

South East Lincolnshire Submission to Highways England Vision for Route Strategies

Executive Summary

South East Lincolnshire has a dynamic, growing economy as national leader in the food chain, with UK leading concentrations of production and distribution. It is making good progress on innovation infrastructure, but challenges on wage levels and skills remain and are key to Levelling Up. This food industry employs over 30,000 people in Boston and South Holland and is the UK's largest logistics hub for the food chain.

'South East Lincolnshire's single carriageway roads create significant problems for our business because of slow moving vehicles (particular Agricultural machinery that have no other means than to use the same road network), congestion and incidents, creating additional cost and impacting reliability'

**Will Langham, Operations Director,
Fowler Welch**

The area's industry is dependent on the A16 and A17, with the A16 estimated to move over 18million tonnes of goods per year and the A17 over 16million tonnes. The food chain in South East Lincolnshire is at the centre of a wider food cluster extending into Cambridgeshire and Norfolk, making connectivity between the A16, A17 and the A47 and A1, critical to the success of the wider Fens area, one of England's most deprived communities.

Post Covid and post Brexit there is a clear supply chain desire to source more food in the UK and South East Lincolnshire is seeing major investment, over £700m in 5 years and many more schemes being planned, to expand capacity in agriculture, horticulture, food processing and distribution.

The area also has major housing growth planned and a tourism economy, which is seeking to recover from the Covid pandemic. These wider parts of the economy are also critically dependent on the A16 and A17 corridors and are linked to growth of major infrastructure such as the Port of Boston.

The current road infrastructure, with no dual carriageways or trunk roads linking the UK's largest food cluster to the national road network, dispatches 1,200 lorry loads of finishing food every day. The lack of road capacity is a major constraint on growth at the same time as the need for better road infrastructure is growing as the industry continues to change how products are distributed.

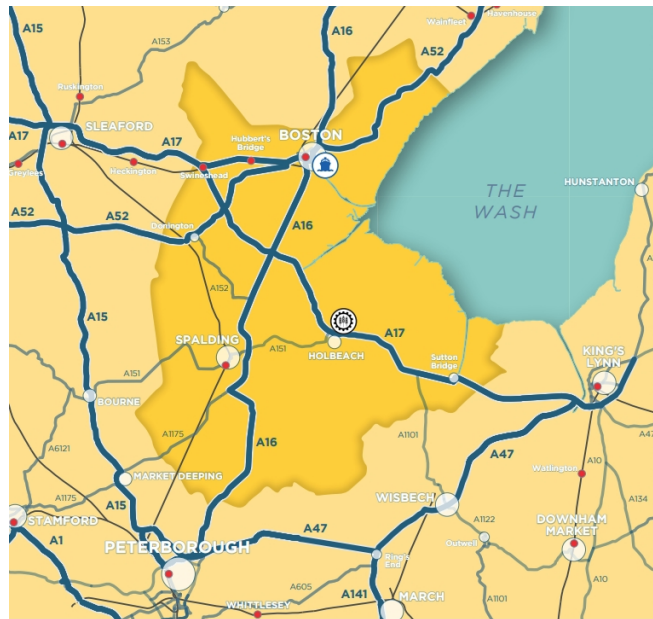
South East Lincolnshire wants to see the A16 and A17 recognised as strategic national road infrastructure routes supporting UK food security and economic growth and the transition to low carbon supply chains, whilst Levelling Up priority communities. Linking these two road corridors to the A47 route strategy and improving links to the A1 would support growth and investment in South East Lincolnshire and the Fens.

South East Lincolnshire

South East Lincolnshire covers the council areas shaded on the map:

- Boston Borough Council;
- South Holland District Council.

Together these two council areas are the single most important location in the UK for the food chain. These council areas work administratively with East Lindsey, to the north and east of Boston, which is a major agricultural producer and home to some of the UK's most visited tourism locations, notably Skegness. The three Councils have formed the South & East Lincolnshire Councils Partnership, to work collaboratively to support the ambition to improve the sub-region for its businesses and communities



The area is characterised by¹:

- Employment and Incomes: unemployment is low, but many workers are trapped in a low wage, low skills equilibrium and there is a need to increase GVA per capita to enable higher incomes. In Boston average wages (2021) are £503/week and in South Holland £557/week, compared to £613/week across England.
- Skills: low qualifications attainment, with only 23% of the Boston and 19% of the South Holland workforce qualified to L4, compared to 43% across England.

The area had the two highest votes in favour of Brexit nationally in 2016, with 75.6% of Boston residents and 73.6% in South Holland voting in favour of leaving the EU (Electoral Commission). This reflects a strong feeling of being left behind and a perception that the local needs for modern infrastructure and development have consistently been passed over by national government.

The area is in need of 'Levelling Up' to address the low income and skills attainment in the area and has decided to focus on modernising the industry in which it is the clear national leader, the agrifood production and distribution sector. To deliver this investment in critical infrastructure, particularly roads, is needed to improve connectivity to national and international food supply chains.

¹ Nomis (2021), Local Authority Profiles

The Food Chain

South East Lincolnshire has the most concentrated commercial food chain² in the UK, with the sector supporting 42% of jobs in South Holland district and 30% in Boston, compared to 4% nationally. Over 30,000 staff are employed in food production in the two districts.

Agriculture

The area is a major location for vegetables and salad crops (12% of English total), potatoes, cereals, sugar beet and ornamental crops (over 15% of national output). The area has an agricultural output of over £0.5billion (2.5% of English agriculture) and an estimated 2.5 million tonnes of farm produce transported to processors and markets from the area every year.

Food Processing

Major food production and trading businesses are set out in figure 3, showing a clear concentration along the A17 and A16 corridors, with over £3billion of production locally (representing 4% of UK food supply). The area specialises in the fresh produce sector (vegetables, salads, fruit, potatoes and ornamental crops) and as well as UK production, is the UK's largest import and processing cluster for these crops giving year round supply. This includes the UK's largest fresh produce companies, e.g. Staples, Burgess Farms, AH Worth, Worldwide Fruit, Fresca, Greenyard, Greencore and many others.

The area is also a major producer of processed foods, with Bakkavor who employ over 7,000 staff in South Lincolnshire at plants in Boston, Holbeach, Spalding and Sutton Bridge, not only representing a 1/3rd of UK processed salads, ½ of the UK pizza market and 1/3rd of ready meals. Spalding also has a concentration of meat processing with Pilgrims and Morrisons having plants focused on this sector. UK plant protein production, one of the UK's fastest growth sectors in the food industry, is concentrated in South East Lincolnshire with major recent investments by Plant and Bean, Princes, Greenyard and pulses for global company ADM to deliver healthy, low carbon protein foods.

Logistics and Distribution

28% of UK road freight is food chain related, but in South Lincolnshire the figure is over 75%. Spalding and South Lincolnshire is the UK's largest food logistics cluster, with over 1 million commercial vehicle movements per year in the food chain alone. Over 1,200 finished lorry loads of food leave the area every day for UK and international markets and 30% of UK food is transported through South Lincolnshire at some stage in the supply chain. Over 8 million tonnes of finished food products leave the area each year for UK and international markets, with over 5 million tonnes being transported into the area or from the area's farms for processing and distribution (figure 4).

