

Making the case for freight transport

A round table presentation at CIHT

Ivan Viehoff
Cambridge Economic Policy Associates
5 December 2017



The value of freight transport



An HGV is potentially one of the most efficient and valuable uses of road space



But why do standard appraisal techniques not reflect large values for road freight transport?

Page 1

WebTAG does not tell us the value of time of freight



Passenger	Freight
Operating cost of vehicle, including operating staff	Operating cost of vehicle, including operating staff
Value of time of passengers	Value of time of freight

Vehicle occupants are divided into vehicle operators and "pay-load", and WebTAG tells us the value of time for each.

WebTAG provides no parameters.

Vehicle occupants are vehicle operators. The "pay-load" is the freight itself.

"Freight transport" is identified in statistics by the form of the vehicle. But there is some evidence around 50% is worker transport, sometimes with tools and materials

E-commerce is responsible for only a small part of recent growth in freight traffic, contrary to popular belief. Grocery deliveries may even reduce road usage, by avoiding trips to the supermarkets.

Appraisals thus tend to miss the value provided by roadspace to the freight itself

Page 2

CAMBRIDGE ECONOMIC POLICY ASSOCIATES (CEPA)

Economic and financial policy consulting

- Established in 2001
- Around 40 consultants plus network of associates
- Offices in London and Sydney
- Extensive transport sector expertise
- Projects spanning highways, rail, air, public transport and freight



- Regulation – pricing, efficiency, markets, finance, performance
- Public policy – design, appraisal, simulation and evaluation
- Project appraisal
- Infrastructure finance
- Economic and financial modelling
- Work with transport planners, engineers and other advisors

Advisors to private companies, government, investors and regulators

www.cepa.co.uk

Page 6

Contact Us

CAMBRIDGE ECONOMIC POLICY ASSOCIATES
 Queens House, 55-56 Lincoln's Inn Fields
 London WC2A 3LJ

Tel: 020 7269 0210
 Fax: 020 7405 4699
 info@cepa.co.uk
 www.cepa.co.uk

Page 7
