A38 Case for Action - The Wider Economic Case for Investment in the A38 from Bodmin to Exeter

Technical Report

Cornwall Council & Plymouth City Council

Project Number: 60539293

20th June 2018
Quality information

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Revision History

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Executive Summary

Background to this Study

Cornwall Council and Plymouth City Council have commissioned the production of this evidence base to support the ‘A38 Case for Action’, with the desired outcome being that the vital improvements needed on the A38 will be considered by the Department for Transport and Highways England within the upcoming RIS2 proposals.

The study also has the support of the Local Unitary Authorities and Local Economic Partnerships within the study area, as well as local Members of Parliament, Councillors, businesses and resident groups.

This Technical Report is supports the accompanying ‘A38 Case for Action – The Wider Economic Case for Investment in the A38 from Bodmin to Exeter’ Non-Technical Summary document, also dated June 2018.

The Wider Economic Case for Investment in the A38

Addressing current and forecast poor connectivity to and through the region via the A38 is vital to supporting planned economic growth and opportunities over the coming years. In addition to direct user benefits, improvements to the A38 are shown to have the potential to generate up to £890 million in wider benefits to the economy due to improved productivity and induced investment through unlocking future development in the corridor.

Planning for investment now through inclusion of the A38 in the next Road Investment Strategy (RIS2) will bring benefits to local people and the regional and national economies. Failing to act will lead to missed opportunities for growth and a widening economic gap in the region.

We ask that improvements to the A38 are included within the government’s upcoming road investment strategy (RIS2).

Cornwall Council and Plymouth City Council have identified a number of improvement schemes for the A38 which are deliverable within the RIS2 timescales for delivery in the next Road Plan (i.e. up to 2025). In order to ensure continued development of these schemes to meet the RIS2 timescales, and to progress other potential improvements to the A38, confirmation of the A38’s inclusion within the RIS2 Investment Priorities is required.

The Evidence Base

The A38 between Bodmin and Exeter is a key strategic road link within the South West linking destinations in Cornwall, Plymouth, Torbay and Devon with the rest of the UK. The road is of varying standard, passing through both rural and urban environments, with users experiencing congestion and a lack of journey time reliability on some sections of the network. A lack of strategic investment in the route has led to a situation where there is poor accessibility between economic centres served by the road and it is widely considered to be holding back regional economic growth.

The region served by the A38 is relatively high in terms of population density, with many existing economic strengths:

- Most of the businesses in the region served by the A38 are small and medium sized enterprises (SMEs), providing excellent potential for growth and innovation;
- The region’s natural beauty, tourist attractions and lifestyle attracts people of all ages to visit and to relocate. The tourism industry is a major economic asset generating millions of pounds per annum;
- Plymouth houses one of the UK’s largest and most diverse ports;
- The area is a global centre of excellence for marine science, technology, engineering, manufacturing, and marine renewables;
- There is strong international expertise and assets in aerospace engineering, microelectronics, digital living innovation and environmental technology.
The area has strong core industries such as fishing, agriculture and food and drink. Despite the region’s national assets and industry strengths, it is not reaching its economic potential. The majority of the region served by the A38 performs worse than the UK average on key economic performance indicators. Gross Value Added (GVA) per head falls dramatically to the west of Exeter where the motorway ends, with this GVA ‘Gap’ continuing to widen over time.

To help boost the economy, local policy and plans set out growth targets of around 52,000 homes, and 52,000 new jobs in/around the A38 corridor by 2034. There is also a push to a more productive economy which addresses overdependence on the public sector, builds on existing economic strengths and encourages business investment and new start-ups.

However, the A38 in its current state acts as a barrier to growth and economic potential. Journey times via the A38 are slow when compared to the parallel A30, and incidents and closures on the route can cause significant delay and disruption. There are also issues with safety, severance and air quality – all of which will be exacerbated as traffic grows over the coming years.

Safety is a key issue with the A38 being identified as one of 30 priority routes for safety treatment by Highways England. Over five years, there have been 830 accidents involving injury between Bodmin and Exeter, including 100 serious accidents and 16 fatal. Incident rates on the worst performing sections of the route are two and a half times higher than the national average for this type of road, with the ‘Killed and Seriously Injured’ rate three and a half times higher than the national average. Highways England have estimated that the cost of collisions on the worst performing section of the A38 (from Bodmin to Marsh Mills) to be nearly £8 million per year.

Current constraints on the A38 have a serious impact on local businesses, which depend on the local road network to operate efficiently. Many require transport of fresh produce and livestock, which are time critical. There are also issues with attracting and retaining skilled workers, and doing day to day business. One high profile company has gone so far as to say they are unlikely to be able to maintain a headquarters in the area owing to the poor transport routes.

In addition to local growth, there is real opportunity to improve the resilience of the wider transport network. The equivalence of travel distances via the A30 and A38 (around 65 miles between Exeter and Bodmin regardless of route) mean that improvements on the A38 would allow greater flexibility between the routes, whilst also supporting the region served by the A38 to better compete with areas of the peninsula for business. Additionally, the provision of two high quality roads into the peninsula (the A30 and the A38) would support resilience of the mainline rail network, which has seen significant disruption in past recent years.

Supporting Government and RIS Objectives

Investment in the A38 will support Highways England’s investment priorities for 2020 – 2025 (RIS2) through:

- **Putting Safety First**, and reducing the current high accident rates and severity;
- **Providing better journeys** through reducing journey time, increasing reliability, strengthening network resilience and moving towards Expressway Standard;
- **Supporting economic growth** – improvements could generate up to £885m of productivity growth and induced investment;
- **Making Roads work for everyone** through addressing issues of severance within local centres along the route, and managing demand through encouraging sustainable modes (e.g. improved access to stations);
- **Working more harmoniously with our Environment** - whilst securing improvements to the corridor will be a challenge in places given the environmental and topographical constraints, there is an opportunity to enhance the existing environment through measures such as provision of crossing points for local habitats and addressing issues with surface run-off; and
- **Preparing for the Roads Revolution through** providing an opportunity to incorporate available advances in technology, and support the futureproofing of the network.
1. **Introduction**

1.1 **Background**

The A38 between Bodmin and Exeter is a key strategic road link within the South West linking destinations in Cornwall, Plymouth, Torbay and Devon with the rest of the UK. The road is of varying standard, passing through both rural and urban environments, with users experiencing congestion and a lack of journey time reliability on some sections of the network. A lack of strategic investment in the route has led to a situation where there is poor accessibility between economic centres served by the road and it is widely considered to be holding back regional economic growth.

The DfT ‘Action for Roads: A Network for the 21st Century’ publication recognises the value of roads in strengthening the economy, and their importance in:

- Getting us to work;
- Giving us access to goods and services;
- Connecting us with family and friends;
- Providing critical connections;
- Supporting job creation and unlocking economic development;
- Helping the UK compete internationally; and
- Supporting business travel.

‘Action for Roads’ also sets out a desire to treat major A roads as ‘Expressways’ – these roads aim to provide high standards of safety and performance in the way it is expected of motorways and this approach is to be standard across key parts of the strategic road network. The A38 in its current condition does not match up to these envisaged aims.

In June 2013, the Chief Secretary to the Treasury announced that the DfT would be investing £15.2 billion in strategic roads by 2021 to counter the effects of past underinvestment. The first ‘Road Investment Strategy’ (RIS1), announced in December 2014, invested in over 100 major schemes up to 2020 to enhance, renew and improve the Strategic Road Network (SRN). In this first RIS, the government undertook eight strategic studies to investigate potential options to solve some of the most significant and complex challenges on the SRN – none of these studies were located within the South West\(^1\). In November 2015, the government outlined plans to develop the next RIS (known as ‘RIS2’) covering the. Despite a need for improvement, the A38 has not been not included within the RIS schedule to date.

There is significant local political and local business backing for improvements to the road, and this evidence base has been developed to support the ‘Case for Action’, with the outcome aim being that the vital improvements needed on the A38 will be considered by the Department for Transport and Highways England within the upcoming RIS2 proposals.

1.2 **Purpose of Study**

The purpose of this study is to establish a case for investment in the A38 between Bodmin and Exeter based on an assessment of connectivity issues from an economic perspective that provides an understanding of how the current transport infrastructure is constraining economic growth, urban renewal and productivity.

A core element of this study is the identification of the scale of wider economic impacts that are currently forgone by the region due to poor accessibility along this section of the A38. Wider impacts are the term given to economic impacts of transport interventions that are additional to transport user benefits (such as travel time and vehicle operating cost savings). The key element of wider impacts where current poor accessibility has a large negative impact is agglomeration (i.e. the concentration of economic activity over a region), which is explored within this study.

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1.3 Study Outputs

The study outputs comprise two documents:

- ‘A38 Case for Action – The Wider Economic Case for Investment in the A38 from Bodmin to Exeter’ Non-Technical Summary document; and
- ‘A38 Case for Action – The Wider Economic Case for Investment in the A38 from Bodmin to Exeter’ Technical Report (i.e. this document).

1.4 Study Area

The core study area is the A38 between Bodmin and Exeter, as shown in Figure 1.1 overleaf.
Figure 1.1 – A38 Bodmin to Exeter Core Study Area

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2. **Current Regional Economic Profile**

The A38 is a critical strategic link which provides access to Plymouth, South Devon and South East Cornwall from the rest of the Country. The region served by the A38 has many economic strengths. However, it is relatively remote from other centres of population, with consequent economic implications. This Chapter of the report profiles the economy of the region highlighting existing strengths and weaknesses.

2.1 **Regional Overview**

The region served by the A38 is relatively densely populated, compared with the average for the Devon / Cornwall peninsula. The major settlements situated on the A38 are home to over 430,000 people, with over half of these living in Plymouth and just over a quarter living in Exeter.

**Figure 2.1 – Residential Population Density (2011 Census Data)**

The area also provides a significant number of jobs. According to Census 2011 data, over 230,000 people are employed in major settlements on the corridor, with significantly more jobs provided in the wider region of South East Cornwall, South Hams, Torbay and Teignbridge.
The existing economy of the region is made up of many industries. Whilst retail, education, health/social work and defence are strong employers in the major urban areas, the wider region also supports jobs in tourism, agriculture, manufacturing and construction amongst others. Most of the businesses in the region served by the A38 are small and medium sized enterprises (SME) employing fewer than five people, providing excellent potential for growth and innovation. That said, there are also a reasonable number of large public and private sector employers.

As well as the local councils and hospitals, the universities of Exeter, Plymouth and Marjon are also key employers and attractors. These institutions are important research and knowledge assets which house numerous research centres across a range of industries.

Tourism is hugely important to the region, and the lifestyle attracts people of all ages to relocate. The region is home to Areas of Outstanding Natural Beauty (AONB), Dartmoor National Park, stunning beaches, coastal villages, beautiful landscapes and national attractions, all of which are a major economic asset generating millions of pounds through tourism.

The marine and defence industry is a key employer, particularly in Plymouth which houses Her Majesty’s Naval Base (HMNB) Devonport and large shipbuilding/maintenance companies such as Princess Yachts and Babcock Defence in one of the UK’s largest and most diverse ports.

As a region, the South West is a global centre of excellence for marine science, technology, engineering, manufacturing, and marine renewables. The region forms part of the UKs first marine energy park, and houses the UKs leading marine industry hub. This includes a large and growing network of sector-leading marine companies as well as research institutions such Plymouth University’s Marine Institute, the Plymouth Marine Laboratory, Oceansgate Enterprise Zone, University of Exeter’s Marine Energy Group, Falmouth Marine School, Wavehub and the Cornwall Marine Hub Enterprise Zone. In Cornwall alone, the county’s marine businesses contribute more than £500M to the Gross Domestic Product (GDP) of Cornwall and the Isles of Scilly and the marine sector has been identified as an area of high growth potential for the region\(^2\).

\(^2\)www.marine-i.co.uk
As well as excelling in marine energy (See Chapter 3), the region also has significant expertise in other areas of renewable energy, including capability in the design and manufacture of complex composite structures, e.g. wind and tidal turbine blades. As part of this, technical and engineering companies, consultancies, oceanographic companies, naval architects and environmental consultancies all have bases in the region.

The area served by the A38 also has strong international expertise and assets in the following growing industries:

- **Aerospace engineering**, including Aerohub Enterprise Zone Newquay, and aircraft manufacturing companies in Plymouth and Exeter;
- **Microelectronics**, including a cluster of manufacturing firms in Torbay;
- **Digital Living Innovation**, including Exeter City Futures; and
- **Environmental Technology**, including the Met Office in Exeter, Exeter and Plymouth Science Parks, and marine/ocean science institutions.

Figure 2.3 shows the region’s engineering and digital assets, and their inter-connection. This demonstrates the importance of regional links in the development of emerging industries.

**Figure 2.3 – Advanced Engineering and Digital Innovation inter-connected hubs & linked assets**

![Diagram showing advanced engineering and digital innovation inter-connected hubs & linked assets.](source: SW England and South East Wales Science & Innovation Audit)

Despite the region’s strong national assets and industry strengths, it is not reaching its economic potential. The majority of the region served by the A38 performs worse than the UK average on key economic performance indicators such as GVA (productivity), skills levels and deprivation.