² Agriculture, food processing, transport and distribution

Data from DfT³ shows that:

Road	Start	End	Date count undertaken	Total vehicles daytime ⁴	Cars & other	Light Goods	Heavy Goods
A17	A151 Holbeach	A1101 Long Sutton	25/04/2018	9,019	6,142	1,654	1,223
A17	A1101 Long Sutton	A151 Holbeach	25/04/2018	9,937	6,922	1,687	1,328
A16	A151 Spalding	A152 Surfleet	04/04/2019	9,686	6,372	1,832	1,482
A16	A152 Surfleet	A151 Spalding	04/04/2019	8,978	5,976	1,687	1,315

- The A17 in South Lincolnshire from the A1101 Long Sutton to the A151 junction in Holbeach carried 2,551 heavy goods vehicles and 3,341 light goods vehicles on Wednesday 25th April 2018. With an average load factor of 15tonnes for HGVs (assumed some empty loads) and 1.5tonnes for LGVs, this suggests that daytime weekdays alone sees this road transport = 43,000tonnes per day, or 11.2million tonnes per year. As this road is also used extensively at night and to a lesser extent at weekends it is reasonable to assume the true figure is 16million tonnes+ per annum.
- Similar analysis for the A16, on Wednesday 25th April 2018 shows the A16 from the A151 McDonalds roundabout in Spalding to the A152 at Surfleet carried 2,797 heavy goods vehicles and 3,519 light goods vehicles. With an average load factor of 15tonnes for HGVs (assumed some empty loads) and 1.5tonnes for LGVs, this suggests that daytime weekdays alone sees this road transport = 47,000tonnes per day, or 12.3million tonnes per year. As this road is also used extensively at night and to a lesser extent at weekends it is reasonable to assume the true figure is 18million tonnes+ per annum.
- Extrapolated data from a sample survey also identifies the A151 between Spalding and Holbeach as an alternative traffic route to the A17. The sample survey suggests that up to five million vehicles, of which 300,000 are HGV's use this route per annum. This creates a number of issues for rural communities, not least in the village of Whaplode, where there is a need to address the impact of current HGV movements on the village.

This analysis is consistent with feedback from individual companies in Boston, who report that the Port sees 1.25 million tonnes moved per annum (in and out) and 180,000 heavy goods vehicle movements a year carrying 3.7million tonnes.

³ [Road traffic statistics - Local authorities across Great Britain \(dft.gov.uk\)](https://www.dft.gov.uk/road-traffic-statistics-local-authorities-across-great-britain)

⁴ 7am-7pm, on dates DfT conduct surveys

The 'transport and storage' sector of the South Holland economy employs 7% of the local workforce compared to 5% nationally⁵. In 'transport and storage', 83% of employment in the sector in South Holland is concentrated in 'Freight transport by road', compared to 21% nationally, with road freight providing 6% of local employment in South Holland District compared to 1% nationally. Major Logistics companies in South East Lincolnshire are set out in figure 2.

The South Lincolnshire cluster is also in the forefront of international logistics and to address the additional checks required due to Brexit, Freshlinc working with national partner PML, have opened a privately funded Border Control Post (BCP) in Spalding to handle international consignments.

Growth

Whilst many other sections of the economy contracted in 2020 due to the Covid-19 pandemic, the food chain in South Lincolnshire continued to grow strongly, with many businesses seeing growth of 10-20% or more, as most focus on food retail markets, which grew due to Covid.

Over £700m of investments have been made in the last 5 years with the number and scale of developments both accelerating. This investment includes major new glasshouse units (over £100m invested and a further £100m planned), food production (including 2 projects each of more than £50m and numerous smaller ones), logistics (multiple new cold stores and logistics investments).

As a result of the uptake of allocated employment land in the Borough, Boston Borough Council has started to identify other opportunities for employment growth, particularly driven by feedback from key players within the food, agriculture and logistics sectors (including the Port). This has been focused around the need for land and buildings that are flexible to meet the needs of the market, whilst providing modern, accessible, and efficient land and buildings which can be used for purposes to support these sectors – including storage, distribution, development, packaging and processing.

The Council has begun to explore the sustainable economic potential for the A16/A17 corridor and in particular integrated development around Sutterton & Bicker to meet these needs, further reinforcing links to the Port in Boston to the north; Spalding and the A1 to the South, Holbeach FEZ to the East and the A17/A1 to the West. The aim is to develop potential solutions such as a Local Development Order (LDO) to enable land to come forward for these purposes.

Wider Region

South East Lincolnshire is at the heart of the UK Food Valley, launched in November 2021, which commits Greater Lincolnshire to invest in its food chain as its first 'game changer' to drive the post Brexit, post Covid economy. The UK Food Valley supports 75,000 food chain jobs and has created 7,000 jobs in the last 5 years as a result of over £2.25billion of commercial investment. The UK Food

⁵ Collison and Associates (February 2020), Developing & Refreshing a Joint Vision for the Ambition & Delivery of Holbeach Food Enterprise Zone, Commissioned by South Holland District Council



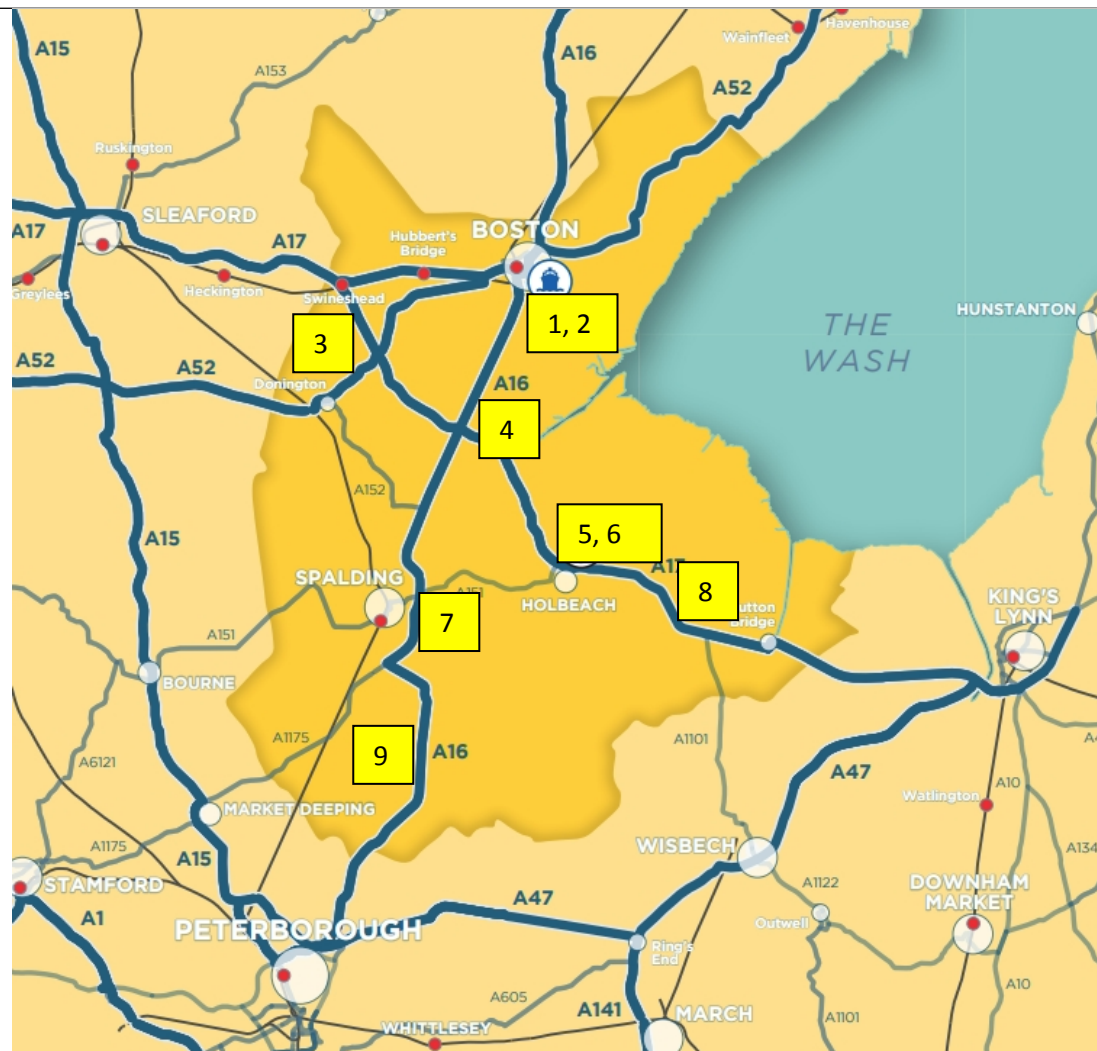
Valley team has launched an investment proposition for food logistics and cool chain, and is supporting the Centre for Food and Fresh Produce Logistics in the Boston Town Deal.

With New Anglia LEP and Cambridgeshire and Peterborough Combined Authority, Greater Lincolnshire LEP has launched an investment programme for Eastern England's agrifood sector and is supporting the Future Fens Adaptation Strategy across the wider Fens area.

