



OXFORD CAMBRIDGE AND RSA EXAMINATIONS

**LEVEL 3 CERTIFICATES OF PROFESSIONAL
COMPETENCE**

05608

UNIT 4 MANAGING NATIONAL ROAD HAULAGE TRANSPORT OPERATIONS

FRIDAY 5 MARCH 2010

12.45 PM – 2.45 PM

TIME: 2 HOURS

SCENARIO

Case study scenario

You are currently the transport manager of the family-owned “Rosoa Transport Ltd”. The company was founded in 1958 by Eric, the current majority shareholder and managing director, who unfortunately had to retire on health grounds (mental incapacity) two weeks ago. His son John, who is also a shareholder, now administers his father’s business interests and assets under a power of attorney. The two other members of the company, John’s mother and sister, hold a minority of the shares.

The family have had a meeting and have now made an approach, asking you to take over total responsibility for the management of the company and become a director. You have accepted the position. They will remain the shareholders with no management responsibilities. This move is mainly due to a recent VOSA enforcement officer’s visit.

Rosoa Ltd (Rosoa)

The company has two operating centres one in Middlesbrough and one in Felixstowe, both of which are covered by a Standard National ‘O’ licence.

Middlesbrough Site

The ‘O’ licence for this site authorises 50 vehicles and 70 trailers. The current professionally competent person named on the licence is Eric. You do not possess a CPC or any form of exemption. Rosoa currently operates 45 vehicles and 67 trailers from this site, which is capable of holding 100 vehicles and 150 trailers. There is a fully equipped workshop on site. The site operates 24 hours per day, 365 days per year; however there are no vehicle movements on Christmas Day and New Year’s Day.

Felixstowe Site

The ‘O’ licence for this site authorises 5 vehicles and 7 trailers. Rosoa currently operates 2 vehicles and no trailers. The operating centre is capable of holding 5 vehicles and 5 trailers. There are no facilities at the centre other than parking; the company leases an office in the Port of Felixstowe. For ‘O’ Licence purposes the company uses the services of an external freelance CPC holder. Rosoa has contracted out its maintenance.

Company background

The company is profitable and has been for the last 50 years. The main source of income is the specialist transportation of dangerous goods in packages; these being class 3 flammable liquids and class 8 corrosive substances, all fully regulated shipments, operated from the Middlesbrough site. Your customers in the chemical industry are very environmentally aware and have requested your commitment to achieving the environmental standard ISO14001. Your commitment to them is to ensure any new vehicles purchased will meet the most exacting environmental standards.

Staff

The company currently employs

Felixstowe

1 Senior Supervisor
1 Supervisor (nights)
1 Supervisor (days)
1 Admin Assistant (days)
4 Drivers

Middlesbrough

1 Transport Manager (currently you)
1 Accountant
1 Workshop Manager
1 Senior Supervisor
6 Transport Supervisors
1 Workshop Forman/woman
6 Accounts Staff
10 LGV Mechanics
95 Drivers
10 Fleet Workshop/Driver Vehicle Record Administrators
2 Storemen/women
6 Transport Route Documentation Administrators

New Contracts

Rosoa have recently gained a contract for moving electrical white goods for an importer distributing goods to OCR Electricals Limited (OCR) regional distribution centres. The contract starts in eight weeks time. Initially five 3-axled units and 3 skeletal tri-axle trailers will be required to operate the first part of the contract from the Port of Felixstowe. Subsequently, some of the products which are manufactured in Italy will arrive at the Port of Harwich on sealed unaccompanied box trailers which weigh 35 tonnes when laden. You will need to purchase new vehicles to carry out this second part of the contract.

The OCR contract

The contract will operate seven days per week, with only Christmas Day having no delivery requirements.

The matrix below shows a sample of the distribution required and kilometres between each point.

Location	Fel	Har	Lut	New	Sal	Sea	Pai	Inv
Felixstowe (Fel)	0	60	180	250	390	480	700	950
Harwich (Har)	60	0	130	300	440	530	750	990
Luton (Lut)	180	130	0	160	250	400	620	870
Newark (New)	250	300	160	0	130	250	470	730
Sale (Sal)	390	440	250	130	0	240	360	625
Seaham (Sea)	480	530	400	250	240	0	220	470
Paisley (Pai)	700	750	620	470	360	220	0	250
Inverness (Inv)	950	990	870	730	625	470	250	0

(Distances for examination purposes only).

