

**Level 3 Certificate of Professional
Competence for Transport Managers
(Road Haulage) Unit R2 Case Study**

05689

**Friday 4 December 2020
1.00 PM – 3.15 PM**

Time Allowed: 2 hours 15 minutes

Case Study

This document consists of 8 pages. Any blank pages are indicated.

Background

Walvingham Warehousing & Logistics Ltd (WWL) owns a yard and storage facility in the town of Walvingham in the West Midlands. The company provides warehousing and associated transport services. The company is owned by its Managing Director (Gregory Green).

WWL operates a fleet of nine 3,500kg GVW vans. It employs nine drivers, some of whom hold Category C+E driving entitlement. There are also several warehouse operatives and some office staff.

WWL's premises are close to the development of a new stadium for the local football club, Walvingham United (United) and the company has benefited from contracts arising from the building work. This work has included storing materials and delivering them to site when needed. Gregory Green has built up an excellent working relationship with the football club's Project Director (Beverly Brown). He hopes to win more work from the club when the stadium is completed, and Beverly assumes a permanent role as United's Facilities Director. Gregory and Beverly have had some preliminary meetings to discuss these possibilities.

Gregory is keen to expand WWL's operations, particularly on the transport side of the business.

Contract tender

Beverly has invited WWL to submit a tender for the delivery of seats for the new stadium. She has provided the following details:

- United has ordered 27,000 seats for installation in premium areas within the new stadium (standard seats have already been delivered and installed).
- The flat-packed seats will be delivered on 11 December 2020 and the club requires them to be stored away from the building site until Monday 18 January 2021, when deliveries to site can begin.
- The seats will be shrink-wrapped on pallets, with 10 seats on each pallet.
- The site contractors can accept no more than one delivery every 4 minutes, starting no earlier than 07.00hrs. The last delivery must be completed by 17.00hrs at the latest. The unloading area for the seat packs cannot accommodate vehicles bigger than a 3,500kg GVW van.
- Once deliveries have started, they must be completed in as few days as possible.

Gregory has established the following information.

- Each of WWL's vans can carry up to 2 pallets on each trip.
- Driving from WWL's warehouse to the unloading area will take a consistent 5 minutes and will be the same on the return journey.
- It will take 2 minutes to load each van at WWL's warehouse and 3 minutes to unload each consignment at the stadium.
- Each driver is to take one 30-minute break during the day. Only one driver may be on a break at any time.

Possible future work for Walvingham United

Beverly has indicated that WWL might win more work from United, if WWL expands its activities to provide more transport operations. These opportunities include the following:

Transport to France

Walvingham United are currently playing their home fixtures at another club's stadium. United's building team has removed the seats from inside the club's old stadium, leaving them securely in that site's former car park. Some of these seats have been sold to a rugby club in Larom, France and will need to be delivered in March 2021.

Gregory has identified a suitable tractor unit and flatbed trailer that could complete the delivery in one trip to France. He believes he can find future work for the combination.

His initial research provides the following information.

- The seats must be collected from United's old stadium in the first week of March 2021, for immediate delivery to Larom.
- The old stadium is 10km from WWL's premises.
- Vehicle checks (required at the start of every shift) will take 15 minutes each.
- Loading the seats will take one hour.
- Average speed will be 60kph throughout.
- The distance from United's old stadium to the Channel Tunnel terminal at Folkestone is 260km. The terminal is 274km from WWL's premises.
- Check-in and embarking Le Shuttle will take 10 minutes, to be scheduled as driving time.
- Le Shuttle crossing takes 35 minutes. The crossing that departs at 13.00hrs is the only one that will meet the delivery requirements (unloading in France must be completed within a delivery window between 16.30hrs and 18.00hrs).
- Disembarking Le Shuttle will take 10 minutes, to be scheduled as driving time.
- The distance from the Channel Tunnel terminal at Coquelles to Larom is 115km.
- Unloading at the Larom stadium will take one hour, driver to assist.
- The driver will take a Reduced Daily Rest at the Larom stadium before returning to WWL's warehouse.
- Gregory requires the vehicle to leave WWL's premises as late as possible.

Gregory has calculated the following costing information for a suitable tractor unit and trailer.

Leasing cost, including maintenance and tyres — tractor unit	£6,000 per annum
Purchase price — semi-trailer (excluding tyres)	£25,000
Expected residual value — semi-trailer	£10,000 after 5 years
Expected use for the combination	200 days per year
Other standing costs, including driver wages	£180 per day or part day
Fuel price, per litre	£1
Fuel consumption	10km per litre
Semi-trailer maintenance (under a contract with local garage)	£2,000 per annum
Le Shuttle return fare	£520
Driver overnight allowance	€45 per night
Exchange rate	€1 = £0.86

Fig. 1

Waste contract

The football club's new stadium complex also houses its offices and training ground. Together with matchday and event activities, Beverly expects that United will require collections of general waste and recycling, as follows.

- Daily general waste collections, requiring one vehicle.
- General waste collections on match and events days, requiring three additional vehicles.
- Recycling collections on match and event days, requiring a further three specialist vehicles.

The collection and disposal contract will be for two years and vehicles specified must be dedicated refuse lorries of at least 26,000kg GVW.

Delivery of compressed gas cylinders

Beverly has told Gregory that she has an acceptable quote from a supplier of compressed gas cylinders, to be used for drinks services at the new stadium. However, she believes the supplier's quote for delivery is too high and will invite WWL to tender for collecting the cylinders and delivering them to the stadium, using a 7,500kg GVW rigid lorry.

Possible future work for other customers

Gregory has begun talks with other potential customers, offering WWL's transport services. Potential work includes the following:

- Delivery of two new cars to a Moscow (Russia) Motor Show. After the show is finished, WWL will return the cars to the manufacturer in Birmingham.
- Delivery of new cars manufactured by the same Birmingham company. The contract would be for monthly deliveries for at least one year. All deliveries would be to dealers in Moscow.
- Collection of horticultural plants from Moscow and delivering them to a wholesaler in London.

Other vehicle acquisition plans

From Gregory's discussions with potential customers, he expects the company to have to buy the following vehicles, in addition to those that may be required for future work for Walvingham United. All of these vehicles would be maintained under a contract with the same local garage that would maintain the new semi-trailer to be used on the Larom journey.

- Two 3,500kg GVW vans (no tow bar fitted).
- One 5,500kg GVW van (no tow bar fitted).
- One 18,000kg GVW curtain-sided lorry.
- One car transporter articulated combination.
- One 2,900kg GVW dual purpose vehicle, fitted with a tow bar to be used with a 1,500kg GVW trailer.

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