Figure 1 - Major Commercial Investments, Research and Skills Centre and Housing Development Locations

Major developments include:

1. Boston: Boston Port (1.25m tonnes per year); Plant & Bean 65 acre site (2021); Dyson Farms 15 acre glasshouses; Ripe Now cold stores; +7,744 houses (by 2036); Port expansion plans
2. Centre for Food and Fresh Produce Logistics (2022)
3. Bicker: Turners distribution centre; Sunfresh; Parallel UK; Bicker Fen sub station for Tritton Knoll wind farm and Viking Link renewable power interconnector
4. Sutterton: exploratory work on LDO for industrial cluster growth cluster linked to the Port of Boston and UK Food Valley cluster
5. Holbeach: planned £70m glasshouse & energy centre; Naylor packhouses (2022); Fresca investment; AH Worth investment; 2 sustainable urban extensions +2,000 houses
6. South Lincolnshire Food Enterprise Zone £150m (2020-) with target of over 80 businesses, new University Centre, Lincolnshire Institute of Technology
7. Spalding: Bridge Farm 75 acre glasshouses; Gousto creating hundreds of jobs per year (over £100m invested to date); Worldwide Fruit cold stores; Karsten cold stores; Americold REIT/Bowmans cold stores; Morrisons investment in meat processing and a plant nursery; live planning application for plant protein factory; +5,510 houses (by 2036)
8. Long Sutton: £84m investment by Princes
9. Crowland: 40 acre glasshouse; AD plant; additional houses



Many of the larger food chain and agricultural companies also have in house haulage, for example Staples (UK's largest brassica business #16) and AE Lenton (#17). The UK's 2nd largest egg packer, Fairburns accesses the UK market via the A16 and Boston with its own vehicles.

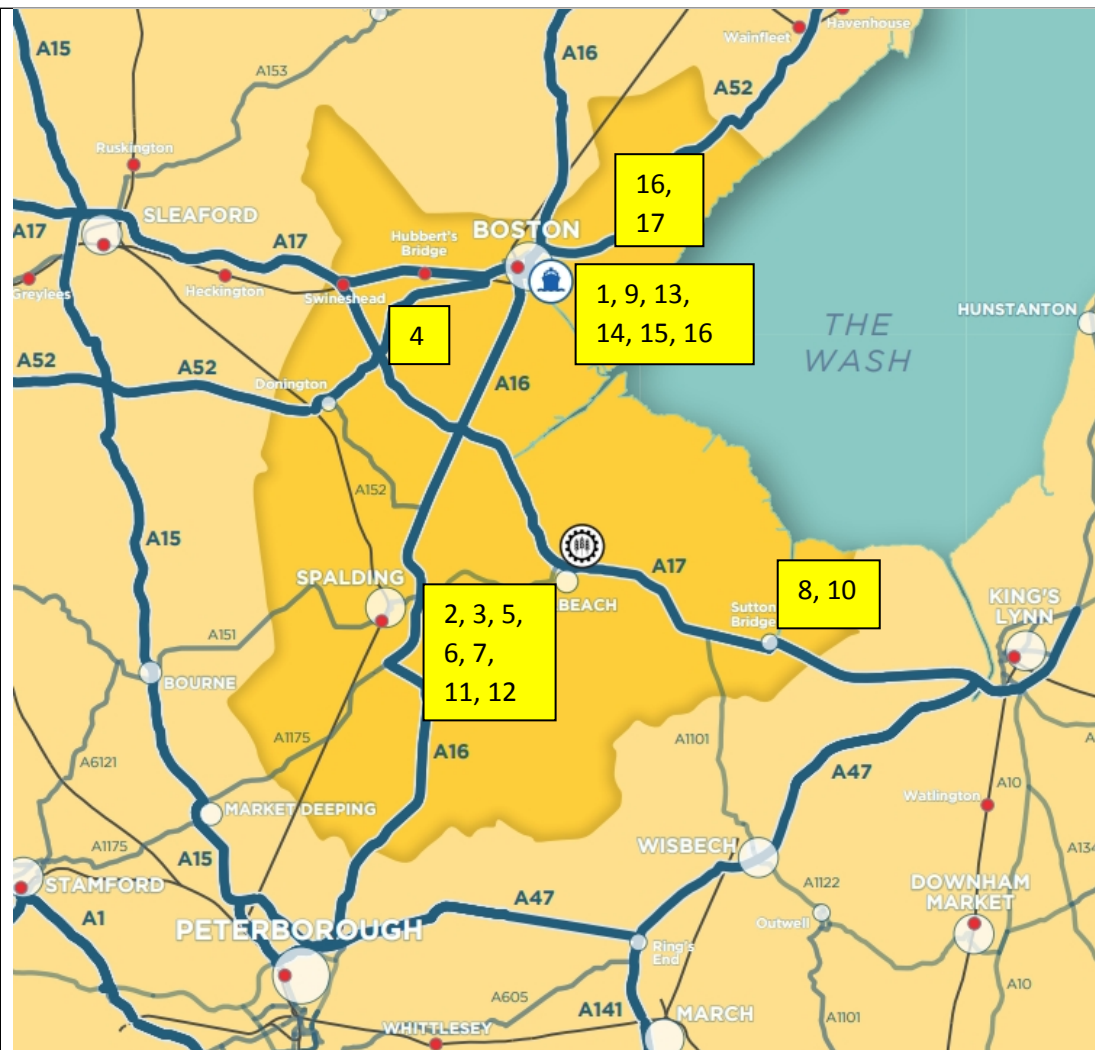


Figure 3 - Top processors and traders include:

- | | |
|----------------------------------|---------------------------------|
| 1. AE Lenton | 23. JEPCO |
| 2. AH Worth | 24. JO Sims |
| 3. Annyalla Chicks | 25. Karsten UK |
| 4. Bakkavor | 26. Leggatts |
| 5. Bridge Farm | 27. Lincolnshire Field Products |
| 6. Burgess Farms (Produce World) | 28. Manor Fresh |
| 7. Dyson Farms | 29. Melon & co. |
| 8. Elsoms Seeds | 30. Morrisons |
| 9. Emmett | 31. Naylor's |
| 10. Fairburns Eggs | 32. Nene Potatoes |
| 11. FESA UK | 33. Plant and Bean |
| 12. Flamingo | 34. Pilgrims |
| 13. Fountain Plants | 35. Pilgrim Food Service |
| 14. Fresca | 36. Princes |
| 15. Frontier Agriculture | 37. Ripe Now |
| 16. Gousto | 38. Staples |
| 17. Greencell | 39. Taylors of Holbeach |
| 18. Green Partners UK | 40. TH Clements |
| 19. Greenyard | 41. Total Produce |
| 20. Greencore | 42. You Garden |
| 21. Holbeach Marsh Cooperative | 43. Worldwide Fruit |
| 22. JDM Food Group | |

