



**OXFORD CAMBRIDGE AND RSA EXAMINATIONS**

**LEVEL 3 CERTIFICATES OF PROFESSIONAL  
COMPETENCE**

**05609**

**UNIT 5 MANAGING NATIONAL ROAD PASSENGER TRANSPORT OPERATIONS**

**FRIDAY 5 MARCH 2010**

**12.45 PM – 2.45 PM**

**TIME: 2 HOURS**

**SCENARIO**

## **Background**

OCR Travel is a taxi and private hire vehicle operator based in Barnsley. The business is owned by Jim Green. It runs eight licensed hackney carriages, six private hire vehicles and holds a Restricted PSV Operator Licence.

OCR Travel operates from premises which are leased. The premises have facilities for parking and cleaning the vehicles, and have a small office from which the whole operation, including the hackney carriage and private hire vehicle control, is managed. Maintenance of all vehicles is contracted out.

Jim Green wishes to expand the business and is attracted to running large buses and coaches.

You are engaged on a six month contract to advise Jim and, subject to satisfactory performance, he has promised you a permanent job in the business with the further inducement that he will offer you a partnership within two years.

## **Current Staff**

Proprietor (Jim Green)  
6 x control room staff  
2 x general administrative staff  
2 x general hands who undertake minor repairs, cleaning and any other odd jobs required  
12 x licensed hackney carriage drivers (of which 10 are also licensed private hire vehicle drivers)  
8 x licensed private hire vehicle drivers  
3 x minibus drivers, 2 of whom hold Category D1 entitlement and the other Category D entitlement

Routine accounting functions are undertaken by the administrative staff, with preparation of accounts, submission of VAT and inland revenue returns being carried out by a firm of accountants.

## **Current Operations**

OCR Travel operates six hackney carriages and has a private hire vehicle operator licence for 12 vehicles. The principal operation is of general hackney carriage and private hire vehicle work. These vehicles are also used for school contracts, works contracts and the carriage of goods.

For school contracts of less than 50km in length, and on some private hire, 16-seat vehicles are used, all registered after January 2004.

OCR Travel has for a number of years taken passengers from Barnsley to a nightclub in Leeds using a number of private hire vehicles. The start and end points are fixed but intermediate pick ups vary on demand. The average distance travelled for each single journey is 55km. The operation occurs every evening except Monday, leaving Barnsley at 21.00hrs and returning from Leeds at 02.30hrs next morning.

**Financial Information (existing and planned operation)**

	<b>Hackney carriages and private hire cars (£)</b>	<b>16-seat vehicles (£)</b>	<b>Over 16-seat vehicles (£)</b>
Standing cost per vehicle/day	30	60	110
Overhead cost per vehicle/day	20	30	40
Driver cost per vehicle/per day	55	75	85
Fuel cost per km (net)	0.15	0.30	0.45
Tyre cost per km	0.03	0.05	0.06
Maintenance cost per km	0.15	0.50	0.70

The business works on a mark up of 15% on all costs.

Drivers are paid a fixed rate per day, based on an average nine hour day, regardless of the number of hours worked.

Jim has adopted a practice, which he intends to continue, of allocating all standing and overhead costs to the time of peak vehicle requirement, which is and will be at school times.

**Current Minibus Drivers**

Three drivers employed by OCR Travel are qualified to drive the minibuses. These are:

<b>Name</b>	<b>Date of birth</b>	<b>Date minibus entitlement obtained</b>	<b>Entitlements held (✓)</b>	
			D1	D
Tony Marsden	19.05.1980	20.10.2005	✓	-
Jean Shapiro	02.07.1954	10.12.1992	✓	-
Andrea Langtree	30.01.1961	16.04.1984	-	✓

In addition, Jim Green is licensed to drive hackney carriages and private hire vehicles and holds Category D entitlement.

## New Business Opportunities

Jim Green has identified a number of potential new business opportunities, and part of your remit is to advise him on each one.

- The local authority is seeking tenders for school contracts, amongst them one of the two currently held by OCR Travel. However, the number of children to be conveyed has increased to 30 and if OCR Travel is to continue with this contract, it will need to provide a vehicle larger than any currently held in the fleet.
- The local authority has also offered for tender an additional school contract. This contract is of particular interest to Jim as his daughter attends the school concerned. This contract would require a vehicle with a minimum of 28 seats. It is a condition of contract that the vehicles comply with the PSV Accessibility Regulations. The contract conditions permit, but do not compel, the contracts to be registered as local bus services.

The contract details are:

<b>Contract</b>	<b>Distance Per day (km)</b>	<b>Operating times (start/end at depot)</b>
17	30	07.45 - 09.15 and 14.45 - 16.15
82	20	08.00 - 09.00 and 14.45 - 15.45

- OCR Travel has been contacted by a local business, located five minutes from the OCR depot, asking for the provision of staff transport between their office complex and their manufacturing site, which are located 40km apart. The need is for a service running Monday to Friday. Departure from the office complex is 10.00hrs and from the factory at 13.00hrs. Single journey time is 90 minutes. The minimum carrying capacity of the vehicles is to be 20.

## Current Issues

Jim is aware that a number of his hackney carriage and private hire drivers are interested in becoming bus and coach drivers, if OCR Travel is successful in obtaining some or all of the potential new business. However, he also knows that he will have to recruit additional drivers.

Another problem which has to be resolved is that of premises, as the existing site is not adequate for an expanded operation. Furthermore, there is currently a dispute with some of the neighbours who are complaining about the movement of vehicles at 'anti-social' hours.

The maintenance contractor has indicated that he is willing to continue servicing the existing fleet but if OCR Travel starts operating vehicles of over 16 seats, he would not be able to maintain these vehicles. You have concerns about the adequacy of the current arrangements, as the contractor holds the inspection sheets whilst all other vehicle-related documents are held in the OCR Travel offices.

Jim has started to compile a drivers' daily defect report for use with the larger vehicles. The report has space for the driver to record the date, vehicle registration number, and checks on tyres, wheels, brakes, steering, reflectors, exhaust and lights.

Jim has obtained a copy of the Safe Operator's Guide published by VOSA and wants to ensure that his expanded business conforms with the best practice contained in the Guide.