GVA per head in the region served by the A38 is lower than the UK and South West average, with the exception of Exeter which performs better than the UK average. Exeter is well connected by road and rail to the east and north of the Country via the M5, and has a relatively fast mainline rail connection. The GVA statistics show a general trend of GVA per head falling to the west of Exeter, with Plymouth,
Cornwall, Teignbridge and Torbay all showing signs of this ‘Gap’ widening (see Figure 2.4 overleaf). In particular, GVA for these local authorities has flat lined in recent years.

Figure 2.4 – Gross Value Added (GVA, balanced) per head over time

Employment quality levels are also low – for example, Cornwall and the Isles of Scilly have only 29% of its workforce with NVQ4 and above qualifications compared to 37.3% in the South West and 37.1% nationally. Additionally, Bodmin and Liskeard/Looe are below the County average in this measure. In Plymouth the skills profile is slightly improved with 34.7% of the population NVQ4+ qualified, but this is still lower than the regional and national average.

The Index of Multiple Deprivation (IMD) is the official measure of relative deprivation for small areas (or neighbourhoods) in England. The overall IMD 2015 data (as shown in Table 2.1 below) shows that Exeter, Cornwall, Plymouth and Torbay are ranked in the top half of the most deprived Local Authorities areas (where a rank of 1 represents having the highest proportion of the population living in the most deprived neighbourhoods). In three of these four local authority areas, deprivation appears to be worsening over time (when compared to 2010 data).

Average income and employment measures show that Cornwall, Plymouth and Torbay are ranked in the top third of the worst performing local authorities.

Table 2.1 - Index of Multiple Deprivation Rankings

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ONS Regional Gross Value Added (Balanced) by Local Authority in the UK, and Regional gross value added (balanced) reference tables

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Prepared for: Cornwall Council & Plymouth City Council

AECOM

13/56
2.2 Plymouth

With a population of 264,000, economic output of £5.2 billion and 108,000 jobs, Plymouth is the most significant urban area on the South West peninsula.

The City is a centre of excellence for marine science and manufacturing, and has a unique set of competitive advantages upon which to build in its transition to a more competitive and thriving knowledge-based economy.

Plymouth has one of the UK’s largest and most diverse ports, with an estimated 300 marine related businesses (employing over 13,000 people) in the city engaged in engineering, ship building, maintenance and related trades such as electronics, hydraulics and composites. The cluster of marine business alongside the marine science capability makes Plymouth an ideal location to support fabrication and manufacturing of marine energy devices and components.

Alongside the Port, the City houses the largest naval base in Western Europe – Devonport - which has been supporting the Royal Navy since 1691. The vast site covers more than 650 acres and has 15 dry docks, four miles of waterfront, 25 tidal berths and five basins. The base employs 2,500 Service personnel and civilians, supports around 400 local firms and generates around ten per cent of Plymouth’s income.

It is estimated that the marine and related sector contributes £1.7 billion in terms of GDP and nearly £1 billion in terms of GVA to the Plymouth economy, representing around 25% of the city’s total GVA. In 2009 nearly 60,000 vessel movements were recorded within the port limits of which 75% were defence related. The remaining 25% were made up of tour boats and ferry movements, commercial operations and sailing events. The Port facilitates a significant amount of economic activity including:

- Leisure marina facilities, including over 1,500 sheltered berths;
- A thriving fishing industry and market, landing more fish from UK ships than any other market in England and Wales;
- Commercial docks focussing on cargo handling (petroleum, animal feed and fertiliser, china clay and aggregates);
- Cruise ship berths (estimated around 10-15 berths per annum);
- Ferry Port for ferries to/from Roscoff and Santander, and for local ferries (e.g. Cremyll Ferry).

Plymouth and its Port contribute significantly to UK exports. The value of the city’s exports is £17,320 per job (the majority of which is export of goods), which is ranked 17th out of 62 major UK cities. In terms of the type of goods exported, 60% of exports are made up of transport equipment. Around 58% of Plymouth’s exports go to France and Germany.

The activity at Plymouth Port depends on good road connections via the A38 for transport of freight (imports and exports), distributing goods to market (e.g. fish), and providing access to the port and region for ferry and cruise passengers.

Alongside the marine industry sits the City’s world class educational infrastructure which continues to grow and provides a substantial pool of young talent. Plymouth’s two Universities attract over 25,000 students and support over 3,000 staff.

Collaboration between regional local authorities, educational institutes, industry and knowledge based organisations presents a real strength to the City’s economy. This is already being demonstrated through initiatives such as the Plymouth and South West Peninsula City Deal which aims to create 9,000 jobs over the next fifteen years. This includes the creation of the Marine Industries Production
Campus at Devonport South Yard as well as initiatives focussed on business and youth employment growth.

Plymouth’s Local Economic Strategy Review (undertaken in 2013/14) lists many impressive economic achievements since 2006, including:

- An ambitious visitor plan and hosting of major international events (America’s Cup, British Art Show);
- Branding of Britain’s ‘Ocean City’;
- The increasing contribution of Higher Education Institutes to business and employability agendas;
- The establishment of Derriford (including Plymouth Science Park) as a hub for knowledge based firms and a focal point for commercial and residential development;
- Focussing the council on major investment programmes though the Plan for Jobs;
- The development of two Business Improvement Districts (BIDs) in the city centre and waterfront;
- Major regeneration in Devonport and North Prospect and large scale capital investments including the Life Centre;
- Supply side improvements in workforce skills and increasing apprenticeship opportunities;
- Successful roll out of the Urban Enterprise programme with significant job creation outputs; and
- Continuing development of the city’s strong digital connectivity.

Despite Plymouth’s economic successes to date, levels of deprivation in the City remain relatively high. The latest deprivation statistics\(^1\) show that Plymouth has one LSOA is in the most deprived 1% in England, and over half of Plymouth’s population are within the most deprived 20% in England. The number of LSOAs within the most 20% deprived nationally has increased from 41 in 2010 to 47 in 2015. Additionally, more LSOAs have moved within the most 10% deprived, which demonstrates a worsening over time.

Figure 2.5 – Map showing the most deprived LSOAs within the Core Study Area

Key economic indicators show that Plymouth performs worse than the UK average in almost all categories. GVA per head in 2015 was £19,760 which is 76.2% of the UK average value, and lower than the South West average. Unemployment is also higher in Plymouth (5.1% of economically active residents are unemployed) than the South West (3.5%) and the rest of the UK (4.5%).

The City’s economy is heavily dependent on its naval, defence and marine activity. Despite ambitious plans for growth in this area (set out in the following Chapter), there have been recent setbacks with job losses at Princess Yachts in 2016, and more recently 500 job losses at Devonport due to restructuring. The job losses may have contributed to a flattening of GVA over recent years (see Figure

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\(\text{\textsuperscript{1}}\) English Indices of Deprivation 2015, Ministry of Housing, Communities & Local Government
2.4), and highlight the importance of a diverse economy within Plymouth, with a need to attract and retain smaller employers and start-ups to the City.

2.3 Cornwall

The A38 connects west of Plymouth to the Cornish towns of Saltash (population 16,000\textsuperscript{12}), Liskeard (population 9,400) and Bodmin (population 14,700). The road also provides a strategic connection between Cornwall and Plymouth/South Devon.

The economic output of Cornwall in 2016 was £9,850m\textsuperscript{13} as measured by balanced GVA, with the main industries across the region being agriculture and tourism. When compared with the UK as a whole, GVA per head (standing at £17,900\textsuperscript{10} in 2016, which is 67% of the UK average) since 2008 has grown at a lower rate (7.2% compared to 15.7% in the UK). The trend in productivity over time suggests that the gap between Cornwall and the UK average is continuing to widen. Not surprisingly, the issue of productivity is a significant one for Cornwall, as well as nationally.

As a county, Cornwall has been consistently voted one of Britain’s top tourist destinations and in 2014 attracted approximately 4.3m staying visitors and 14.7m day visitors generating £2.6bn of business turnover in the county economy and supporting 53,000 jobs\textsuperscript{14}. Many of these visitors head for South East Cornwall, and tourism plays a significant part in the economy of the area. Around 20% of all employment is made up of tourism in South East Cornwall, with around £231m contributed to the economy\textsuperscript{15}. Given that the area is in competition with other parts of Cornwall, the South West and the rest of the UK, good quality road and rail links to the area are vital to attracting visitors and keeping businesses operating efficiently, particularly in the summer months. Around six large cruise ships per year also berth in the deep-water harbour in Fowey, which also contributes to the tourist economy.

The county has a relatively high proportion of small and micro businesses, and a lower proportion of businesses in sectors with high labour productivity rates and wages. Increasing the number of businesses in professional, scientific, technical and information/communication industries is important in closing the productivity gap. Alongside this, increasing skills levels (which are currently lower than the UK average) – particularly in Science, Technology, Engineering and Maths (STEM) – will be key to supporting productivity goals for the region.

The Cornwall and Isles of Scilly (CloS) Local Enterprise Partnership (LEP) ‘Vision 2030’ identifies the town of Liskeard as an ‘Advanced Engineering Cluster’. Liskeard lies around a 30 minute drive from Plymouth via the A38 and is well connected by mainline rail. The town is an important centre for South East Cornwall with Cornwall Council, the community college and hospital being key employers. There are also a number of small to medium sized employers accommodated principally in Liskeard’s main business estates adjacent to the A38. Despite this, town centre is in need of revitalisation, and four out of twenty neighbourhoods in the Liskeard and Looe community network are in the most deprived 20% nationally.

Whilst Liskeard attracts commuters from towns and villages in the surrounding area, there is a reasonably high level of commuting out, with nearby Plymouth providing more professional level occupations. Historically, there has been a lack of new employment spaces in the town other than at a very small scale, and land allocated for employment has not come forward. As a result, some employers have moved away in search of larger premises, whilst the mismatch between employment growth and population growth has led to many young people struggling to find work, cyclical unemployment problems have been more difficult, and wage rates are persistently low\textsuperscript{16}.

That said, Liskeard town and industrial estates are well situated being on the A38, and the Neighbourhood Plan for the town sets out plans to redress the balance through ensuring provision of employment and an innovation/business support hub going forward.

\textsuperscript{12} 2011 Census Statistics.
\textsuperscript{13} ONS Regional Gross Value Added (Balanced) by Local Authority in the UK.
\textsuperscript{14} Cornwall Visitor Survey 2016, South West Research Company Ltd.
\textsuperscript{15} Value of Tourism 2011 Cornwall, Visit Cornwall, South West Research Company Ltd. Estimate based on figures for historic Caradon district.
\textsuperscript{16} Liskeard Neighbourhood Development Plan 2030, August 2017.
Bodmin - which lies around a 45-50 minute drive from Plymouth via A38 – is an important centre. Its strategic positioning on the A30 and the A38 has helped to attract business to the town. As a result, there are a significant number of people who commute in to Bodmin, or live and work in the town. The town has strong ties with Wadebridge and St Austell, but Plymouth currently lies outside of its sphere of influence, potentially due to the relatively long comparative commute time. Key employers in the town are the council, the hospital and the community college. There are a number of new employment sites planned within the town along with enhancements to the town centre, with a focus on attracting new more diverse business. A key challenge for Bodmin will be ensuring a skilled workforce – the percentage of workplace population with Level 4 qualifications or above is lower that the Cornish and South West average. Additionally, over a quarter of neighbourhoods are in the most deprived 20% in the Bodmin community network.

2.4 Devon and Torbay

The A38 provides a vital connection to South Devon from the rest of the Country. It also links the important economic hubs of Plymouth, Exeter and Torbay, as well as providing access to Exeter from rural areas around Dartmoor and South Hams.

The city of Exeter (population around 130,000) is well connected by air, road and rail to the rest of the Country, and has a relatively strong economy. GVA per head for the City is higher than the rest of the county and the UK average, with total GVA being 80% of the GVA of Plymouth, despite having only half the population.

With around 95,000 jobs in the City, Exeter’s economy is underpinned by professional and back office services and real estate driving growth. As well as a strong services sector, the city houses the county council head offices and the county’s main hospital. The MET office, Exeter Science Park and Exeter University contribute to a strong knowledge base within the city, particularly within climate and environmental science and innovation.

Being ranked fourteenth in the Country, the University contributes more than £1.1 billion to the South West economy each year, with £540m of that in Exeter. In total, 10,757 jobs were generated across the South West by the University in 2016, with students and their visitors are estimated to contribute more than £100m to the region annually.

As well as having good rail connectivity to the rest of the country, Exeter’s international airport also provides good national and international connections from the region. The Airport has seen recent growth, with passenger numbers having grown year on year since 2012.

Despite Exeter’s economic achievements, the rest of the County is failing to similarly thrive. GVA per head falls dramatically west of the city, with areas served by the A38 such as Teignbridge, Torbay, South Hams and West Devon all having a GVA per head lower than the UK average.