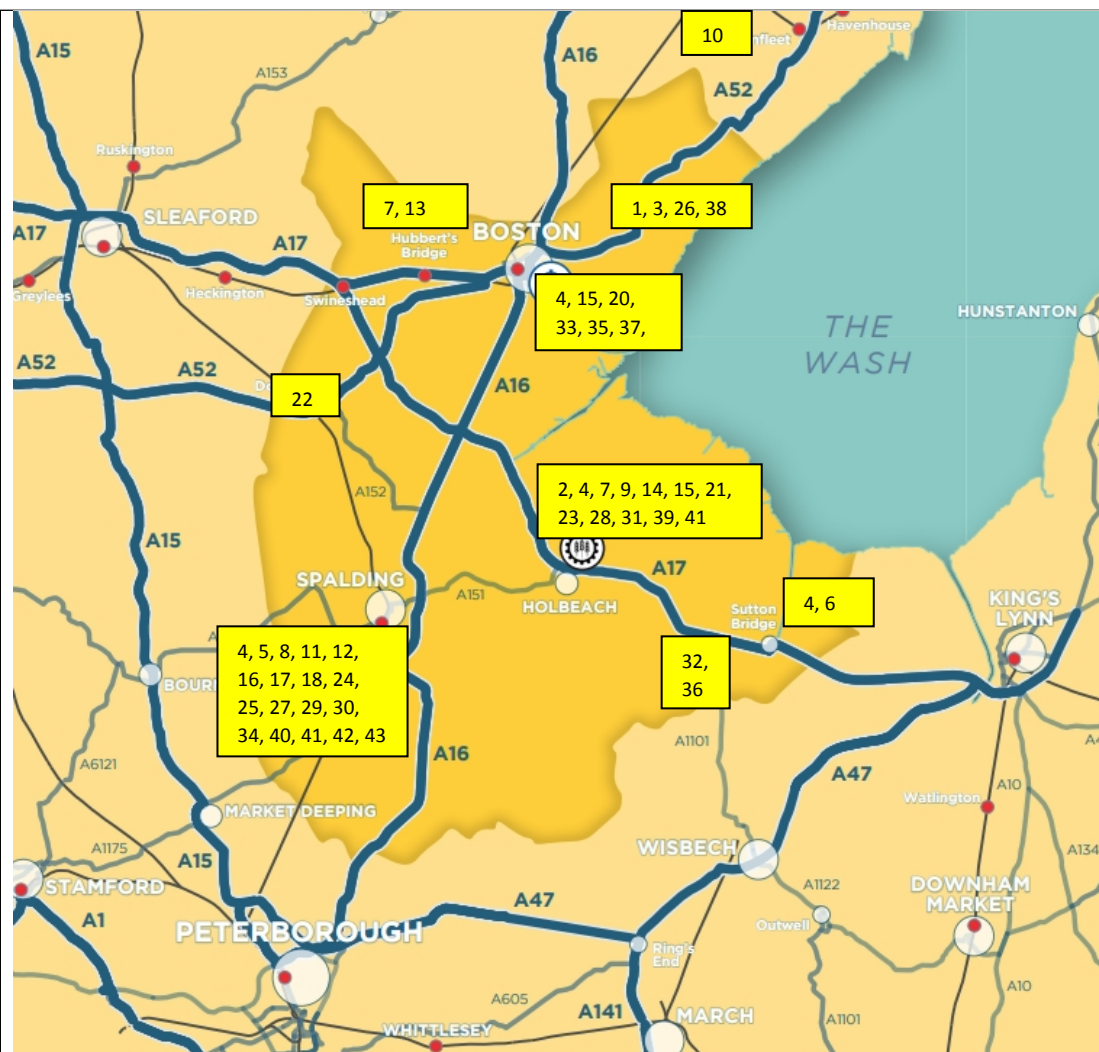


Figure 4 - Port, food and agricultural transport volumes

The Port of Boston has 1.25m tonnes of freight per year (majority of which is wood and steel) with 90% of all road shipments to and from the port moving south and west into the Midlands, with the A16, A17 and A52 the key routes

The South Lincolnshire food processing and logistics cluster:

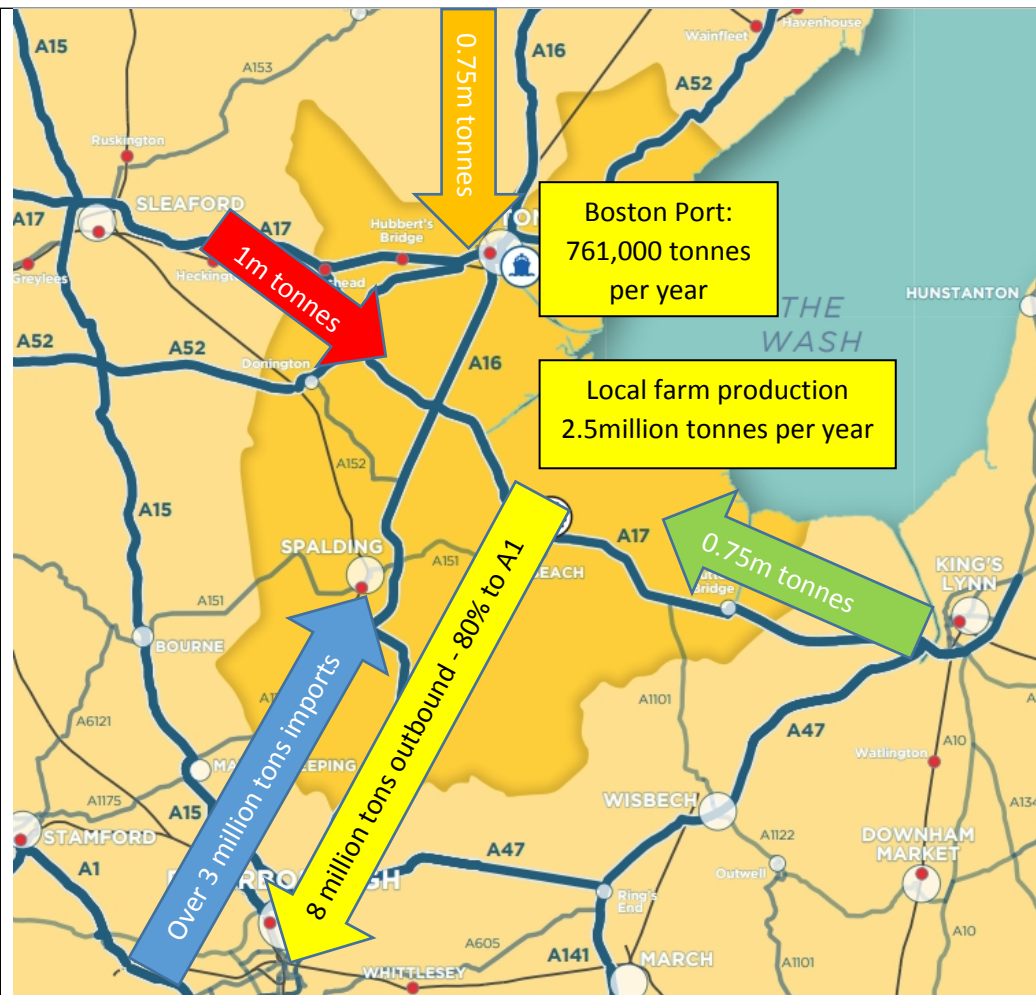
Receives inbound products from:

- Local farms, estimated at 2.5million tonnes per year
- Imports, estimated at 3 million tonnes per year
- North and central Lincolnshire (orange arrow via A16), East Midlands (red arrow via A17/A52) and East Anglia (green arrow via A17) for further processing and adding value, estimated at 2.5 million tonnes per year

Sends outbound products to UK markets primarily across the Midlands, London and the South East, estimated at 8 million tonnes per year, with:

- 80% travelling via the A16 to the A1
- The rest split between A17 north to join the A1 at Newark, A52 to Midlands (and A1/A46), A16 North to the Humber and A17 to Kings Lynn and East Anglia

DfT data analyse above, suggests that total freight volumes are 50% higher than for the food sector alone as shown in this figure.



The Wider Economy and Housing Growth

The Port of Boston is an important hub for wood imports, primarily for Metsa UK^{6, 7} part of the Finnish Metsa Group, which employs 9,300 staff and with 2020 revenues of over 5 billion euros. Metsa UK's 2019 turnover was £150 million with 400 staff and is headquartered in Boston, including a timber academy to train merchants and as their UK registered head office. The port is also a major importer of steel for the midlands automotive sector, which is distributed mainly by rail freight in to the midlands steel terminus for 'just in time' call off by supply chains.

The Boston Port cluster has also been instrumental in progressing a logistics technology and innovation programme. This includes business led projects such as Bluering, an end to end transport traceability and paperwork system for post Brexit compliance launched by FESA UK, and a new £3m project, Trusted Bytes, which has brought together FESA with other local food companies, the University of Lincoln, HMRC, FSA and BSI, to work together on digital supply chains.

Housing and Population Growth

The South East Lincolnshire area requires significant upgrades to transport infrastructure to support housing growth of the area. The South East Lincolnshire Local Plan 2011-36, which was adopted in March 2019, identified in Policy 10: Meeting Housing Requirements a provisional requirement for new housing to be 19,425⁸ dwellings across the period 2011-36, split between: Boston Borough with a total of 7,744 at 310 per annum; and, South Holland District: 11,681 at 467 per annum.

The 2011-'36 plan quotes the 2011 census which gave a population of 146,000 people for the combined area. An increase of over 19,000 new dwellings implies an expected population increase of circa 40,000, a 27% rise over 25 years. The primary justification for this increased housing demand was: 'both Boston Borough and South Holland have seen significant growth in population since the 2011 Census largely driven by economic migrants taking up employment opportunities in the food growing and processing industry'.

