost description	Annual Cost	
Workshop staff employment cost	£ 165,000	
Workshop administration and premises	£60,000	
Workshop equipment	£10,000	
Vehicle parts and tyres	£32,360	
Workshop consumables including lubricants	£12,000	

TREBLIG COACHES LTD. BALANCE SHEET as at 31St August 2021 - Fig.4

FIXED ASSETS		
Vehicles		£5,100,000
Plant & equipment	8.5	£275,000
Fixtures & fittings	8.5	£100,000
Total fixed assets	8.5	£5,475,000
CURRENT ASSETS		
Parts stocks	£37,000	EI -
Debtors	£805,000	SI .
Cash at bank & in hand	£90,000	-1
Total current assets	£932,000	**
CURRENT LIABILITIES		23
Creditors	£320,000	89
Bank overdraft	£7,500	0.
Taxation due	£69,000	al:
Dividends payable	£95,000	
Total current liabilities	£491,500	
Long term loans	St 193	£950,000
Financed by:		na
Issued Share capital		£3,500,000
Revenue reserve		£1,465,500

Treblig Coaches Ltd's turnover for the year ended 31st August 2021 was £7,098,600

Treblig Coaches Ltd reported a net profit before tax of £709,860 for the year ended 31 August 2021







Question 1

You have agreed to operate the MOD service from Portland to Dundee as described in the case study, without having any stops for driver rest periods in either direction en route.

Prepare a driver schedule for one round trip journey on this service, beginning with the commencement of the first driver's duty and ending with the end of the last driver's duty.

Notes:

You must show the name(s) of the driver(s) on board for each part of the entire journey, but you are not required to show the times for intermediate stops on the Southampton-Dundee-Southampton stages, or to identify who is driving the vehicle.

You must give a start and finish time, and a description for every activity.

Start Time	Finish Time	Activity	Driver(s)
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			£25
	, ,		62
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			0

(15 marks)









Question 2

Following your review of safety inspection reports where you found an unacceptable number of driver detectable defects being identified by the workshop mechanics, you've decided to prioritise the provision of facilities and resources to enable drivers to do more effective daily walkround checks. All drivers have already attended a 7 hour periodic training module covering this.

Give **TEN** additional facilities or resources that TC could provide for its drivers, to help them carry out walkround checks effectively.

(10 marks)







Question 3

As part of your reassessment of the way in which quotations are prepared, you have looked at the company's latest financial accounts, shown in Fig.4 in the case study.

You have determined that TC's costs for the year ended 31 st August 2021 totalled £5,545,781 and are likely to be the same for the coming year. The directors of TC Ltd have told you that they wish to achieve a return of 15% on Capital Employed for the coming year.

Notes:

You MUST show all of your workings.

You must give your answers to **TWO** decimal places, always rounded up.

(a) Using the figures detailed in Fig.4 in the case study, calculate TC's Current Ratio as at 31st August 2021.
(0
(3 marks)
(b) Using the figures detailed in Fig.4 in the case study, calculate TC's Acid Test Ratio as at 31st August 2021.
(3 marks)

(c) Using the figures detailed in Fig.4 in the case study, calculate TC's Return on Capital Employed for the year ended 31st August 2021.
(3 marks)
(d) Using the figures in Fig.4 in the case study and those detailed above, calculate the profit mark- up to be added to costs, in order to achieve the director's desired return on Capital Employed.
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Question 4

Due to your concerns over drivers' adherence to Working Time Regulations you have decided to produce a briefing sheet outlining these regulations which can be given not only to drivers, but also to the traffic office scheduling staff.

Outline **TEN** provisions of The Road Transport (Working Time) Regulations 2005 that relate to breaks or to maximum working hours.

(10 marks)







Question 5

The new service to Dundee will require the parking of the coach there every night and James has already negotiated a deal with a Dundee based operator for the use of some space in which to park coaches on a permanent basis. This will have implications in respect of operator licensing.

Outline **FOUR** actions that you will have to take in respect of operator licensing, before you are able to commence the service and use the Dundee operator's premises.

(4	l marks)





Question 6

All of the MOD work which TC undertakes is currently charged out at set time and mileage rates. James has asked you to review and update your vehicle running cost data, so that these rates can be re-negotiated if necessary.

TC allocate all costs to their vehicles proportionately on the basis of seating capacity.

Using the information in the case study in Fig.1 and in Fig.2, calculate the maintenance cost per kilometre to be allocated to the 25, 35 and 49 seat coaches.

Notes:

You **MUST** show all of your workings and give your answers to the nearest penny.

9 marks)
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Extra Sheet 1



Extra Sheet 2



Extra Sheet 3