17 https://www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels
Tourism related sectors account for at least a third of employment in the areas west of Exeter, and the draw of the South Devon lifestyle attracts people of all ages to relocate, often setting up small businesses within the sector. South Hams and Teignbridge incorporate parts of Dartmoor National Park, and the entire South Hams coastline is designated an Area of Outstanding Natural Beauty (AONB). These natural environments are a major economic asset of the district generating millions of pounds through tourism and agri-environment support schemes – in 2011, total visitor related spend in South Hams was estimated to be £234.2 million\textsuperscript{18}. Torbay’s economy also heavily relies on tourism, with one in six people in employment in the Bay working in this industry. Fishing is also an important industry, with Brixham being one of the busiest UK fishing ports. In 2016, Brixham landed around £31m worth of fish – higher than both Newlyn and Plymouth\textsuperscript{19}. The fishing industry relies heavily on good transport links to trade with other ports in the region, and to transfer to suppliers and customers across the Country.

Torbay also has a thriving hi-tech industry with a micro-electronics hub in the area, and the prospect of the new Electronics and Photonics Innovation Centre (EPIC) in Paignton. The infographic shown below shows the importance and diversity of the tech industry within the area.

\textsuperscript{18} South Hams Area Profile, Devon County Council, February 2014.
\textsuperscript{19} Marine Management Organisation UK Sea Fisheries Statistics 2016.
Despite its potential, Torbay is the most deprived local authority area in the South West region, with around a third of the population living in areas within the top 20% most deprived in England. In recent years, GVA in Torbay and adjacent Teignbridge has flatlined, and skills levels and wages remain low. Although there has been a recent growth in new start-up businesses in the area, businesses struggle to operate with survival rates after three years of trading lower than the national average\(^2\). This has been evident with closures of tech companies over the past years, and recently with semiconductor manufacturer ‘Plessey’ stating difficulty in maintaining a headquarters in the area.

\(^2\) www.torbaydevelopmentagency.co.uk/hitech

3. Opportunities for Growth

3.1 Overview

The region’s economy has many strengths on which to build and grow, and the Local Plans for the area set out ambitious growth targets for jobs and housing which will depend on the local roads and infrastructure.

There is a real opportunity to build on the existing economic strengths of the South West, and to move to a more productive economy through the Government’s framework, built around two pillars:

- Encouraging long-term investment in economic capital, including infrastructure, skills and knowledge; and,
- Promoting a dynamic economy that encourages innovation and helps resources flow to their most productive use. Having a highly skilled workforce, a higher pay, lower welfare society, and more people able to work and progress are key high level drivers.

Over the coming years, the region will look to address low productivity and over dependence on the public sector through fostering innovation, encouraging business investment and new start-ups, building on the current market strengths in engineering, marine technology and renewable energy, encouraging international trade, and upskilling its workforce.

As a region, the South West is aiming to enhance its position as a leading centre within the global marine energy industry, both in terms of exploiting the region’s available energy resources, and as a centre for research, technology development, engineering and industry. If this can be achieved, a recent study has estimated that the industry could be worth over 4.5 billion GVA to the South West’s economy and generate an average of over 5000 jobs in the years from 2020 onwards. There is even higher potential to export marine energy knowledge and products to the global market.

The South West region has already become the first area within the UK to be designated as a Marine Energy Park, with industry focussed in Plymouth, Cornwall and Bristol. These research and demonstration facilities have already attracted UK and international wave and tidal developers such as Wello, Carnegie, Seabased, Simply Blue, Seaticity, Searaser, OWEL and Tocardo.

Figure 3.1 – Map showing the South West Marine Energy Park Activities

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22 Fixing the Foundations, Creating a more Prosperous Nation, HM Treasury, July 2015
23 Offshore Renewables Resource and Development – South West Economic Impact Assessment November 2010
There is also significant growth potential in aerospace and advanced engineering, with up to £10 million available to make the UK the first place in Europe where commercial space operators can launch small satellites into orbit and offer spaceplane flights for science and tourism. Cornwall Airport Newquay and Goonhilly Earth Station have been put forward and shortlisted in a bid to Government. If successful, the CloS LEP has estimated around 1,000 new jobs could be created, with the majority being high value. The industry has the potential to be supported at the Newquay Aerohub and at Oceansgate in Plymouth. Good connectivity to the airport via the A38, particularly from engineering clusters at Plymouth and Liskeard, will be critical to releasing the growth potential of this opportunity. Additionally, upskilling the local population and attracting skilled employees through providing good access to education and good transport links nationally and internationally will be critical to filling new roles.

The Microelectronics industry is already prevalent in the region, with a cluster of technology companies currently based in Torbay. The construction of the new Electronics and Photonics Innovation Centre (EPIC) in Paignton will significantly raise the global profile of the region in this highly international industry. Many of the electronics companies based in Torbay and Plymouth are already fully integrated into global supply chains with high levels of export. Good transport links via the A38 between Plymouth and Torbay, and to the local airports at Newquay and Exeter are vital in supporting this and encouraging growth in this area.

3.2 Plymouth

The Plymouth Plan Economic Topic Paper states that in Plymouth ‘policy neutral forecasts suggest long-run employment and GVA growth rates below the national average to 2031. In other words, in the absence of new interventions, the ‘productivity gap’ is likely to widen given relatively weak performance across the majority of our industries.

The issue of productivity will be key to improving economic performance in the region going forward. Addressing over dependence on the public sector will be critical in avoiding vulnerability as demonstrated recently with the cutting of jobs at Devonport. The Plymouth Plan Economic Topic Paper highlights the importance of rebalancing the economy through ‘a shift in economic activity from the public to private sector, and from domestic consumption to business investment and export driven growth.’ To do this, there will need to be increased focus on manufacturing and exploiting existing strengths in marine industries and advanced manufacturing.

A focus on international trade will also contribute to a more stable economy within the City. Whilst Plymouth no longer has a functioning Airport, both Newquay Cornwall Airport and Exeter Airport lie around an hour’s drive from the City. Both airports offer international flights with the number of available routes increasing every year. Improving links to the airports – both accessed via the A38 – will help to support businesses to trade internationally, improve access to the City’s cultural and international events, and improve the economy’s resilience.

Plymouth’s Local Economic Strategy Review (undertaken in 2013/14) identifies specific opportunities for the city’s economy:

- Plymouth and Peninsula City Deal, including a Marine Industries Production Campus (MIPC) in South Yard, business support and a Deal for Young People.
- Mayflower 2020 – raising the ‘Ocean City’ profile and reputation in global markets; and
- Social Enterprise City – capitalising on the status, which recognises the extent and quality of social enterprise business activity.

Economic policy recognises the importance of Plymouth’s wider economic role as a well-functioning connected city, leading and supporting the peninsula. Strengthening existing networks in the marine/energy and digital environment fields will be critical in supporting growth in these areas. The

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24 South West England Science and Innovation Audit, Department for Business, Energy and Industrial Strategy.
Plymouth and South West Devon Joint Local Plan also reinforces the need for good transport infrastructure with emphasis on good links to airports and ports, supporting a resilient network, and improving links to wider markets. Improvements on the A38 will be a vital to achieving these aims.

In growing Plymouth’s economy, policy recommends a focus on specified industrial sectors where the city has a genuine competitive advantage and where market failure is constraining growth potential. The City Deal, for example, aims to unlock critical infrastructure to support Plymouth’s marine and advanced manufacturing sectors where significant intellectual capital and business strengths exist.

High-value employment growth at Plymouth Science Park, and at Plymouth International Medical and Technology Park is also planned. Good links between the Science Parks in Exeter and Plymouth (via the A38) will help to ensure the development is successful, and potentially unlock further growth opportunities beyond the Local Plan period.

Attracting productive businesses will be critical in generating wealth. For this, the City will need to create a strong and vibrant business culture with high rates of start-ups and investment (both among existing businesses and by those choosing to locate to Plymouth) and where the most aspirational and ‘cutting-edge’ businesses are able to develop new products and exploit new market opportunities internationally.

To support business, there will be a push on employing high-level skills productively within the City through retaining and maximising talent, and upskilling the local workforce. Given that the city’s further and higher education institutions make a significant contribution to the city’s economy, together supporting 3,700 Full Time Equivalent (FTE) direct jobs (5,830 indirect), over 38,000 students and contributing GVA of £289m – 7 per cent of the city’s total (SERIO, 2010), supporting these institutions will form an important role in economic success. Improvements to the A38 would help to improve access to the City’s educational facilities, to other facilities in nearby Exeter and Bodmin, and to strengthen their reputation.

As well as moving to a more productive economy, the Plymouth and South West Devon Joint Local Plan also sets out the opportunity to deliver 18,200 homes and 9,850 jobs in Plymouth up to 2034. Whilst new homes and jobs will need to support low carbon growth, they will inevitably generate increased traffic on the local road network. Without improvements to the A38, fulfilling growth targets through unlocking development sites will be challenging.

Ensuring Plymouth is well connected is vital in supporting planned growth, with investment in transport infrastructure being fundamental to economic success. Plymouth is the most significant urban area on the south west peninsula yet without investment in the A38, it will remain essentially cut off from the strategic national corridors.

3.3 Cornwall

The Vision for Cornwall by 2030 is that it will be ‘the place where business thrives and people enjoy an outstanding quality of life.’ To achieve this, Cornwall needs the right conditions for growth, which includes investment in new technology, but also road, rail and air to keep the economy connected and accessible to markets.

The CloS Vision recognises that low productivity is a problem across England but is even worse in Cornwall and the Isles of Scilly. Concern is that the productivity gap is widening, which could be due to the connectivity of Cornwall to Devon and the rest of England. The Vision recognises the opportunities to address this through improving connectivity to:

- Support clusters and supply networks, which harbours innovation and creativity;
- Support local transport in promoting inclusive growth;
- Ensure that young people have access to education opportunities;
- Accelerate the delivery of quality housing in priority growth areas; and
- Further invest in national and local connectivity to support global presence.

26 Cornwall and Isle of Scilly’s (CloS) Vision 2030
The Vision identifies that the economy of Cornwall is built around lots of smaller local economies like Liskeard, based around the large towns like Bodmin and Plymouth, and sometimes extending across the most rural areas. Ensuring these economies are well connected will improve access to the labour market and growth prospects. It will also benefit people who cannot find work (or skilled work) where they live.

The Vision highlights areas along the A38 as key for economic growth, including housing concentrations around Saltash and Bodmin, an advanced engineering cluster in Liskeard and a food and livestock cluster in Bodmin. Realising these growth ambitions will depend on good connectivity to attract business, skilled labour and ensure delivery of goods to market.

Cornwall’s Local Plan sets out the opportunity to deliver 5,700 homes and 6,000 jobs in Bodmin, Liskeard and Plymouth up to 2030. To enable this, good transport connections to and from these towns via the A38 will be essential in ensuring the attractiveness of development sites.

The Local Plan also seeks to generate and sustain economic activity through improving conditions for business and investment in Cornwall. It recognises opportunity to:

- Strengthen the role of Launceston and Saltash as gateways to Cornwall – improvements to the A38 would help to create a positive gateway experience and draw people west of Plymouth;
- Support economic development in South East Cornwall that meets the area’s own needs and benefits from its relationship with Plymouth – improving the A38 would strengthen ties between South East Cornwall and Plymouth encouraging more economic activity.

The Local Plan also highlights the installation of superfast broadband across Cornwall, and picks up on the need for knowledge based industries to exploit this.

Good road links between Plymouth and Cornwall will also help to strengthen existing regional industries and networks. A focus on growth in new and emerging markets such as renewable energy (in particular, marine renewables) and aerospace (at Newquay Airport) will require strong transport links with Plymouth to attract skilled employees, and to strengthen the global profile of the region in these fields.

### 3.4 Devon and Torbay

In December 2017, Exeter was forecast by EY (Earnst and Young) to have the fifth fastest growing economy in the country – on a par with Bristol and expected to grow faster than London. This represents significant opportunity for the region as a whole. Fast road and rail connections between Exeter and the region served by the A38 will be critical in ensuring that knowledge and industry networks remain strong, and that nearby areas are able to build on their strengths and grow.

The benefits of a collaborative regional approach to building the economy have already been recognised in the publication of a Shared Economic Strategy (SES) by Exeter and Heart of Devon Economic Partnership, which consists of Exeter City Council, and East Devon, Mid Devon and Teignbridge District Councils.

The SES puts focus on business transformation and the importance of innovation and diversification for small and micro enterprises operating in niche sectors in the area to grow. Priorities are initially to build on existing and emerging competitive strengths in:

- Professional scientific and technical services
- Engineering
- Big data and environmental futures

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27 EY UK Regional Economic Forecast Issue 3: Winter 2017-2018, EY.
- Digital economy; and
- Leisure and tourism

A new Enterprise Zone at the Exeter and East Devon Growth Point has recently been created on the east side of Exeter, which incorporates Exeter Science Park, Cranbrook commercial area, Exeter Airport Business Park Expansion, and the planned Skypark (a new business park adjacent to the Airport). It is hoped that these areas will enhance the ability to attract investment into the area.

Over the coming years, the Airport will focus on new opportunities, including more connections to hub airports, which is important to the business community. It will also continue to work with the Plymouth business community to ensure people in Plymouth are aware of the connections from the airport, and able to use them to their advantage. Good connectivity to the Airport from Plymouth via the A38 will be critical to ensuring its successful promotion, and allowing Plymouth to realise the opportunity.

Torbay also has ambitious plans for its economy over the next five years. The Torbay Economic Strategy identifies significant opportunity in Torbay, and within the region, including:

- Town centre regeneration programmes;
- A recent upturn in business starts;
- Increasing demand for business space from local firms wanting to expand and prospective inward investors;
- Development of the Electronics and Photonics Innovation Centre, as a regional centre of excellence;
- Further growth of the tourism sector through enactment of the recently updated Destination Management Plan;
- South Devon College’s new High Tech and Digital Centre and ambitious growth plans, particularly around higher education;
- Development of new cultural offers;
- Potential growth of the area’s language schools, bringing more students into Torbay;
- Collaboration with, and influence of, the Heart of the SW Local Enterprise Partnership;
- Generation of additional income for Torbay Council through growth in and retention of business rate receipts;
- Plymouth-Exeter-Torbay High Growth Corridor.

The recent opening of the South Devon Link Road (SDLR) has greatly improved connectivity to the Torbay area. In order to maximise the opportunities this new infrastructure brings, it is important that the A38 around Exeter meets similar standards and does not act as a barrier to accessing the Torbay area.

The economic plans and priorities for the region served by the A38 will be accompanied by growth targets for jobs and housing. The collaborative approach within the region is now reflected within the Local Plan structure through publication of the Plymouth and South West Devon Local Plan, and the development of the Greater Exeter Strategic Plan which covers Exeter City Council, and East Devon, Mid Devon and Teignbridge District Councils.

Overall, current Local Plans for the areas set out targets for around 28,000 homes and over 35,000 jobs spanning from Exeter to Ivybridge, with the majority of this growth planned within Exeter and Torbay.29

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29 Derived from relevant Local Plans for the area. Employment space converted to jobs using standard density conversions where required.
The Heart of the South West Local Enterprise Partnership (HoSW LEP) has also set out ambitious plans for economic growth within its Strategic Economic Plan (SEP). It recognises transformational opportunities, including marine sector growth in Plymouth and the wider peninsula, aerospace and advanced engineering along the M5/A38 corridor, and a global campus for environmental futures based in Exeter. There are also a number of key messages emerging from the plan as follows, all of which would be supported through improvements on the A38:

- Addressing the productivity gap through a balanced approach that: a) Improves output and performance from our core business base; and b) Encourages the growth of higher value sectors that are able to pay higher wages.
- Help businesses reach new markets and export as well as encourage inward investment.
- Make the best use of Research and Development capacity to grow thriving economic clusters and open up new markets;
- Retain or attract back graduate talent in the local economy;
- Make the knowledge base easier to access for relevant businesses.
4. Connectivity

4.1 Overview

The Road to Growth sets out Highways England’s economic growth plan to 2050, and recognises that “the UK's economy is underpinned by a safe, effective and efficient strategic road network (SRN).” The following strategic economic roles that the SRN can play in supporting the economy are highlighted:

1. Supporting business productivity and competitiveness, and enabling the performance of SRN reliant sectors;
2. Providing efficient routes to global markets through international gateways; and
3. Stimulating and supporting the sustainable development of homes and employment spaces.

The plan identifies planned employment growth in Plymouth of around 6-9% up to 2030, and highlights existing delays on the A38. Figure 6 is an extract from The Road to Growth, and shows that total annual delay hours on the A38 were 25,000-100,000 in 2014/15. This is equivalent to an average daily delay of 50-300 vehicle hours per mile.

Figure 4.1 – Total Annual Delay Hours on the SRN

The Strategic Road Network Initial Report published by Highways England\(^{31}\) shows where the greatest change in delay is likely to occur in the future on the SRN. Figure 4.2 extracted from the report shows that delay on the A38 is forecast to worsen further into the future with more than 100 hours lost per mile in 2041.

The forecasts also show that delay changes on the A38 are forecast to be significantly greater than those on the A30 route across the peninsula. This is of particular concern given that the A38 accommodates a higher level of traffic than the A30 between Bodmin and Exeter, yet is of poorer standard than the A30. Given the demonstrated links between connectivity and the economy, there is serious concern that if no improvements are made to the A38, the economy of the region it serves will continue to worsen, and the economic gap between the rest of Cornwall, the South West and the UK will continue to widen.

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\(^{30}\) The Road to Growth, Highways England (March 2017)

\(^{31}\) Strategic Road Network Initial Report, Highways England (December 2017)
4.2 Network Resilience

As well as serving the local population, the A38 is an important strategic link between the South West peninsula and the rest of the Country. The route runs in parallel with the A30 west of Exeter, with variable messaging signs operating around Exeter and Bodmin to inform drivers of the quickest route (i.e. via the A30 or the A38) between the two points. This flexibility in route choice supports a more resilient highway network to and from Cornwall and Devon, and helps to manage incidents such as unexpected road closures, planned works and congestion between routes.
The current poor connectivity via the A38 means the route is rarely a viable alternative to the A30. As such, the majority of traffic headed to Cornwall from the rest of the Country bypasses the region served by the A38, and parts of this region struggle to compete economically with the rest of the peninsula. Additionally, when incidents occur, travel via the A38 currently represents a relatively lengthy diversion from the A30 – particularly at peak times.

Currently, incidents which occur on the A38 lead to road closures and lengthy delays and diversions for traffic on the route. Highways England collects data on planned and unplanned road closures (separately for eastbound and westbound directions). Data obtained for the A30 and A38 between Bodmin and Exeter for 5 years up to 11th May 2018 showed that:

- On the A38 between Bodmin and Plymouth there were 370 unplanned road closures in the past 5 years
- On the A38 in Plymouth there have been 262 unplanned road closures in the past 5 years
- On the A38 between Plymouth and Exeter there have been 946 unplanned road closures in the past 5 years
- In total on the A38 between Bodmin and Exeter there have been 1,570 unplanned closures in the past 5 years. This is equivalent to 6 closures every week.
- This compares to a lower closure rate on the A30 where there were 460 unplanned closures in the same period.

The relative comparable distances via the A30 and A38 (around 65 miles between Exeter and Bodmin regardless of route) present a real opportunity to strengthen the resilience of the transport network of the wider South West peninsula. Improvements on the A38 would reduce delays as a result of incidents, and allow even greater flexibility between routes, whilst also supporting the region served by the A38 to better compete with areas of the peninsula for business.

Additionally, the provision of two high quality routes into the peninsula (the A30 and the A38) would support resilience of the mainline rail network. The vulnerability of rail in the region has been evident over recent years with the network at Dawlish having been subject to 36 days of disruption in the last 2 years \(^{27}\). Such disruption causes severe delays and closures which effectively cut off east Devon and Cornwall from the rest of the country via rail, and costs the economy billions. Of concern is that events similar to those in 2014 between Teignmouth and Dawlish that closed the railways for several months are forecast to increase by over 600% to 1 in every 4 years by 2065 \(^{27}\).

In 2016, the Peninsula Rail Taskforce published their rail strategy for the region \(^{32}\). Not surprisingly, ensuring the resilience and reliability of the rail network was at the forefront of the document. Whilst the strategy focusses on improvements to the rail network, it is important to recognise the need for a resilient transport system for the peninsula across all modes – rail, road and air - to support the economy.

\(^{32}\) Closing the Gap – The South West Peninsula strategic rail blueprint, Peninsula Rail Task Force, November 2016.
4.3 What Our Businesses Say

To support the Economic Growth Strategy for CIoS LEP 2012-2020, consultation was undertaken with businesses across Cornwall. This included 15 roadshows targeted at the business community which were held in different local areas; approaching 300 businesses attended these events. The LEP also ran an on-line business survey, and undertook in-depth consultations with 15 firms that were regarded – in some sense – as ‘significant’.

The outcomes of the consultation demonstrated that transport infrastructure is a huge issue for businesses. Whilst they can and will “work around it”, it is clearly affecting the viability and profitability of businesses. Any threat to the quality of existing provision would be seriously problematic. By the same token, any improvements could generate significant benefits.

The perceived remoteness, the travel time and the fact that it remains difficult “to do Cornwall in a day” was stated as a key constraint. The road network was recognised as being vital to businesses both travelling within and out of Cornwall, with one consultee stating that “without the car, businesses could not function”.

In Plymouth, local businesses also recognise the constraints of the poor transport links. Plessey – an international microelectronics company with its headquarters in Plymouth – has highlighted the link between poor productivity and poor transport connections stating that “there are too many missed meetings, flights, conferences and other events”. More worryingly, the Company is struggling to maintain its presence in the region stating that “owing to the poor/inadequate/unreliable transportation routes into and out of Plymouth — air, rail and road — we are unlikely to be able to maintain a headquarters in the area”.

The A38 is used by many local businesses to transport time critical goods and produce such as food and livestock. Such businesses have expressed the importance of reliability on the route, with Dartmouth Foods stating that “any delays either with deliveries into us or with deliveries to our customers cause extensive issues both financially (through product losses due to insufficient shelf-life) and also from a customer confidence level”. Road haulage companies and organisations operating in the area site similar concerns, with Conway Bailey Transport Ltd. Stating that “many of the loads we carry are fresh Cornish produce and they are time critical, so any cost or time savings we make will make a big difference to our customers and our company’s competitiveness.” The Road Haulage Association also states that “There is a lack of resilience across the network. When incidents happen the ability to continue to operate within reasonable limits is diminishing.”

International links via the A38 are also of significant importance to businesses in the area, particularly those which operate within an international field (such as the technology and marine industry). Many of the Companies operating in the region such as Princess Yachts and Plessey Semiconductors depend on international trade for the success of their business. George Cowcher from the Devon Chamber of Commerce recently highlighted in the press that “there is massive investment in infrastructure in Plymouth. The weakness is infrastructure outside the city in terms of road and rail and direct access to Exeter and Bristol airports”.

4.4 A38 Connectivity - Bodmin to Plymouth

Access to South East Cornwall, Plymouth and South Devon from Mid and West Cornwall is predominantly via the A38. The route is partially single carriageway with short sections of overtaking lanes between Bodmin and Dobwalls, and between Trerulefoot and Saltash. Elsewhere the route is dual carriageway with the national speed limit of 70mph.

The route on the single lane sections is relatively tortuous in parts, traversing villages such as Landrake, Tidford, and Doublebois where reduced speed limits of 40mph apply. Elsewhere a speed limit of 50mph is in place.

Journey times between the A38 at Bodmin and the Tamar Bridge can be relatively long and variable taking between 35 and 50 minutes depending on the time of day and/or year. By comparison, the

33 https://www.plymouthherald.co.uk/news/business/expert-calls-plymouth-railway-link-1468208
same distance (around 25 miles) on the A30 would take a relatively consistent 25 minutes by car. Traffic on the route experiences seasonal fluctuations with summer months generally busier than winter months (August daily traffic is over 30% higher than January daily traffic) due to the tourist nature of the area.

A number of congestion pinch points and constraints exist along the route which can cause delays to traffic at peak times. These include:

- Carminow Cross Roundabout (Bodmin);
- Turfdown Roundabout (Bodmin);
- Bodmin Parkway;
- Trerulefoot Roundabout;
- Westbound approaching Tideford;
- Westbound approaching Landrake where 2 lanes merges to 1 lane;
- Eastbound at Stoketon Cross where 2 lanes merges to 1 lane; and
- Eastbound between Carkeel and the Tamar Bridge;

Safety is a serious and renowned issue on the route, and there are a number of well used side road junctions on both the single lane (e.g. around villages) and dual sections (such as the B3251 and B3252 around Menheniot) where accidents have occurred in recent years. The low railway bridge at Polmarkyn is a significant constraint forcing high vehicles into the centre of the road and causing safety concern.

Over five years from 2011 to 2015 there were 252 accidents (including 47 fatalities or serious injury accidents) on the A38 between Bodmin and the Tamar. The resulting accident rate for this section of the A38 is over twice the national average for a similar type of road, with the rate of ‘killed and seriously injured’ accidents (KSIs) two to three and a half times the national average. Further detail on accidents and their economic implications is included within Section 4.8 of this report.

In its current state, the A38 is not resilient to incidents and accidents, which can cause the road to be closed to traffic with long and sometimes constrained diversion routes put in place. According to Highways England data, in the past five years up to May 2018, there were 370 unplanned road closures between Bodmin and the Tamar (separate closures for eastbound and westbound directions).

Relatively high traffic flows in peak periods can lead to issues with severance, safety and well-being within the villages along the route. As well as local concern about being able to cross the road safely, Tideford experiences particularly bad air quality and has remained an Air Quality Management Area (AQMA) since May 2011. Over 300 people live within this AQMA.

4.5 A38 Plymouth

The A38 ‘Devon Expressway’ runs through the urban area north of Plymouth between the Tamar crossing to the west and Deep Lane to the east of the city. The length of the route is dual carriageway with national speed limit. It carries significant volumes of traffic serving the city and beyond, and is known to become slow moving and congested at peak times.

A number of strategically important junctions which provide access to Plymouth are located along the route, including:

- A38/A386 Manadon Junction;
- A38/B3416 Deep Lane Junction;
- A38/B3413 St. Budeaux Junction;
- A38/B3413 Forder Valley Interchange;
- A38/A3064 Weston Mill Junction; and
• A38/A374 Marsh Mills Junction

Recent analysis of existing traffic conditions\(^{35}\) has demonstrated that in peak periods, almost half the A38 network around Plymouth is in a ‘stressed’ condition – that is that free flow conditions are exceeded. Sections which demonstrate particularly high stress levels in both AM and PM peak periods are between Weston Mill and Forder Valley (including Manadon), and between Deep Lane and the A385 (to the east of Plymouth).

Safety on the A38 around Plymouth is a serious concern. The majority of the route (including the entire eastbound and westbound section from the Tamar Bridge to Marsh Mills) exceeds the typical collision rate (i.e. what might be typical for a national speed limit dual carriageway of rural standard) by more than 65% (see Section 4.8 of this report for further detail). Additionally, accident clusters have been identified at the main junctions along the corridor. Incidents and accidents can often lead to road closures and disruption - in the past five years up to May 2018, there were 262 unplanned road closures the A38 around Plymouth (separate closures for eastbound and westbound directions).

The Plymouth and South West Devon Joint Local Plan recognises the need for improvements on the A38 corridor with its policy to improve strategic connectivity (Policy SPT8). In particular, the plan aims to support investment in the strategic road networks that connect Plymouth and South West Devon to wider markets, both to the east and to the west, into Cornwall though:

• Delivering major improvements on the intersections of the city and the A38 including Deep Lane, Marsh Mills, Forder Valley, Manadon and St Budeaux; and
• Ensuring the A38 is modernised to be as well designed as motorways and which is able to offer the same standard of journeys to users.

4.6 A38 Plymouth to Exeter

The A38 ‘Devon Expressway’ extends east through largely rural areas from Plymouth to Exeter. The route is dual carriageway for its entire length until it meets the A380 near Exeter where it becomes 3-4 lanes in each direction. The route runs along the south of the Dartmoor National Park providing access to areas of South Devon including South Hams. Much of the route dates back to the 1970s – as such, it does not meet modern standards having substandard curves and gradients. Junctions along the route are grade separated or at grade merges (many of which are sub-standard). There are also locations (such as at Lee Mill) where land use has changed over time, and access to the A38 is no longer considered fit for purpose.

Recent analysis of existing traffic conditions\(^{35}\) has demonstrated that in peak periods, the section of the A38 which appears most ‘stressed’ - that is that free flow conditions are exceeded - is between the A379 and A380, near Exeter. This length of road, close to where the A38 meets the A30 and the M5, experiences the highest peak flows along the corridor and a volume to capacity ratio of close to 1 (i.e. the link is at the limit of its theoretical capacity), due to a combination of flows from the A380 and A38 joining together. Additionally, the section of A38 around Ivybridge also exceeds free flow conditions in peak periods.

Safety is a concern, with the rate of collisions higher than the typical collision rate for this type of road between Deep Lane and Ivybridge, and around the A385 junction. In addition, collision data along the corridor indicates a number of incident hotspots at key junctions. Highways England data shows that on the A38 between Plymouth and Exeter there have been 946 unplanned road closures (separate closures for eastbound and westbound directions) in the past 5 years up to May 2018.

An Air Quality Management Area (AQMA) was established adjacent to the A38 at Dean Prior in 2005, and trends have shown no meaningful improvements in air quality since this time.

Network resilience is also an issue, with Haldon Hill intermittently closed to traffic because of the weather, gradient-induced breakdowns and accidents. This has consequent implications for the operation of the SRN around Exeter and the economy of the region.

\(^{35}\) A38 Existing Performance, Jacobs, December 2017.
The route experiences seasonal fluctuations in traffic. Summer months are generally busier than winter months (August daily traffic is around 30% higher than January daily traffic) due to the tourist nature of the area.

4.7 Accessibility

Good access via the A38 is vital to ensuring that businesses are able to get their goods to market, that employees are able to get to work, and that businesses are able to attract a skilled workforce. The accessibility maps overleaf show vehicle travel time accessibility to Plymouth in the peak periods.

To the west of Plymouth, the towns of Bodmin and St Austell sit outside the 50-60 minute travel time boundary. Improving the A38 could bring both towns to well within an hour’s drive from Plymouth in the peak. Liskeard would also become better connected to Plymouth and South Devon.

Newquay and Exeter Airports are well outside of a one hour drive from Plymouth in the peaks. Improvements could bring both airports to within an hour’s catchment of Plymouth (depending on peak hour traffic in Plymouth). It is also important to mention that reliability is a key issue on the A38. Unplanned delays and diversions can greatly affect drive times, which these accessibility maps do not account for.

Improvements in accessibility across the region will improve access to education and employment, and help to achieve employment targets for the region. The region will also become more attractive for new business that depends on good road connectivity and access to skilled workforce.

Figure 4.4 - Existing Peak Hour Accessibility to Plymouth via A38
4.8 Accidents and Incidents

4.8.1 Accident Rates

As one of the two key strategic routes linking Cornwall to the rest of the UK, the A38 between Bodmin and Exeter plays a key role in providing connectivity. The A30 and A38 often experience closures due to road traffic accidents that result in road closures and significant delay both to those living and working in the corridor as well as to strategic traffic to and from Cornwall.

The A38 is one of 30 single carriageway or mixed single and dual carriageway routes identified by Highways England as a priority for road safety route treatments. These routes were identified according to the average number of people killed or seriously injured (KSI) per hundred million vehicle miles (HMVM) during 2011 to 2013.

Addressing the high rate of collisions would have a direct benefit in terms of lives saved and injuries avoided. There would be, however, additional significant benefits to regional connectivity due to the reduced number of road closures on one of the few strategic routes to and from Cornwall.

Several studies have considered the number and distribution of accidents in the A38 corridor between Bodmin and Plymouth. Data and analysis from the following studies has been reviewed for this report:

- A38 Existing Performance - Review of A38 performance, Jacobs, Plymouth City Council, 5th December 2017; and
- Review of A38 performance - Wider Area Addendum, , Jacobs, Plymouth City Council, 5th December 2017.

The A38 between the A30 junction near Bodmin and the A374 Marsh Mills Junction in Plymouth was identified for detailed review. On this section Highways England identified 400 reported collisions from 2011 to 2015 including 60 in which someone was killed or seriously injured. They conclude that the number of collisions within this route is above national average (for all purpose trunk roads) on all sections, with KSI rates above national average from Bodmin to Saltash. The Highways England review also notes that the number of collisions within the route has increased within the study period despite an overall reduction in the wider area.

Five year accident rate data from the Highways England Route Review have been combined with similar data for the A38 sections through Plymouth to Exeter.

Table 4.1 below summarises the accident rates by route section collated from the existing studies. Collision and KSI rates (per hundred million vehicle miles) have been compared against national average rates for similar types of road. Figure 4.6 below presents the rates of collision and KSI (relative to national average rates) for each section of the A38 from Bodmin to Exeter.

In summary:

- Across the corridor there were 830 accidents in 5 years, with 104 involving serious injury and 16 including at least one fatality;
- Five year collision rates are higher than national average for almost all sections between Bodmin and Lower Dean, with rates nearly double the national average between Bodmin and Dobwalls and 2½ times the national average between Trerulefoot and Saltash; and
- Five year KSI rates are significantly above national average between Bodmin and Plymouth (two to three and a half times), between Deep Lane and Ivybridge (nearly double the national average) and between A382 and A30 junctions (20% higher than the national average).
Figure 4.5 - A38 5 Year Accident Analysis
### Table 4.1 - A38 5 Year Accident Analysis

<table>
<thead>
<tr>
<th>Data Source</th>
<th>5 year period</th>
<th>Route Section</th>
<th>Number of Collisions in 5 Years</th>
<th>Rate Relative to National Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Collisions</td>
<td>KSI</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(Fatal)</td>
<td>(Serious)</td>
</tr>
<tr>
<td>Highways England A38 (A30 to A374) Route Safety Treatment Review, July 2017</td>
<td>2011-2015</td>
<td>Bodmin to Dobwalls</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dobwalls to Trerulefoot</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trerulefoot to Saltash</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>A38 Existing Performance Plymouth City Council Review of A38 performance 3</td>
<td>2011-2015</td>
<td>Tamar Bridge to Manadon Roundabout</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manadon Roundabout to Marsh Mills</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marsh Mills to Deep Lane</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Review of A38 performance - Wider Area Addendum Plymouth City Council Review of A38 performance 2</td>
<td>2012-2016</td>
<td>Deep Lane to Ivybridge</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ivybridge to A385</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A385 to Lower Dean</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lower Dean to A383</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A383 to A382</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A382 to A380</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A380 to A379</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

**Notes:**

- **a** Rates relative to national average taken directly from Highways England Route Safety Treatment Review.
- **b** Rates relative to national average calculated based on WebTAG databook COBALT 2014 accident rates, link only rates used as accident numbers exclude junction roads: 3-lane 0.081 (Modern D3+ Roads / Modern D3+ Roads with HS / Older D3+ Roads); 2-lane: 0.063 (Modern / Older D2 roads). National KSI rates calculated from total collision rate using WebTAG value for KSI as proportion of total accidents.
- **c** Collisions at junctions excluded from analysis for A38 sections from Tamar Bridge to A379 near Exeter.
4.9 Economic Impact of Accidents

WebTAG Unit A4.1 (Social Impact Appraisal) describes the approach to calculating the benefits to society arising from prevention of road accidents and casualties. This approach includes estimated monetary equivalent cost of accidents, injuries and fatalities. These valuations include losses to society as well as losses that are borne by the victims themselves, their friends and relatives. The values for the prevention of fatal, serious and slight casualties include the following elements of cost:

- Human costs, representing pain, grief and suffering to the casualty, relatives and friends, and, for fatal casualties, the intrinsic loss of enjoyment of life, excepting consumption of goods and services;
- Loss of output due to injury. This is calculated as the present value of the expected loss of earnings plus any non-wage payments (national insurance contributions, etc.) paid by the employer. This includes the present value of consumption of goods and services that is lost as a result of injury accidents;
- Ambulance costs and the costs of hospital treatment.

Highways England have estimated in their Route Safety Treatment Review that the cost of collisions on the worst performing section of the A38 (from Bodmin to Marsh Mills) to be nearly £8 million per year.
5. **Wider Economic Potential**

5.1 **Overview**

As described earlier in this report the current congestion and poor levels of accessibility along the A38 corridor between Bodmin and Exeter are holding back the economic potential of the region. Without intervention this is likely to worsen in the future with additional traffic associated with the housing and employment development planned for the area.

Any measures to improve journey times and reduce congestion will generate a range of social, economic and environmental benefits to new and existing users of the road, communities in the corridor and the wider region.

This section of the report assesses the scale of impact, in terms of specifically the benefits to the economy, that could be realised in the region if journey times along the A38 between Bodmin and Exeter were brought up to standard speed for strategic road links (70 mph).

WebTAG identifies the following economic impacts which could occur in response to an improvement in corridor connectivity. The scales of each impact (as a result of improvements in connectivity along the A38 between Bodmin and Exeter) have been considered in this study:

- **Welfare Impacts in the Transport Market – Business User Time Savings:**
  - Well targeted transport investments improve accessibility; in other words transport investment makes travel between different locations easier. Improvements in accessibility are measured by changes in generalised travel costs (GTCs). Journey times are a key element of GTCs, and any reduction in GTCs will affect transport outputs, such as trip frequency, distribution, time period and mode choice.
  
  Reductions in delay will benefit all users; however, there will be a direct cost saving to business users if time lost due to congestion and poor connectivity is reduced. This will benefit both business travellers and freight movements.

- **Wider Economic Impacts – Induced Investment:**
  - Induced Investment is driven by changes in the productive capacity of the economy as a result of a transport investment. The change in attractiveness of an area affects households’ and firms’ location decisions; it may also affect firms’ opinions about the desired level of activity. Induced Investment changes land use, in terms of purpose or intensity of usage.

  Key areas considered in this study are:
  - Dependent Development – the value uplift from land unlocked for development by enhanced capacity in the A38 corridor; and
  - Output Change in Imperfectly Competitive Markets – in markets where competition is not perfect cost savings to businesses (from reductions in travel time and delay) are not fully passed to customers. The residual value leads to induced investments by businesses

- **Wider Economic Impacts – Employment Effects:**
  - Employment Effects are seen as changes in the level or location of employment. Any induced investment resulting from increased connectivity will affect firms demand for employment, in terms of the level and/or location. Employment effects will also be associated with land use change, as land must be used more intensely or brought into production to accommodate the increased number of workers.

  Key areas considered in this study are:
  - Labour Supply Impacts – additional jobs created by reductions in commuter delay; and
  - Move to more or less productive jobs – increased productivity of new jobs from improved access to wider range of employment locations and options.
Wider Economic Impacts – Productivity:

Productivity is affected by the density of economic activity; this is one of the reasons for the existence of cities and specialised clusters, such as financial hubs. Productivity impacts may occur within or across industries. Transport investments can increase the density of economic activity which brings firms and employees effectively closer together. Reductions in generalised travel costs will increase productivity arising from static clustering and vice versa.

Key areas considered in this study are:

- Static Agglomeration Impacts – increased productivity of business by increased accessibility to other businesses and services.

5.2 Wider Economic Impact Model

5.2.1 Methodology and Approach

For this study a spreadsheet based A38 Economic Potential Assessment Model (A38 EPAM) has been developed. The model follows the approach and method outlined in the DfT’s WebTAG guidance:

- TAG Unit A1.1 Cost Benefit Analysis, December 2017;
- TAG Unit A2.1: Wider Economic Impacts Appraisal, December 2017;
- TAG Unit A2.2: Appraisal of Induced Investment Impacts, December 2017;
- TAG Unit A2.3: Appraisal of Employment Effects, December 2017; and
- TAG Unit A2.4: Appraisal of Productivity Impacts, December 2017.

Although the wider impacts guidance (A2.1-A2.4) is currently in draft it is expected that it will be adopted as standard procedure in the near future (Spring 2018). Given the significant changes in the structure of appraisal of wider impacts in the forthcoming guidance; and, the expectation that study of the corridor will progress in the future a ‘future-proof’ methodological approach was adopted.

The A38EPAM also draws on base year data inputs from Highways England South West Regional Traffic Model (SWRTM). This is the modelling platform in which Highways England are currently assessing schemes and packages for the 2nd Road Investment Strategy (RIS2) and which it is intended will form basis for assessment of all major trunk road schemes moving forward.

5.2.2 Model Structure

Figure 5.1 below summarises the structure of the A38 Economic Potential Assessment Model (A38 EPAM).
The model zone system is based on Middle Super Output Areas (MSOAs) within the wider A38 corridor and local authority areas elsewhere. With application of appropriate zone aggregation and correspondence tables this is consistent with the SWRTM zone system (from which trip cost data was taken) and the local authority area zones for which economic data is provided in the DfT Wider Impact Dataset.

5.2.3 Data sources

The Economic Potential Assessment Model uses the following key data sources:

South West Regional Traffic Model (SWRTM)

SWRTM was developed by Highways England in 2016/17 alongside four other regional models which together cover the whole of England. The RTM models have been used to develop and appraise the impact of the second multi-year ‘Road investment strategy’ (RIS2). The SWRTM is the most current strategic transport model in the region, covering highway trip making.

Data from the SWRTM base year model has been obtained to provide zone to zone travel times and distances for car, light goods vehicle (LGV), heavy goods vehicle (HGV) and rail trips in 2015. This model has also been used to determine the proportion of each movement that uses the A38 between Bodmin and Plymouth. As discussed below this is the key source from which potential journey time savings could be realised from reduction in congestion and enhancement in connectivity in the corridor.

WebTAG Data Book

The following data inputs were taken from the latest version of the WebTAG data book:

- Proportions of travel and trips by purpose (car, light goods vehicles and rail);
- Car/LGV/HGV/Rail user values of time (working, commuting and other);
- Car/LGV/HGV vehicle occupancy;
- Car Vehicle Operating Costs (fuel and non-fuel); and
- UK Treasury Green Book Discount Rates.
DfT Wider Impact Dataset

This dataset provides the current values for economic parameters that WebTAG advises are used in appraisal of wider economic impacts.

5.3 Economic Impact Assessment

5.3.1 Overview

Economic benefits are primarily driven by increased connectivity brought about by reductions in journey times. When journey times reduce businesses can connect with and access a larger group of other businesses, select staff from a wider range of potential employees and reduce costs of transporting goods within the supply chain. These impacts all lead to increases in productivity, growth in GVA and job creation.

Section 5.3.2 below describes the method by which the scale of potential time savings that could be achieved has been estimated. The following sections describe the calculation of impacts in each category.

In summary:

- 1.2 million vehicle hours are wasted annually by business travellers currently using the A38 between Bodmin and Exeter. The annual cost to business due to this congestion and poor connectivity is £18.5 million in 2015 and could rise to nearly £190 million per year by 2075. (see 5.3.3);
- Developments in the immediate A38 corridor will generate £960 million in ‘land value uplift’ benefits if they can proceed. Assuming only 20% of Plymouth and Exeter development and 50% of Saltash development is dependent upon A38 improvements give an estimated value of development potential ‘unlocked’ by A38 improvements of £517 million. (see 5.3.4);
- The estimated impact from induced investment by business in the region as a result of lower travel costs (output change in an imperfectly competitive market) that could result from improvements in A38 connectivity is £1.8 million in 2015 and £203 million (discounted) over the standard 60 year appraisal period. (see 5.3.4);
- Improvements in local productivity could lead directly to 545 additional jobs for people living in Cornwall (287), Plymouth (67) and Devon (190). The additional GVA associated with the increase in employment would be £11 million per year. These benefits would be in addition to new jobs in developments unlocked by enhancements to the A38 capacity. The average productivity of new jobs created will be greater than the existing average productivity in Cornwall (+12%), Plymouth (+4%) and Exeter (+4%).(see 5.3.5);
- In 2015 improvements in connectivity on the A38 between Bodmin and Exeter could lead to an increase in productivity of £11 million per year, rising to £54 million per year by 2075. Over 60 years the total value of productivity savings would be worth £682 million. (see 5.3.6); and
- Over 60 years a total wider economic benefit of £885 million due to improved productivity (£682 million) and induced investment (£203 million) could be gained through improved connectivity on the A38 between Bodmin and Exeter.

5.3.2 Identification of Scope to Increase Connectivity

To estimate the scale of journey time savings possible in the A38 corridor base year data has been obtained from Highways England SWRTM and the following analysis undertaken:

1. Zone to zone travel time and demand for commute and employers’ business car trips were extracted from the SWRTM base year model (2015) for AM, IP and PM periods.
2. Demand weighted average daily travel time and distance was calculated for each zone to zone movement.
3. Time and distance data was aggregated from SWRTM zones to A38 EPAM zones to give 2015 zone to zone travel times with existing A38 conditions.

4. Time and distance spent on the A38 between Bodmin and Exeter for each zone to zone movement was estimated using a select link analysis undertaken in the SWRTM Base year model. This allows the identification of the proportion of each origin to destination travel time that is associated with the section of the A38 in the study area. Data was collected for travel time and distance on the A38 between Bodmin and Exeter for each time period.

5. Using time and distance data from step four the ‘current’ average speed on the A38 was calculated for each zone to zone movement. An ‘improved’ time was then calculated for the equivalent section of the route assuming speed on the A38 section increases to 70mph.

6. By comparing the ‘current’ and ‘improved’ times the potential time saving for each zone-to zone movement was identified.

7. The potential time saving if A38 speed increased (calculated for each zone to zone movement separately in step six) was then subtracted from existing zone to zone times to give 2015 zone to zone travel times with enhanced A38 conditions.

The zone to zone times from stage 3 and stage 6 form the core test and reference case scenarios in the subsequent analysis:

- Do Minimum - 2015 zone to zone travel times with existing A38 conditions; and
- Do Something - 2015 zone to zone travel times with enhanced A38 conditions (i.e. speed of 70mph on the A38 between Bodmin and Exeter).

5.3.3 Welfare Impacts – Business User Time Savings

**Time Lost to Business Users due to Congestion & Poor Connectivity**

The time spent by business travellers in congestion, and travelling on low speed route sections of the A38, is a direct cost to businesses. The total value of the time wasted has been estimated by summing the time lost per users across all A38 business trips in each time period (calculated in the previous stage of analysis) and applying a value of time taken from the WebTAG data book.

Analysis was undertaken for 2015 and 2075 to provide data for a standard 60 year appraisal period.

It has been assumed that traffic volumes will increase in future in line with DfT Road traffic forecasts 2015. Growth rates for rural trunk road traffic in South West England have been adopted indicating 36% growth in traffic between 2015 and 2040. Extrapolating forecast annual growth rates between 2035 and 2040 across the remaining appraisal period gives a traffic growth estimate for the corridor between 2015 and 2075 of 74%.

It has also been assumed that potential time savings will increase in future years as congestion is very likely to increase over time in the do minimum scenario as trip demand increases (due to background traffic growth as well as new development), increasing the potential time saving from a route enhancement in future years. It has been assumed that delay per vehicle will double over 60 years.

Table 5.1 below shows the value of time wasted by the business user groups.
Table 5.1 – Time Wasted by Business Users Travelling on the A38

<table>
<thead>
<tr>
<th>Business User Group</th>
<th>Value of Time (VOT) (£ per vehicle hour saved)</th>
<th>Time Wasted (vehicle hours per day)</th>
<th>Time Wasted (£’000 per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 (2075)</td>
<td>2015 (2075)</td>
<td></td>
</tr>
<tr>
<td>Car – Employers Business</td>
<td>20.40 (60.05)</td>
<td>Bodmin-Plymouth 666 (2314)</td>
<td>£3,436 (£35,156)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth 429 (1490)</td>
<td>£2,212 (£22,638)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth-Exeter 465 (1617)</td>
<td>£2,401 (£24,564)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGV</td>
<td>12.46 (36.67)</td>
<td>Bodmin-Plymouth 536 (1863)</td>
<td>£1,689 (£17,278)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth 492 (1711)</td>
<td>£1,551 (£15,870)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth-Exeter 356 (1238)</td>
<td>£1,122 (£11,485)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HGV</td>
<td>13.90 (40.91)</td>
<td>Bodmin-Plymouth 723 (2514)</td>
<td>£2,543 (£26,022)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth 508 (1765)</td>
<td>£1,785 (£18,269)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plymouth-Exeter 496 (1723)</td>
<td>£1,743 (£17,835)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL (business users)</td>
<td></td>
<td></td>
<td>£7,667 (£78,456)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>£5,549 (£56,777)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>£5,266 (£53,883)</td>
</tr>
</tbody>
</table>

Note: value of time per vehicle hour saved calculated from WebTAG values of travel time per person and vehicle occupancies.

In summary the analysis shows that:

- 1.2 million vehicle hours are wasted annually by business travellers currently using the A38 between Bodmin and Exeter;
- The annual cost to business due to this congestion and poor connectivity is £18.5 million in 2015 and could rise to just under £190 million per year by 2075; and
- Without improvements the total cost to business due to this congestion and poor connectivity over 60 years could be over £2 billion (£2,025,928,446)

5.3.4 Wider Economic Impacts – Induced Investment:

Dependent Development

As discussed earlier in this report there are significant levels of planned developments in the region. In general developments can only proceed if the impacts on the transport system are either marginal or can be mitigated through targeted investments. In situations where road congestion is already significant it may not be possible to accommodate additional development traffic (or implement local improvements to mitigate the impact of the new traffic) due to the capacity constraints of the existing network. In these situations a larger strategic improvement may be required and the developments that can only proceed as a result of the scheme can be classed as ‘dependent developments’ and associated benefits of this development attributed to the transport intervention.

WebTAG outlines a method to assess the value of dependent development benefits based on the uplift in the value of land that, with the scheme in place can be developed for housing or employment; but, without the scheme in place cannot.

To assess the scale of value of developments in the immediate A38 corridor an assessment has been undertaken of the potential uplift in land value. Key developments along the A38 corridor between Bodmin and Exeter have been included in the analysis to provide an indicative value. It should be noted that no assessment of the networks ability to accommodate individual development traffic has been undertaken and this analysis should not be taken as an assessment of the viability (or lack of viability) of any specific development.
Table 5.2 below outlines the developments that have been assessed. The method for valuing dependent developments outlined in WebTAG Unit A2.2 - Appraisal of Induced Investment Impacts has been adopted. Land values and land amenity values (the value of undeveloped land in terms of ‘pleasantness’ for existing users) have been taken from the WebTAG data book ‘Valuing Housing Impacts Workbook’. WebTAG Land values for the nearest area have been selected – residential and industrial land values have been based on data from the Plymouth area; and agricultural land values have been based on data from the Devon area.

Table 5.2 – Value of Future Development in the A38 Unlocked by Enhanced Road Capacity

<table>
<thead>
<tr>
<th>Location</th>
<th>Current Land Type</th>
<th>Hectare of Dependent Development</th>
<th>Hectare of Existing Land</th>
<th>Net private value of housing (£'000s)</th>
<th>Net external impact of housing (£'000s)</th>
<th>Net social value of housing (£'000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Residential and Employment</td>
<td>Agricultural</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bodmin</td>
<td></td>
<td>120.6</td>
<td>60.3</td>
<td>155,626</td>
<td>28,536</td>
<td>127,089</td>
</tr>
<tr>
<td>Liskeard</td>
<td></td>
<td>144.0</td>
<td>72.0</td>
<td>185,822</td>
<td>34,073</td>
<td>151,748</td>
</tr>
<tr>
<td>Saltash</td>
<td>Urban Fringe ('greenbelt')</td>
<td>297.0</td>
<td>148.5</td>
<td>383,257</td>
<td>70,276</td>
<td>312,981</td>
</tr>
<tr>
<td>Plymouth</td>
<td></td>
<td>298.3</td>
<td>149.1</td>
<td>384,896</td>
<td>70,577</td>
<td>314,319</td>
</tr>
<tr>
<td>Ivybridge</td>
<td></td>
<td>11.2</td>
<td>0.0</td>
<td>12,340</td>
<td>2,641</td>
<td>9,699</td>
</tr>
<tr>
<td>Exeter</td>
<td></td>
<td>42.2</td>
<td>21.1</td>
<td>54,508</td>
<td>9,995</td>
<td>44,513</td>
</tr>
</tbody>
</table>

Whole corridor Total Benefit (£'000s): £960,350

Assuming only 20% of Plymouth and Exeter development and 50% of Saltash development is dependent upon A38 improvements Total Benefit (£'000s): £516,794

In summary the analysis shows that:

- Developments in the immediate A38 corridor will generate £960 million in ‘land value uplift’ benefits if they can proceed.
- Assuming only 20% of Plymouth and Exeter development and 50% of Saltash development is dependent upon A38 improvements give an estimated value of development potential ‘unlocked’ by A38 improvements of £517 million.
- It should be noted that this benefit only captures the change in land value as a result of A38 improvements unlocking land that otherwise could not be developed. The wide range of housing and employment development planned for the area are likely to provide additional economic benefits to the region in their own right. The scale and impact of these benefits will depend upon the extent and nature of new developments.

Output Change in Imperfectly Competitive Markets

The poor levels of connectivity in the corridor mean that businesses in the area are likely to be performing in an imperfectly competitive market. In imperfectly competitive markets the value of the outputs from businesses is greater than the costs of production. A reduction in generalised travel cost will induce investment and hence output; however, the value of the resulting increased output will not be fully captured by the magnitude of the change in travel costs. Business user benefits will therefore fail to capture the total value of the induced investment.

WebTAG Unit A2.2 - Appraisal of Induced Investment Impacts suggests that a simplified approach can be used to estimating the welfare effects which arise due to the presence of imperfect competition. It is recommended that a 10% uplift factor is applied to business and freight user benefits. In section 5.3.2 journey time savings that could result from enhanced connectivity in the corridor have been estimated for business and freight users. This analysis has formed the basis for estimating the impact of output change in an imperfectly competitive market.
In summary the analysis shows that:

- The estimated impact of output change in an imperfectly competitive market that could result from improvements in A38 connectivity is £1,848,165 in 2015 and £202,592,845 (discounted) over the standard 60 year appraisal period.

### 5.3.5 Wider Economic Impacts – Employment Effects:

WebTAG Unit 2.3 Appraisal of Employment Effects provides guidance on how to quantify and value the employment effects of transport investment including assessing non-welfare measures such as numbers of new jobs created and additional GDP.

The two key employment effects considered in this study are:

- Labour supply impacts – the movement of individuals between the labour market and economic inactivity (i.e. additional jobs); and
- Move to more/less productive jobs (a change in the spatial distribution of employment leading to increased productivity).

#### Labour Supply Impacts

Labour supply impacts occur where transport is currently a barrier to employment due to an area’s poor connections to employment centres. This is particularly the case in the A38 corridor between Bodmin and Exeter where peak hour commuters can experience significant delays.

The method outlined in WebTAG Unit 2.3 has been used to estimate the employment impact of increasing accessibility in the A38 corridor. A robust approach has been adopted and it has been assumed that potential time savings from route enhancement remain at 2015 levels throughout the appraisal period. In effect this assumes that without investment delays will not increase over time. This is a conservative assumption.

It should be noted that the additional jobs considered by the WebTAG approach only include the jobs directly generated by the reduction in costs to existing businesses through reduced travel costs (time). The region has high levels of planned development in future with a major opportunity for sustainable economic growth in and around the corridor, with 52,000 additional jobs and 52,000 homes planned by 2034. Many of these developments (and therefore the jobs that they could create) are likely to be dependent upon enhanced capacity in the corridor. Assessing the scale of the jobs unlocked directly by improvements to the A38 would require a site by site assessment and would depend upon the nature and exact location of the A38 enhancement proposed. This level of assessment is not possible at this stage of the study.

In summary the analysis shows that:

- Improvements to A38 journey times could lead to 545 additional jobs for people living in Cornwall (287), Plymouth (67) and Devon (190), (in addition to new jobs in developments unlocked by enhancements to the A38 capacity); and
- The additional GVA associated with the increase in employment would be £11,089,893 per year across Cornwall, Devon and Plymouth.

#### Move to More or Less Productive Jobs

This impact is most likely to occur when poor accessibility is restricting access to jobs which when removed allows employees to relocate to higher productivity locations.

The method outlined in WebTAG Unit 2.3 has been used to quantify the move to more or less productive jobs as a result of increasing accessibility in the A38 corridor. WebTAG provides a method to assess the productivity of the jobs newly generated by reduced commute travel times. Average productivity of these new jobs has been calculated as 8% below national average. Although this is lower than the national average it compares favourably against existing productivity in the region (Cornwall: 17% below national average, Plymouth and Exeter: 11% below national average), and represents an increase in local productivity.
In summary the analysis shows that:

- The average productivity of new jobs created will be greater than the existing average productivity in Cornwall (+12%), Plymouth (+4%) and Exeter (+4%).

**5.3.6 Wider Economic Impacts – Productivity:**

**Agglomeration**

Productivity is commonly defined as the ratio between the output and the inputs to an economy. In other words, it measures how efficiently production inputs, such as labour and capital, are used in an economy to produce a given level of output.

Transport investments will have a direct impact on productivity of the economy by reducing input costs either directly (for example through reduced costs for movement of goods) or indirectly through widening the market place from which businesses can source goods and services.

In the absence of distortions and market failures, business user benefits will capture all of the productivity impacts associated with a transport investment; however, in situations where there are market distortions productivity impacts are captured through analysis of changes in agglomeration economies.

There is no absolute measure of agglomeration; instead proxies are used, such as effective density or access to economic mass, which seeks to measure the impact of changes in generalised travel costs and employment location on the strength of an agglomeration.

Simplistically effective density is the average cost to a business in an area of accessing other businesses and services. If a transport scheme reduces travel costs then a larger volume of other businesses and services are more accessible (in a fixed given travel time/cost). This increase in ‘access to economic mass’ or effective density leads to a rise in productivity.

WebTAG Unit 2.4 – Appraisal of Productivity Impacts outlines a method to assess agglomeration impacts through change in effective density. This approach has been applied to the A38 corridor with economic parameters taken from the current DfT Wider Impacts Dataset. A robust approach has been adopted and it has been assumed that potential time savings from route enhancement remain at 2015 levels throughout the appraisal period. In effect this assumes that without investment delays will not increase over time. This is a conservative assumption.

In summary the analysis shows that:

- In 2015 improvements in connectivity on the A38 between Bodmin and Exeter could lead to an increase in productivity of £11,147,522 per year, rising to £54,208,477 per year by 2075;

- Over 60 years the total value of productivity savings would be worth £682,262,818; and

- Approximately 28% of this benefit is forecast to occur directly to businesses in the region (Cornwall, Plymouth and Devon), with the remaining occurring across the rest of the country due to greater access to the businesses and services in Devon, Plymouth and Cornwall.
6. The Ask

6.1 Inclusion of A38 in RIS2

We ask that the Highways England and the Department for Transport consider this compelling Case for Action for the A38. Without improvement, the economy sets to lose out on £890m in productivity and induced investment over the next 60 years, and the productivity ‘gap’ in the region will continue to widen.

We ask that improvements to the A38 are included within the government’s upcoming road investment strategy (RIS2).

6.1.1 DfT Key Aims of RIS2.

In December 2017, the DfT published their consultation on Highways England’s Initial Report[36]. In this document, the DfT set out the five key aims to measure success in the next Road Period (RP2) to 2025. These are:

- Economy – Providing investment that yields increased productivity and economic output.
- Network Capability – We need a network that can meet future demands on it and support growth for the long term.
- Safety – England has some of the safest roads in the world and the SRN is the safest part of all, per mile driven. However this is no cause for complacency and we remain committed to reducing deaths and injuries on our nation’s roads.
- Integration – Very few journeys start or end on the SRN; almost all will use other transport networks. We will therefore seek new opportunities for linking the SRN with local roads, major roads and other modes of transport.
- Environment – It is vital that we continue to drive the transition to a decarbonised network that is environmentally and locally sensitive. We will continue to tackle the negative external impacts of the SRN, and aim for RIS2 to make a positive contribution to the environment and air quality.

The above aims are complemented by Highways England’s investment priorities for the Road Period Section 6.1.2 below highlights these investment priorities, and details how improvements to the A38 will meet both Highways England priorities and DfT aims.

6.1.2 Highways England Investment Priorities for 2020-25

Highways England’s Strategic Road Network Initial Report (December 2017) sets out progress made in the first Road Investment Strategy (RIS1), and the investment priorities for 2020 – 2025 (RIS2). These priorities are set out below, alongside a description of how improvements on the A38 will meet these priorities:

Safety First

The SRN Initial Report states that safety will require a two-pronged approach: making infrastructure safer, and improving the way users interact with it.

Accident rates on the A38 around Plymouth and at the A380 junctions currently exceed the ‘typical’ collision rate on this type of road by up to 20%. Additionally there have recently been a number of high profile ‘Killed or Seriously Injured’ (KSI)s on the route.

Improvements on the A38 would seek to improve safety along the route, including through addressing accident hotspots and junctions where safety issues have been identified. These include:

- Improving local side road junction such as at Bodmin Parkway, Lean Quarry/Menheniot, Tidford and Landrake;

• Addressing issues of severance within local centres along the route, in particular at Tideford;
• Addressing constraints and pinch points such as two to one lane merges and the low bridge at Polmarkyn;
• Potential awareness campaigns to target the causes of accidents – this is particularly relevant given the nature of recent serious and fatal accidents on the route; and
• Strengthening the resilience of the network to better deal with incidents.

Such safety improvements would also help to bring the road up to the ‘Expressway’ standard desired of all A-roads on the SRN.

Providing Better Journeys Everyday

The SRN Initial Report seeks that future investment will give users a stress-free journey through modernising to ‘Expressway’ standards, enhancing safety, reducing journey times, improving journey time reliability and providing better information.

Journey times on the A38 at present can be slow and unreliable at peak times. Average journeys between the A38 at Bodmin and the Tamar Bridge can take anywhere between 35 and 50 minutes. By comparison, the same distance on the parallel A30 route would take a relatively consistent 25 minutes by car. Additionally, almost half the A38 network around Plymouth is in a ‘stressed’ condition in the peak hours, and around Exeter, congestion often occurs at peak time. Delays are forecast to worsen significantly up to 2041, and there is serious concern that if no improvements are made, the productivity gap in the region it serves will continue to widen west of the M5.

Improvements on the A38 would seek to improve journey times and reliability. A number of improvements for the route have already been identified and developed, as set out in the response to HE Consultation on the SRN Initial Report from the relevant Local Authorities. Whilst specific improvements are yet to be agreed, it is envisaged that future studies will give consideration to:

• Upgrading to dual carriageway where possible to ensure consistent standard for the majority of the route, and to bring the road up to ‘Expressway Standard’;
• Creating conditions whereby low speed ‘pinch points’ can be removed/improved, such as 2 to 1 lane merges, congestion pinch points, and restricted speed limits;
• Junction improvements to improve capacity and safety;
• Creating conditions to allow more flexibility when dealing with incidents, and to reduce the requirement for long detours. Improvements to the A38 will also strengthen network resilience by providing a comparable alternative to the A30 route into Cornwall, thereby reducing the impact of incidents on either route;
• Improving integration with the wider transport network through measures such as improved access to Newquay and Exeter airport, improved access to Bodmin Parkway Station, improved links between the A38/A30 and M5, improved access to local Ports, and improved access to the A38 from other local feeder roads;
• Consideration of all user requirements e.g. agricultural vehicles and non-motorised users; and
• Using technology where possible to keep traffic moving e.g. smart motorway type measures.

Supporting Economic Growth

The SRN Initial Report identifies the network’s vital role in supporting economic growth through improving existing connections and creating a small number of new connections. Example priority investment areas are given, such as junction improvements and bypasses to enhance safety and benefit communities, and to improve journey times and connect better to local roads. The importance of supporting connectivity with other major modes, such as airports, is also highlighted as a means to unlocking growth and prosperity.

This Case for Action has set out a strong evidence base supporting the need for improvements to the A38 to support economic growth in the region. Despite the region’s high population (Plymouth’s population alone is more than double that of Exeter’s), national assets and industry strengths, it is not reaching its economic potential. The majority of the region served by the A38 performs worse than the...
South West and UK average on key economic performance indicators such as GVA (productivity), skills levels and deprivation. Whilst Exeter’s GVA is stronger than the UK average, productivity levels fall significantly along the A38 corridor to the west, and road connectivity is sighted as a key constraint by the local business and resident community.

Notwithstanding the economic challenges, there is a real opportunity to build on the existing economic strengths of the region, and to move towards a more productive economy. Over the coming years, the region will look to address low productivity and over dependence on the public sector through fostering innovation, encouraging business investment and new start-ups, building on the current market strengths in engineering, marine technology and renewable energy, encouraging international trade, and upskilling its workforce. There is also significant planned growth over the next twenty years, with around 52,500 jobs and 52,500 homes to be created in and around the A38 corridor.

Overall, it is estimated that improvement to A38 corridor could bring about around £890m of wider benefits to the economy alone, through:

- Reducing barriers to business created by poor connectivity, including improved network reliability, and improved access to both national and international markets (via Newquay and Exeter airports, and Plymouth Port);
- Individuals and firms derived productivity benefits from being in close proximity to each other (i.e. agglomeration). This includes improved connectivity for regional knowledge/expertise/trade networks such as marine, fishing and technology;
- Increased access to skilled employees – both through allowing better access to education (i.e. upskilling the local population and attracting more people to the region to learn), and through being able to attract more skilled employees to the area;
- Improving links between demand and supply chains, and reducing the cost of commercial goods as journey times improve. This is particularly important for industries such as food and drink and agriculture;
- Attracting more tourists to enjoy the region, and allowing the area to compete more effectively with other areas of the South West and the UK;
- Improving the attractiveness of development and doing business in the region e.g. unlocking employment sites in Liskeard which have struggled to come forward historically, and encouraging more start-ups and technology companies to locate; and
- Supporting higher productivity industries to help drive up economic output and tax revenue per person, such as fishing, electronics and specialist engineering.

Additionally, A38 improvements would support access to planned development on the corridor – in particular improving access to large strategic developments such as Sherford, Langage and Treledan in Saltash.

**Making Roads Work for Everyone**

The SRN Initial Report expresses a need to invest in more, safer and better links for vulnerable users such as cyclists, pedestrians and equestrians. The Report states that ‘designated funding that is focused on connecting communities will help us to do this.’

Improvements on the A38 would seek to support this through addressing issues of severance within local centres along the route, in particular at Tideford. There is also a study in progress which is exploring options to manage demand on the A38 around Saltash/Plymouth through sustainable modes. There is an opportunity for such measures to be incorporated within proposed improvements for the corridor.

**Working more Harmoniously with our Environment**

The SRN Initial Report seeks greater provision of electric charging facilities on the SRN. Additionally, independent design reviews will be trialled on a selection of proposed new road schemes in sensitive locations.

The A38 passes along the northern border of the Tamar Area of Outstanding National Beauty (AONB), and traverses a number of rivers including the River Tamar, River Lynher, River Tiddy, River Seaton,
and River Fowey. It also passes through the Glynn Valley which also has significant topographical and environmental constraints.

Improvements to the A38 would be subject to Environmental Impact Assessment, and would seek to improve the local environment where possible. This may include provision of crossing points for local habitats and addressing issues with surface run-off. Whilst securing improvements to the corridor will be a challenge in places given the environmental constraints, there is an opportunity to enhance the existing environment. Expertise provided through independent design review alongside local environmental expertise would ensure that these opportunities are fully realised.

Preparation for the Roads Revolution

The SRN Initial Report highlights the need to prepare the network for the challenges and opportunities of new technology. Improvements to the A38 would provide an opportunity to incorporate available advances in technology, and support the futureproofing of the network.

6.2 Support for Improvements on the A38

Quotes of support for this ‘Case for Action’ for the A38 are included below and overleaf. Accompanying letters of support are included in Appendix A of this report.

“Cornwall Council has long-campaigned for strategic improvements to the trunk road network in Cornwall. Improvements to the A38 will allow South East Cornwall to achieve its economic growth potential and improve productivity. I welcome this ‘Case for Action’ and look forward to improvements to the A38 between Bodmin and Plymouth.”

Adam Paynter, Leader of Cornwall Council.

“The A38 is an important life-line for Plymouth and in its current state, it just can’t cope with the increased demand. The ask of Government to invest in improving Plymouth’s road links commands support from all sides of the Council and we are therefore committing to working with Government, our neighbouring authorities and Highways England to ensure Plymouth gets the roads it deserves. I am looking forward to the next steps in the campaign and making the case to improve Plymouth’s connectivity.”

Councillor Tudor Evans OBE, Leader, Plymouth City Council.

“The A38 is a key transport corridor for Devon, linking the county to Cornwall, Plymouth, several market towns and the rest of the country via the wider strategic road network. This corridor will continue to be vital to the connectivity of businesses and people in Devon, with large amounts of growth planned along the route. I agree, the current corridor is in need of safety, reliability and resilience improvements to ensure the continued prosperity of the SW Peninsula.”

Councillor John Hart, Leader, Devon County Council.

“The A38 is key to our connection to the M5, as well as south to Plymouth and beyond. We will continue to support strategic network enhancements outside of Torbay that better enable businesses, visitors, and residents to get to and from Torbay easily and conveniently, on resilient and reliable routes.”

Gordon Oliver, Elected Mayor of Torbay.
“On behalf of West Devon Borough Council, I would like to confirm our full support to the bid to improve this vital road link. West Devon is closely connected to the A38 corridor and all areas will benefit from increased connectivity and productivity as a result in addition to the obvious road safety and environmental benefits.”

Councillor Philip Sanders, Leader, West Devon Borough Council.

“Strategic connectivity is crucially important for improving the productivity of the economy in the Heart of the South West. Business depends upon routes like the A38 offering consistent journey times, and high levels of safety, to avoid unexpected delay or disruption.”

Steve Hindley, Chair, Heart of the South West LEP.

“In order to develop the recently refreshed Strategic Economic Plan we have consulted with a large number of businesses and other interested parties and it is very clear that strategic routes are essential for Cornwall's development. We welcome any improvement to the A38 between Bodmin and Plymouth.”

Mark Duddridge, Chair, Cornwall and Isles of Scilly LEP.

“Cornwall Chamber of Commerce has long-campaigned for improvements to the A38 in South East Cornwall. The lack of reliability of journey time on the existing road is a serious block to businesses setting up in the area or to flourishing if they are there already. The inability to determine journey times is a serious hindrance to prosperity in the area as people cannot get to work, goods cannot be delivered promptly and contracts are not awarded or are lost because of perceived unreliability. A thriving economy needs connectivity, certainty and consistency”

Kim Conchie, Chief Executive, Cornwall Chamber of Commerce.

“The A38 is the main route into and out of my constituency. In the East it is the main link to Plymouth, the nearest main city to my constituency and to Devon and the rest of the UK. In the West it is the gateway to the rest of Cornwall which is important for tourism and for local people to access services like the local Unitary Council. On top of this the A38 is the main artery through the constituency with many internal South East Cornwall journeys involving this road. I whole heartedly support the Case for Action for the A38, the potential that can be unlocked from improved air quality, road safety and significant economic development will be visibly momentous.”

Sheryll Murray MP, South East Cornwall

“Connectivity is a key economic driver and the case for action to bring improvements to A38 between Exeter and Bodmin are critically important for the areas we represent. Improvements to the A38 will help unlock our economic potential and building a road network in the South West of England, fit for the 21st Century, has our full support. It is important that we have resilience of our road transport system and the A38 is an important alternative to the A30.”

Sheryll Murray MP, South East Cornwall, Derek Thomas MP, St Ives, George Eustice MP, Camborne and Redruth, Sarah Newton MP, Truro and Falmouth, Steve Double MP, St Austell and Newquay,
Scott Mann MP, North Cornwall, Gary Streeter MP, South West Devon, Johnny Mercer MP, Plymouth Moor View

“Improving connectivity throughout the county is vital if Cornwall is to fulfil its true economic potential. The tailbacks and traffic delays that motorists endure along the A38 from Bodmin to Plymouth has, for many years, been a major stumbling block holding back businesses throughout Cornwall. As the MP for West Cornwall and the Isles of Scilly, I am naturally keen to see improvements to the road network in my end of the county but you cannot look at these issues in isolation – the whole of the South West major trunk road network must be fit for the demands of 21st century road users and the A38 is a major part of that.”

Derek Thomas MP, St Ives

“An expressway standard road will result in many lives being saved. We wholeheartedly support the need for this long overdue investment in the SW infrastructure”

James Millidge, Chair, SAFE38.

6.3 Programme and Next Steps

It is understood that the broad timeline for the RIS2 is as follows:

- SRN Initial Report publication – December 2017;
- DfT analysis feedback to consultation - Spring 2018;
- Government response to consultation published – Summer 2018;

In line with this, Cornwall Council and Plymouth City Council have identified a number of improvement schemes for the A38 which are deliverable within the RIS2 timescales for delivery in the next Road Plan (i.e. up to 2025). In order to ensure continued development of these schemes to meet the RIS2 timescales, and to progress other potential improvements to the A38, confirmation of the A38's inclusion within the RIS2 Investment Priorities is required.
Appendix A  Letters of Support

Dear Sheryll

A38 – Exeter to Bodmin

Thank you for your recent letter, dated 30 May 2018, with regards to the work undertaken to prepare a case for action summary report focusing on the A38 between Exeter and Bodmin.

The A38 is a key transport corridor for Devon, linking the county to Cornwall, Plymouth, several market towns and the rest of the country via the wider strategic road network. This corridor will continue to be vital to the connectivity of businesses and people in Devon, with large amounts of growth planned along the route. I agree, the current corridor is in need of safety, reliability and resilience improvements to ensure the continued prosperity of the SW Peninsula.

I am happy to support your “Case for Action” but would ask that the following are included as priorities:

1. **Improved access to Sherford and Langage**: these are areas of significant planned development and there are existing constraints which need to be addressed to find a suitable solution to the access to the developments.

2. **Improved eastbound off-slip at Lee Mill**: for a number of years there have been concerns that the eastbound off-slip at Lee Mill is not fit for purpose. Traffic accessing from the Plymouth area to the large Industrial Estate and Tesco’s use this slip road, passing close to several properties and through the village.

3. **Improved integration with the M5 and A30**: the M5 Junction 29 – 31 form the ‘gateway to the south west’. The integration between the end of the A38 at Splatford Split and the confluence of the M5 and A30 at M5 junction 29 need to be seamless with suitable capacity to cope with the large demand passing Exeter.

Devon County Council recognise the importance of the evidence provided in the ‘A38 Case for Action’ and would welcome our inclusion as a signatory to the document.

Yours sincerely,

Councillor John Hart
Leader of Devon County Council
Dear Sheryl

A38 – Exeter to Bodmin

Thank you for your letter dated 30 May 2018 regarding the A38 Exeter to Bodmin. I would be happy on behalf of Torbay Council to sign up to the A38 Case for Action document.

The A38 is key to our connection to the M5, as well as south to Plymouth and beyond. We will continue to support strategic network enhancements outside of Torbay that better enable businesses, visitors, and residents to get to and from Torbay easily and conveniently, on resilient and reliable routes.

The joint Devon and Torbay Local Transport Plan sets out the importance of Strategic links, including road, and specifically referencing the A38 in this context. The poor safety record of the route is noted, as well as the variety of functions and pressure on the network in terms of number of journeys on the route.

Yours sincerely

Gordon Oliver
Elected Mayor of Torbay

www.torbay.gov.uk  torbaycouncil  @Torbay_Council  +torbaycouncil
forward thinking, people orientated, adaptable - always with integrity.

If you require this in a different format or language, please contact me.
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RECEIVED 14 JUN 2018

West Devon Borough Council

Dear Sheryll,

A38 – Bodmin to Exeter

Thank you for sharing details with me about the case for action on the A38 between Bodmin and Exeter.

On behalf of West Devon Borough Council, I would like to confirm our full support to the bid to improve this vital road link. I would be happy to sign your case for action summary report.

West Devon is closely connected to the A38 corridor and all areas will benefit from increased connectivity and productivity as a result in addition to the obvious road safety and environmental benefits.

I look forward to hearing how the bid continues and wish you every success. I am happy for you to share the content of this letter as you see fit.

Yours sincerely,

Philip

Cllr Philip Sanders
Leader of West Devon Borough Council

www.westdevon.gov.uk
Sheryll Murray, MP  
House of Commons  
Westminster  
London  
SW1A 0AA  

30 November 2017  
Your ref ZA 31388  

Dear Mrs Murray  

Ref: A38 Case for Action  

Thank you for your letter of 13 November 2017 concerning the formation of a working group to develop a case for action to improve road safety, air quality and economic contribution of the A38 in Plymouth and South-East Cornwall.

I understand that you have already secured commitments from Cornwall Council, Plymouth City Council and Highways England towards the necessary work to develop the case for action. Unfortunately, the Heart of the South West Local Enterprise Partnership is not able to be able to make a financial contribution, but we are naturally supportive of such an initiative designed to facilitate economic growth in both Plymouth and Cornwall. To reflect this support, I suggest the involvement of our transport advisor Ian Harrison, who has experience of building the case for other improvements on the strategic highway network, including the A303.

I note that your next meeting is on December 15th at Liskeard Public Hall. Unfortunately, neither Ian nor I can make that date, but I will ask Ian to contact Jeremy Edwards before then for a briefing on the thinking to date, and I hope that we will be able to participate in future meetings in 2018.

Yours sincerely  

Chris Garcia  
Chief Executive, Heart of the South West Local Enterprise Partnership