Employment is driven by continued strong growth of the food chain, which is very significant in absolute numbers, with the food industry providing 42% of jobs in South Holland and 30% in Boston. The South Holland Economic Action Plan, states that if all support services are included 'over 50% of jobs in South Holland are related to the Agri-food value chain'. Growth of the food chain is accelerating and estimates on which housing allocations were based are likely to be exceeded. South

⁶ <https://find-and-update.company-information.service.gov.uk/company/03071064/filing-history>

⁷ <https://www.metsawood.com/uk/Pages/default.aspx>

⁸ South East Lincolnshire Local Plan 2011-36: <http://www.southeastlincslocalplan.org/wp-content/uploads/2019/02/Local-Plan-text-March-2019.pdf>

Lincolnshire has only limited public transport connectivity with a limited bus network⁹, and this means new housing and population growth, will create more car use.

The area already has a higher proportion of dwellings with access to a car at 81.5% of households compared to 74.2% nationally. This suggests that 19,425 new dwellings will potentially lead to more than 15,800 additional households with a car for transport, significantly increasing demand on the area's roads, reinforcing the need for major upgrades to the A16 and A17.

South Holland alone sees more than 20,000 workers commuting into or out of the district, with major flows with Boston (A16), Kings Lynn (A17), Peterborough (A16) and Fenland (A17 and A16). There is a small net outflow of circa 2,500 per day, with 9,000 workers travelling into the district each day, again mainly on the A16 and A17. Unlike many parts of the UK, because most of these workers are employed in the food chain, commuting volumes did not reduce during Covid.

'The importance of the A16 and the A17 cannot be over stated for the future development of the S&ELCP Sub-Region. Not only are Boston and South Holland areas the centre for the largest and ever growing fresh food industry but the A16 is the spinal road linking the sub-region to the port of Boston and north to Immingham.

The A16 is important as a route to the Coast, in particular Skegness for visitors and holiday-makers, and is an essential connection for businesses in the Louth area who supply components to the wind turbine industry.'

Graham Marsh, Deputy Leader East Lindsey District Council

Tourism and Visitor Economy

The local plan also highlights significant seasonal demand on the road network for the visitor economy, especially the A52, A16 and A17¹⁰. These are major tourist routes for those going to the Lincolnshire (A16 and A17) and Norfolk (A17) coasts from the Midlands, as recognised in the Midlands Connect Transport Strategy Refresh. The Lincolnshire Coast has been recognised as bearing some of the largest impacts from the Covid pandemic, due to reliance on tourism. This was recognised in the Skegness and Mablethorpe¹¹ Town Deals which were approved in March 2021. Skegness welcomes over 2million staying visitors a year, as well as more than double this with day visitors, and Mablethorpe has 900,000 visitors per year.

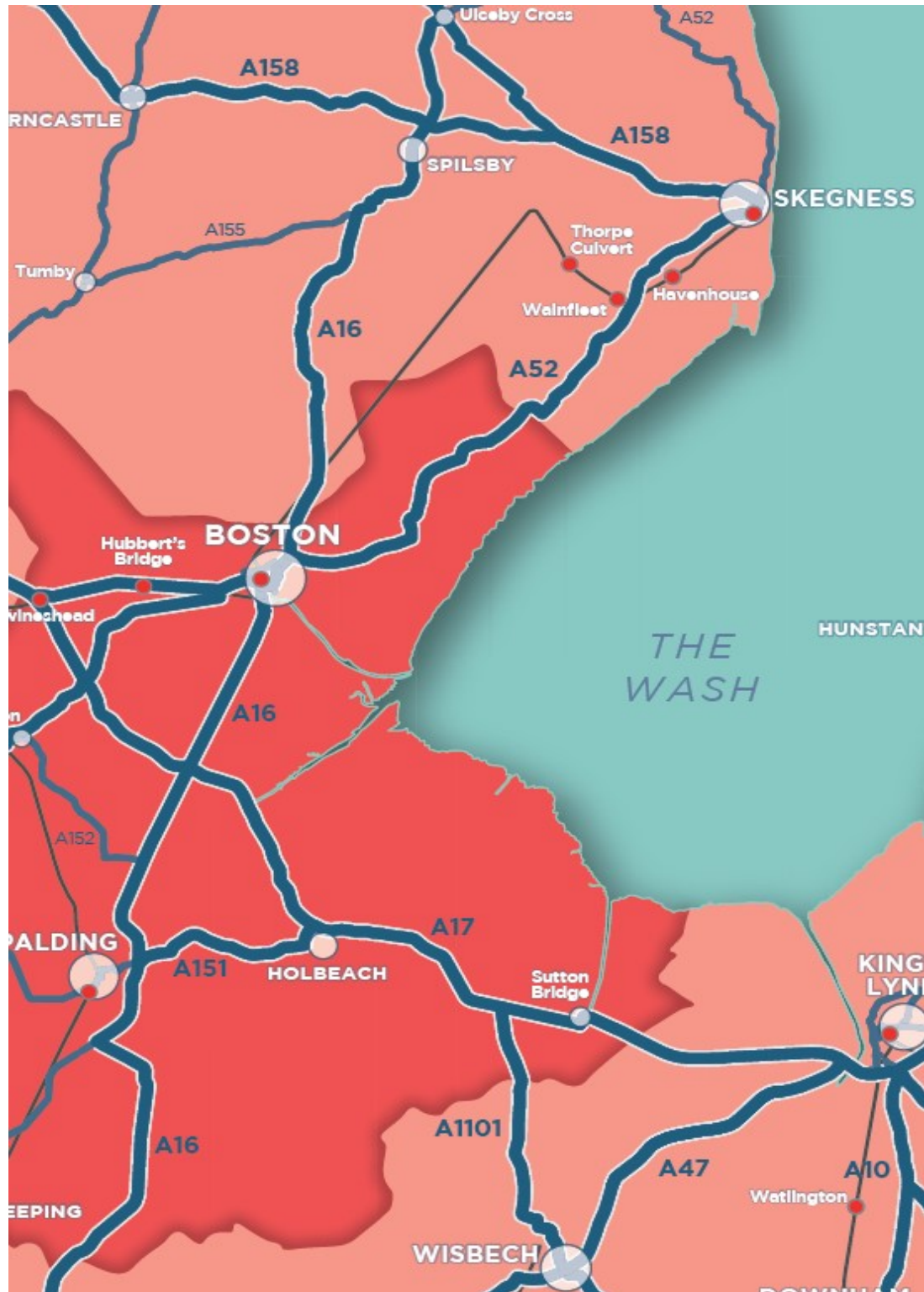
The A16 extends north from Boston and is a key route to the Wolds AONB, Woodhall Spa (home to England Golf and the national training centre) and for accessing to the countryside and coast to the East of Lincoln.

⁹ <http://lincsbus.info/wp-content/uploads/2020/03/Lincolnshire-County-Map.pdf>

¹⁰ Midlands Connect (2021), Transport Strategy Refresh: Challenges, Opportunities and a Call for Input

¹¹ [Connected Coast | Skegness & Mablethorpe Towns Fund Bid](#)

Springfields¹² in Spalding, immediately adjacent to the A16, is also a major tourism attraction with 3 million visitors per year, most from the Midlands, who mainly arrive by car and coach.



¹² [Springfields – East of England's premier value retail & leisure destination \(springfieldsoutlet.co.uk\)](http://springfieldsoutlet.co.uk)

The Vision for South East Lincolnshire

The Food Chain

South East Lincolnshire is an open, outward looking economy, which has strong international connectivity in its business community and workforce, with many major UK traders, importers and international logistics companies based locally. These businesses underpin the local economy.

South East Lincolnshire is an ambitious place which wants to support the growth of its UK leading food sector so that it plays a key role in the industry in a post Covid, post Brexit environment.

The area is committed to a higher skilled, more productivity food chain meeting the needs of UK and international markets, the transition to Low Carbon and demand for healthier diets.

Good transport links are key to delivering on the ambition of our sub region, unlocking the main routes will ensure the continued positive ambition & investment in the economy.

It is essential that better access linking our port in Boston, our high-tech industries and the food producing industry, which is of national importance. The A17 & A16 are both essential in providing these links, not only locally but into the national road and rail infrastructure, from the main road network via the A1 to the Humber ports to the north.