[Turn over

OCR contract – first part

Paisley and Inverness each receive and return a 20ft container from Felixstowe. All other locations receive and return a 40ft container.

Equipment requirements

The trailers required are 13metre skeletal trailers with 12 air-operated twistlocks, suitable for carrying 1 x 40ft container or 2 x 20ft containers.

Driver requirements

All drivers are to start their duties at Felixstowe at 08.00hrs, collecting a loaded vehicle with 15 minutes allowed for vehicle checks and 15 minutes for administration and paperwork. Each location in the matrix is open 24hrs per day and it takes 15 minutes to unload and 15 minutes to load. All members of the vehicle crews must assist with loading and unloading. All breaks and rest must meet legal minimums and be taken as late as legally possible at any place on route. When a single driver is used, no POA is available to them only driving, only other work or breaks. Where a doubled-manned crew is used, the number one driver must check the vehicle and collect the paperwork. The driver, when not driving, will record a POA and a break. When a driver changeover is required, it is accepted that no time is allowed for this for scheduling purposes.

OCR Contract – second part

The collection and delivery of the unaccompanied trailers from the port of Harwich is expected to commence approximately one month after the start of the Felixstowe operation.

VOSA Report (Middlesbrough)

Drivers' hours' infringements were highlighted with some 30 minor violations regarding breaks and significant daily and weekly rest infringements. Speeding was also found to be a common problem with some drivers having 120 entries recorded by their tachographs showing excessive speed on the approaches to the site.

Three drivers have been found to be using six different drivers' cards in their tachograph; it has been a common misconception that if they mislay their own card they can use the workshop or company card until they find it. The VOSA officer discovered that drivers receiving replacement cards from DVLA had failed to return any mislaid cards they had subsequently found.

Maintenance records were kept in cardboard boxes in the transport office. When asked by the VOSA inspector to produce a safety inspection record for a particular vehicle it took you approximately two hours to find it. Whilst there is no evidence of poor safety inspections or vehicle defects, the records which exist do not reflect the high standards achieved by the workshop staff.

The company has no DGSA and was unable to produce the DGSA's annual report, and VOSA were very unhappy about the lack of legally required equipment when carrying dangerous goods on some of the vehicles.

In light of this report the Commissioner has called Rosoa to a disciplinary hearing (public enquiry) in a month's time.

VOSA Report (Felixstowe)

No significant findings were noted by the VOSA officer.

Vehicle Information and general fleet cost excluding maintenance

	2-axle articulated units	3-axle skeletal trailer	2-axle dry line box trailer	3-axle articulated units	2-axle rigid van
GVW(kg)		40,000	28,000		7,500
Kerbside weight plus 90kg allowance for the driver (kg)	7,500	5,500	6,000	8,500	4,000
Purchase price Including tyres (£)	75000	27000	21000	95000	27000
Insurance pa (£)	1600	990	990	1700	1200
VED pa (£)	2500	-	-	3100	280
Expected residual value (£) After years	23800 5yrs	9600 10yrs	8200 10yrs	30000 5yrs	8000 5years
'O' licence fees pa (£)	48	-	-	48	48
Average speed in kph	40	-	-	40	60
Allocated indirect/admin costs pa (£)	1990	-	-	2100	1600
No. of tyres	6	6	4	10	6
Cost tyres (£)	200	350	350	250	150
normal life span (km)	40,000	40,000	40,000	40,000	40,000
Fuel price per litre	105	-	-	105	105
Other running costs (oil, grease, etc.) (ppk)	3.5	1.5	1	3.5	2.5
km per litre of fuel	3			2.5	4
Days available per annum	300	300	300	300	300
Driver's wages per day (£)	200 Guaranteed	-	-	200 Guaranteed	150
Driver's night out allowance (£)	30	-	-	30	20

(Data for examination purposes only).

THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK

THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK