The Chartered Institute of Logistics and Transport

Passenger Operations

PAPER ONE

Examination for
Certificate of Professional Competence in Passenger Operations

Date: **4th December 2019** **Time**: **09:30 to 12:00**

PLEASE ENSURE THAT YOUR EXAMINATION NUMBER IS FILLED IN BELOW. WITHOUT YOUR EXAMINATION NUMBER YOUR PAPER CANNOT BE CORRECTED. YOUR EXAMINATION NUMBER HAS BEEN ADVISED TO YOU IN WRITING AND IS NOT YOUR SEAT NUMBER. PLEASE DO NOT SIGN YOUR NAME ON THE EXAM BOOKLET.

EXAMINATION NUMBER →

Section A contains 17 questions. Please answer **all** these questions. The format is as follows:

6 multiple choice questions of 5 Marks each, &

11 short questions of 20 Marks each.

Section B contains 4 questions,

- ***Question 1 is compulsory and carries* 100 Marks**
- ***One further question from a choice of Three must be attempted.* Each question carries 50 Marks.**

THE EXAMINATION PAPER IS COMPLETE, AND NO ADDITIONAL PAGES SHOULD BE APPENDED. SPACES ARE ALLOWED IN THE EXAMINATION PAPER FOR WRITTEN ANSWERS TO BE PROVIDED FOR EACH QUESTION.
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Paper number	Total Marks	% achieved	Result
Paper One			
Paper Two			
Overall Result			

P1

Section A

Q1 What may be used as a reason to put a company into liquidation?

Tick the correct answer at A, B, C or D

A No insurance ☐ B Criminal record ☐

C Unable to pay debts ☐ D Bad accident record ☐

(5 Marks)

Q2 Which of the following is considered to be the most effective means of managing?

Tick the correct answer at A, B, C or D

A Directing ☐ B Delegating ☐

C Deciding ☐ D Dictating ☐

(5 Marks)

Q3 Which one of the following operations does not require a Road Passenger Transport Operator License?

Tick the correct answer at A, B, C or D

A: Private hire for an event ☐ B: School Transport ☐

C: Occasional journeys outside Ireland ☐ D: Complimentary service ☐

(5 Marks)

Q4 In addition to requiring a Road Passenger Transport Operator Licence, an operator who wishes to provide a service along a specified route according to a timetable also requires a Public Bus Passenger Service Licence, which is issued by which body?

Tick the correct answer at A, B, C or D

A. The Department of Transport, Tourism and Sport ☐

B. The National Transport Authority ☐

C. An Garda Siochána ☐

D. The Road Safety Authority ☐

(5 Marks)

Q5 Listed below are three cost headings under running costs. Please identify the cost heading that is **<u>not a running cost.</u>**

Tick the correct answer at A, B, C or D

A: Fuel ☐

B: Tyres ☐

C: Maintenance ☐

D: Vehicle Road Tax ☐

(5 Marks)

Q6 How many years are you required to retain documents in respect of repair and maintenance of vehicles?

Tick the correct answer at A, B, C or D

A: 4 Years ☐

B: 6 Years ☐

C: 3 Years ☐

D: 2 Years ☐

(5 Marks)

[Please turn over]

Q7 When engaged in branding of a transport service, outline the following:

a) The aim of Branding.

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(8 Marks)

b) Describe three sets of activities associated with the process of branding.

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(12 Marks)
(Total 20 Marks)

Q8 Regarding vehicle road worthiness, please address the following two questions.

a) Name the two types of inspection which must be undertaken by vehicle owners and users as part of their systems for the regular inspection and maintenance of vehicles.

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_____
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(**10 Marks)**

b) The factors and guidelines to be followed in undertaking such inspections

(10 Marks)
(Total 20 Marks)

Q9 A Transport Manager is defined as a person who is engaged to effectively and continuously manage the transport operations of a road transport business. Write a paragraph below outlining the duties of a Transport Manager.

(20 Marks)

[Please turn over]

Q10 Adding, Substituting or Removing Vehicles on a Road Passenger Transport Operator Licence

To ensure that vehicles are authorised on a Road Passenger Transport Operators licence outline the procedures to be followed when:

a) Substituting a vehicle

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(10 Marks)

b) Adding a vehicle with the overall number of vehicles increasing.

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(10 Marks)
(Total 20 Marks)

Q11 Write down the formulas used in transport operations to calculate costs per week, costs per day, costs per hour and costs per mile.

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(20 Marks)

Q12 Please outline four benefits of using an IT fuel consumption management system.

(20 Marks)

[Please turn over]

Q13 You wish to engage in International operations. Please list five additional costs involved in engaging in International transport?

(20 Marks)

Q14 Staff training is now well established within the transport industry.

a) Please outline the purpose of a training programme for employees.

(10 marks)

b) What might be the benefits of a good training programme?

(10 marks)

(Total 20 Marks)

Q15 Please give four points that define a Public Bus Passenger Service.

[Please turn over]

(20 Marks)

Q16 The management of cash flow is particularly important in the transport business. A repeated overdraft situation over a number of months usually indicates the need for more serious action and a possible meeting with your bank manager. Please list four possible actions to be taken to correct a repeated overdraft situation.

(20 Marks)

Q17 Every company is required by law to have a company secretary, who may be one of the directors. List four of the duties of a company secretary.

(20 Marks)

GO TO SECTION B

Section B

Candidates must attempt Question 1 and one other question –

PLEASE NOTE - Question No. 1 is compulsory

(Please use a separate page for each answer. You may also use the back of each page).

Compulsory

Q1 You have been appointed as transport manager of a Coach company (TransCoach) based in Dublin, on the Dublin Airport campus. The company is mainly involved in the movement of customers from Dublin Airport to a variety of locations around the country. The company has a fleet of 25 Coaches.

The work involves picking up Customers at Dublin Airport, driving to the dropping off point, loading returning customers and returning them back to Dublin airport before returning to base. They can usually drop off customers and pick up returning customers at the same time.

You have been asked to review the rates for one specific route with a view to developing a standard system for reviewing all the rates. The customer is based in Listowel which is 280 kilometres from Dublin.

Allow one hour for loading at Dublin Airport and one hour for dropping off and collecting the returning customers at Listowel and bringing them back to Dublin Airport. The driver will drop the empty coach back at TransCoach depot (Allow 15 mins for this).

Factor into the journey appropriate time for pre-start checks and breaks to ensure the journey is carried out in a legally compliant and efficient manner.

Costs
Driver – paid €16 per hour and guaranteed 45 hours per week. Receives 4 weeks annual holidays and is paid for bank holidays. Holiday and bank holiday pay is at 8 hours per day, each driver receives 4 weeks annual holidays and 10 bank holidays The employer pays PRSI at 11.5%. Add in €1,200 per annum to cover training, uniforms, telephone allowance and sundries

Vehicle
The lease cost on the Coach including maintenance is €25,000 per annum.
Add Insurance at €5,500 per annum, road tax is €900 per annum, vehicle washing €1,200 per annum and other or sundry €800 per annum

Overheads
The total annual cost of overheads including office staff, transport manager, insurance, depot rental, audit fees and other fixed costs is €150,000

Variable cost
The average fuel consumption is 3.1 kms per litre and the current cost of fuel is €1.10 per litre. Tyres on coaches are estimated at €0.06 per kilometer

a) Calculate

- **i.** Cost per hour for the driver
- **ii.** Cost per hour for the coach
- **iii.** Cost per hour for overheads
- **iv.** Cost per kilometer for fuel and tyres

b) Using the above costs calculate the cost of the round-trip Dublin – Listowel – Dublin.
Include a suitable gross profit margin

c) You incur a delay of two hours at the customer's premises which the customer has agreed to pay for. How much would you charge the customer?

d) Calculate the percentage of the trip rate for vehicle, labour, running, overheads and profit

e) What would be the impact of the following?

- **i.** Fuel price increases by 20%
- **ii.** Labour cost increase of 10%

(Total 100 Marks)

Please attempt one, and <u>only one</u> of the following questions. Marks will not be allotted to more than one answer.

Q2 You are the transport manager of a bus company that has a fleet of 10 buses operating school transport and private hire services. Set out and describe the key components of a maintenance programme to ensure that the vehicles are road worthy, fully compliant with road traffic regulations and ensure a high CVORI rating.

(50arks)

Q3 Under Health and Safety Guidelines for Vehicle Operations in the Workplace please outline checks a transport manager would have in place covering the following:

a) The Vehicle.
b) During repair of the Vehicle.
c) Driver and other employees.

(50 Marks)

Q4 Write an essay on insurance in the context of the important part it plays in a transport operation business from a compliance, competitive and business continuity perspective. Taking account of the operations your transport company, outline four types of policies you would have in place and what they would cover.

(50 Marks)

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ANSWER QUESTION NUMBER: ____

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