Nigel Welton, Deputy Leader Boston Borough Council

CENTRE FOR FOOD AND FRESH PRODUCE LOGISTICS

Led by the University of Lincoln in partnership with Boston College, the project will develop a food trade and logistics skills, knowledge and innovation hub with local, national and global outreach. The future prosperity of the sector is reliant on meeting higher-level skills and innovation needs to enable the wide-scale adoption of industrial digital technologies to drive supply chain efficiencies, access to global markets and advanced crop storage. The project cements and builds on the strengths of Boston College and the University's National Centre for Food Manufacturing (NCFM) as prestigious skills hubs of the Lincolnshire Institute of Technology (IoT), both having recently benefitted from significant capital investment in new facilities to support the food and logistics sectors.



Project Details	
Project Rationale Theory of Change	The food chain in South East Lincolnshire (SE Lin) is nationally, UK and East Anglia, the centre of transformational technology jobs and support Boston's technologies with students. The sector has acute skills issues and becoming increasingly engineering, ICT and digital. Industry also needs additional efficient logistics routes and have the skilled staff to do highly developed commercial College and the University.
Alignment with Boston's Investment Plan Objectives	Boston College has an ever and beyond, whilst the NCFM the UK's Food Manufacturing complements the food hub investment in the EHAT (E) Logistics Academy (DLA) provision. The partners will their strong partnerships with on engaging adults in the s
Town Fund Intervention Framework	The project aligns with our capacity and accessibility closer collaboration with the local skills infrastructure and
Town Fund Outputs	<ul style="list-style-type: none"> • Numbers of businesses • Number of businesses • Numbers of businesses • Number of learners • Number of new learners
Town Fund Outcomes	Increased share of young p
Impact	Increased digitalisation of t through job creation
Ask and Match Funding	The total project value is £1.005 m (capital) to fund a p businesses, along with cap through a mix of staff time.
Timescales and Spend Profile	The project has the potenti

In 2020 Boston¹³ submitted its proposals to the Towns Fund, approved in the March 2021 Budget.

The Towns Fund bid made a commitment, under the entrepreneurial community theme to create:

'An entrepreneurial community which nurtures existing opportunities around agri-food automation, logistics, transport and engineering'.

A key project supported, in the successful bid for Towns Fund support is a Centre for Food and Fresh Produce Logistics, which is due to open in 2022, to support skills and innovation in the food chain facilitated by the National Centre for Food Manufacturing (NCFM) and Boston College.

¹³ [Welcome to Boston Town Deal Website | Boston Town Deal Website](#)

Continued growth in the knowledge base, centred on the South Lincolnshire Food Enterprise Zone¹⁴ in Holbeach will cement the area's role in the UK food chain, not only as a centre for production and logistics, but also its innovation centre (picture shows Centre of Excellence opened in spring 2021, a Institute of Technology building opens in late 2021 and a Hub building for 30 SMEs in spring 2022).



The South Lincolnshire food cluster is at the heart of the UK Food Valley and will support continued growth of the commercial food chain. Growth of the food chain will be focused on existing food chain clusters and notably in: Boston, Sutterton and Spalding on the A16 corridor; and, Bicker, Sutterton, Holbeach and Long Sutton/Sutton Bridge on the A27 corridor.

Major investment will be supported in:

- Ports and logistics, with the Boston Town Deal working with industry to redevelop the Port of Boston as a major food port for the UK, rebuilding its historic role in this sector at the heart of the UK Food Valley.
- Low Carbon storage and distribution to support the transition to low Carbon food chains.
- Continued growth in sectors, which can benefit from post Brexit UK and international market opportunities, such as plant proteins and glasshouse production of salads and ornamentals (picture: Bridge Farm on the A16 Spalding bypass, the largest glasshouse in the UK for a decade).



Population and Careers

By underpinning the local economy with a focus on modernising and expanding the food chain to create higher value, higher skilled, higher paid jobs, the area's vision will directly benefit the local population.

As an area with low wage and skills levels, building on the logistics cluster in South East Lincolnshire as it transitions to a digitally enabled, low Carbon technologies will deliver environmental, social and economic benefits for the community and UK as a whole.

¹⁴ [Home - South Lincolnshire Food Enterprise Zone \(southlincolnshirefez.co.uk\)](https://southlincolnshirefez.co.uk/)

The need for Modern Connectivity

The food logistics industry is undergoing a period of rapid change and growth, with improvements to roads and the logistics industry key to how the sector adapts to policy, consumer and market needs. Infrastructure, especially major roads, is integral part to Levelling Up and instrumental in supporting social mobility, defusing inequalities and delivering improved socio-economic opportunities.

Food supply chains are agile, responsive and rapidly restructuring to meet the challenges of policy, consumers and market needs and trends, with the need for improved connectivity driven by:

- The UK food sector continues to see strong growth, particularly in food retail which has benefitted from Covid induced changes in lifestyle, with sales typically growing by +10% in 2 years. Population growth and increases in per capita spending on food will ensure this growth continues. UK supply chains are also focusing on UK sourcing, to de-risk complex international supply chains in a post Covid, post Brexit environment. [Data for the first half of 2021¹⁵ shows that compared to 2019 imports of food and drink declined, by 9% overall and 15% from the EU.](#)
- Digitalisation of the supply chain and changes in the route to market (e.g. online sales), is increasing the demand for fast, efficient and distributed logistics. In South Lincolnshire this ranges from some of the largest UK companies, such as Gousto who have their UK fulfilment centre in Spalding, to delivery start ups such as Pikt and Imp & Maker, as well many regional food companies who started deliveries during Covid. [Gousto reported a 70% year on year rise in sales in April 2020 with 4 million meals delivered to 380,000 UK households monthly¹⁶. Waitrose increased weekly slots by over 100,000 to 160,000 slots per week¹⁷ and in May 2021 Tesco reported online sales had continued to grow, with May 2021 over 20% higher than in May 2020.](#)
- The supply chain is being challenged by consumers and retailers to move to Low Carbon distribution solutions, with some supermarkets targeting as early as 2030 for net zero. Transport efficiency is thus critical, as is the move to EVs and alternative fuels, with logistics clusters such as Spalding in the vanguard of this movement.
- The National Food Strategy¹⁸ published in July 2021, has called for a 30% increase in fresh produce consumption by 2032 due to the benefits it can deliver for health (figure 16.1). With South Lincolnshire the UK's centre for fresh produce this will support further substantial growth and investment in the industry over the next decade and beyond. The National Food Strategy also recognised that vegetables have the lowest carbon footprint of any food (figure 9.5).

¹⁵ [exports-snapshot-h1-2021.pdf \(fdf.org.uk\)](#)

¹⁶ [Gousto, with a Spalding base, announces £33million investment to focus on \(spaldingtoday.co.uk\)](#)

¹⁷ Waitrose (2021) How Britain Shops Online: Food and Drink Edition - <https://www.waitrose.com/home/inspiration/how-britain-shoponlinefoodanddrinkeition.html>

¹⁸ [The National Food Strategy - The Plan](#)

Limitations with Current Road Infrastructure

The UK food chain is dependent on road haulage, because of the complexity of the food chain, with products sourced from 217,000 UK farms, complimented by international sourcing. DEFRA¹⁹ estimate that there are over 12,000 manufacturing sites for food and drink and 500,000 purchase locations for food in the UK (85,000 retail sites and 415,000 food service outlets).

This complexity is arguably increasing, with online food sales having doubled during Covid, with a potential need as this market matures to deliver to 28 million houses²⁰ in the UK.

Whilst some food logistics will move to rail and sea, and the South East Lincolnshire food cluster welcomes this, the reality of the sector and market means that road transport will remain central to the food chain.

For the UK's largest food cluster in South East Lincolnshire to continue to thrive efficient road infrastructure is thus essential.

Case Study - Fowler Welch, Spalding

Fowler Welch is a large temperature controlled logistics specialist headquartered in Spalding. On a typical day the Spalding site handles approximately 300 loads either to or from the site (including subcontractor movements), with 99% of these movements entering or leaving the A16 at the B1180 interchange.

Of these loads circa 20% travel north towards Boston (and the A17 interchange) with 80% South towards Peterborough on the A16.

Fowler Welch operates a fleet of 100 from the Spalding location, but including subcontractors and Fowler Welch network vehicles this increases to circa 225 vehicles.

These vehicle movements support the transport of 6,500 pallets per day (over 2.3million per year), with the goods value transported estimated at £2million per day (over £750million per year).

'South East Lincolnshire's single carriageway roads create significant problems for our business because of slow moving vehicles (particular Agricultural machinery that have no other means than to use the same road network), congestion and incidents, creating additional cost and impacting reliability'

Will Langham, Operations Director

¹⁹ DEFRA (2019), Agriculture in the UK 2018

²⁰ [The-Housing-Stock-of-the-United-Kingdom_Report_BRE-Trust.pdf \(bregroup.com\)](#)

Department for Transport **Road traffic statistics**

Traffic statistics > Local authorities > Lincolnshire

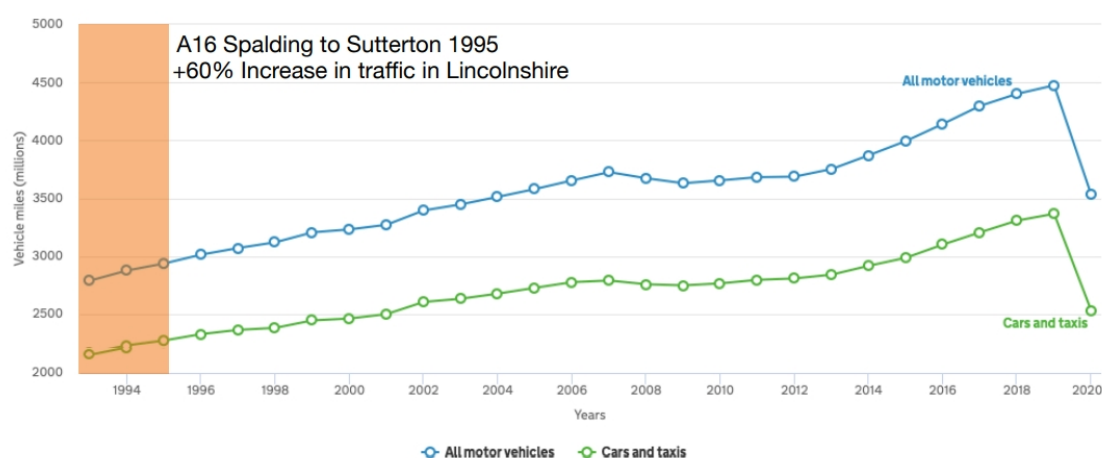
Local authority Lincolnshire

Region: [East Midlands](#)
Count points: 657
Time period: 2000 to 2020
Source: [Road traffic statistics](#)

3.53 billion vehicle miles were travelled on roads in Lincolnshire in 2020.

Annual traffic by vehicle type in Lincolnshire

Traffic in Great Britain from 1993 to 2020 by vehicle type in vehicle miles (millions)



The data from DfT (above) shows that traffic volumes the A16 from Spalding to Sutterton (A17 junction) has increased by 60% since 1995, and by 23% in the last decade.

Case Study - Freshlinc, Spalding

FreshLinc manages in excess of 540 articulated movements on an average day (seven days a week) utilising the A16 & A17. Its data suggests that 44% of those movements are impacted by either a delay on their respective outbound or returning journey. These delays do not include serious situations such as road traffic accidents (RTAs) that have become a common place on both roads which can also generate deviated routes and considerable on cost.

The financial burden this imposes on the business is circa £1.2 million per year. The costs include additional labour costs and inefficiencies in vehicle use and increased fuel consumption. The impacts are also evident on service and the further effects on the supply chain, particularly in the fresh food sector, where delays can impact shelf life.

The key problems experienced by the business are:

- Peak Hour Congestion and Delays resulting in unreliable journey times
- Agricultural traffic with negligible passing locations
- High accident rates on the A16 / A17

The current road infrastructure in South East Lincolnshire suffers from decades of under-investment and has the following problems:

- **Lack of Trunk Roads** - South East Lincolnshire believes that its food sector is the largest UK industrial cluster not served by a trunk road.
- **Lack of Dual Carriageways** - South East Lincolnshire believes that its food sector is the largest industrial cluster not served by any dual carriageways
- **Lack of Port connectivity** - South East Lincolnshire believes that the Port of Boston is the largest UK port with no trunk road or dual carriageway connectivity
- **Safety and Fragility of the network** - with high accident rates and major disruptions to travel because: the main roads in the area (notably A16 and A17) serve local traffic and longer distance lorry movements; the local traffic includes many tractors²¹ and other slow moving vehicles leading to hold ups and 'unsafe' overtaking manoeuvres by frustrated drivers. Delays created by these problems cause major impacts on supply chain reliability, a key KPI in the logistics industry.

These factors create real challenges for the food industry and logistics businesses, including:

- **Cost and competitiveness** - a 44 tonne artic typically has costs of 160p-230p per mile²². Even if all other costs are ignored, delays increase the time drivers need to work, which costs circa 33p per minute or £20/hour. If full costs are included the cost of delays rises to over £1/minute.
- **Uncertainty about delays** - the food sector works on timed delivery slots (to manage arrivals at distribution centres), with penalties if slots are missed. As a result many operators build in contingency time, especially if delays are anticipated, with direct impacts on operating costs.
- **Delays and congestion** - delays in journeys impact on food chain competitiveness and all road users in the area. With the agreed housing and industrial growth projected for the area, these problems will grow unless the road infrastructure is improved.

A lack of progress on road infrastructure will severely constrain the growth of the food sector in the UK's largest food cluster. The changing nature of food supply chain structures are increasing the demand for modern, reliable connections and if the area is not able to provide this there is a real risk that businesses will leave. This would have disastrous economic consequences for the area given its reliance on the food chain and constrain delivery of the UK Food Valley.

Road investment would support a community with high rates of poverty and in need of Levelling Up, facilitating opportunity and place making as a leading economic growth area.

²¹ These farm vehicles are integral to the food and drink cluster and support key industries such as vegetable production which is a national priority as the UK seeks to embrace healthier diets.

²² Motor Transport article on costs (14.12.2020) - updated for higher fuel prices in 2021

Proposals

Figure 5 - Extract from Highways England Vision for Route Strategies²³



The location is on the border of three sub-national transport bodies areas (figure 5): Midlands Connect (in which South East Lincolnshire sits); EEH; and, Transport East. The functional economic geography of the area is across these three areas as the UK's largest and most valuable food sector cluster is

in the Fens which also crosses these administrative boundaries. Within this wider Fens cluster the most concentrated location for the food chain is in South East Lincolnshire.

This location, at the junction of three sub-national transport body areas means the area is not central to any of these area plans, but needs a local plan which links to and informs all three sub-national plans. The area wants to work with Highways England to ensure that it is not excluded from the route strategies process by this locational quirk.

The Needs of South East Lincolnshire

The South East Lincolnshire agrifood cluster is linked to the national and international food chain primarily via the A1 corridor. Connection to the A1 is through the:

- A16/A47 for deliveries to the Midlands, London, South East and international markets via Felixstowe, London Gateway, Dover and other ports, after joining the A1 at Peterborough;
- A17 for the Northern Powerhouse, North and Scotland, joining the A1 at Newark.

The A16, north of Boston gives access to the agricultural heart of Lincolnshire which provides raw material to the food processing and distribution cluster in South East Lincolnshire and Humber ports.

The A17, east of Bicker and Sutterton is a major route for transporting agricultural products from Norfolk and East Anglia for processing in South East Lincolnshire and for sugar beet from South Lincolnshire to Wissington (Norfolk) for processing. The A17 west of Bicker serves the sugar beet plant in Newark and major food processors in Sleaford (e.g. Moy Park) and Lincoln (e.g. Branston).

²³ [Our route strategies - Highways England \(nationalhighways.co.uk\)](https://www.nationalhighways.co.uk)

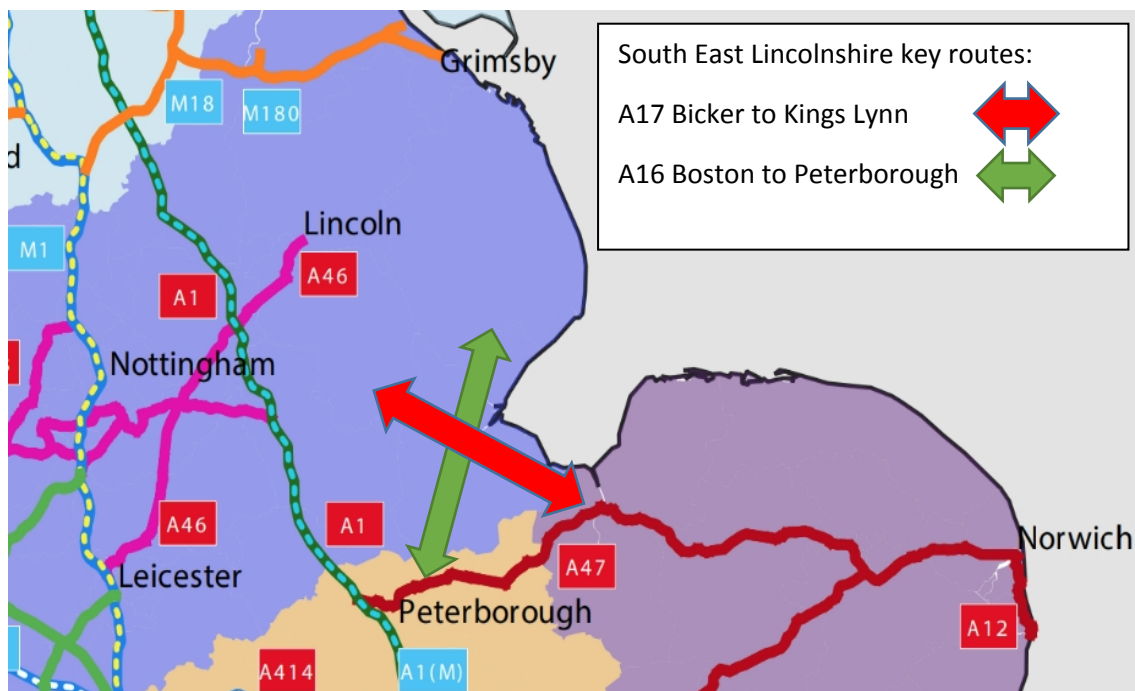
South East Lincolnshire is witnessing substantial growth in its food chain with over £700m invested since 2016 and plans already in place for a further £250m. This is complimented by a planned £150m investment in agri-food innovation and skills provision at the South Lincolnshire Food Enterprise Zone and a series of projects in Boston, notably the Centre for Food and Fresh Produce Logistics in the Boston Town deal (opening 2022). Local food chain companies are also working with Boston Port to develop its role as a food port, in the centre of the food cluster.

Key Strategic Routes

South East Lincolnshire proposes that two key routes are added to the A47 route study area:

- The Eye (Peterborough) to Boston section of the A16 to: encompass this key route for the food industry; link to Port of Boston growth; address pinchpoints and congestion on the A16/A47 junction; improve connectivity for a left behind community enabling economic growth. This would build on the current proposals for the A16/A47 Norwood junction²⁴;
- Bicker to Kings Lynn section of the A17 to: improve this key route for industry; address pinchpoints and congestion on the A17/A47 junction at the Pullover Kings Lynn junction²⁵; improve connectivity for a left behind community enabling economic growth; link the Kings Lynn engineering and food cluster to the UK's leading food cluster in South East Lincolnshire.

Figure 6 - Extract from Highways England Vision for Route Strategies²⁶

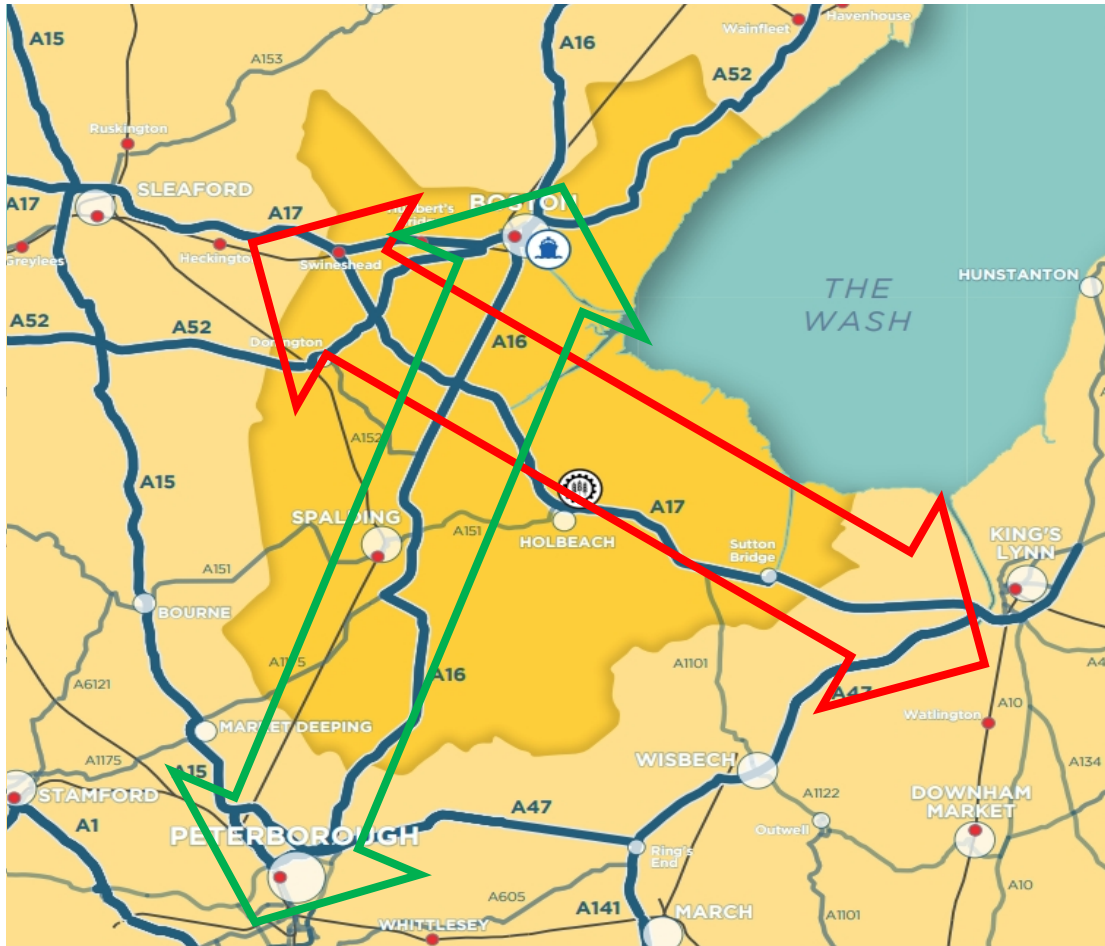


²⁴ [Improvements to the A16 and A16/A47/Welland roundabout - Peterborough City Council](#)

²⁵ This junction has recently been added to the Draft Norfolk Strategic Infrastructure Delivery Plan 2021

²⁶ [Our route strategies - Highways England \(nationalhighways.co.uk\)](#)

Figure 7 - Proposed Key Strategic Routes



South East Lincolnshire proposes 2 additional corridors linking to the A47 and A1 route strategies:

- **'Green Route'** - A16 from Boston (and the Port) to Peterborough A47/A16 junction at Norwood/ Eye and onward to the A1
- **'Red Route'** - A17 from Kings Lynn A47 to Bicker (A52/A17 junction) and beyond to the A1/A46 junction at Newark

Given the volumes of commercial freight and passenger use, both routes should be considered for dualling and/or re-trunking to address the current limitations and to facilitate economic growth.

'The food sector is fast paced due to the short shelf life of the Products transported, requiring transportation from source to destination within a minimum of 24 hours.

Reliable transport routes and efficiency from Spalding to the main Motorway network are essential in being able to provide and maintain this Service.'

Will Langham, Operations Director, Fowler Welch

The Benefits

Upgrading the A16 and A17 are essential to the competitiveness of South East Lincolnshire to generate economic growth and well paid employment opportunities.

Investing in this infrastructure, through linking it to the trunk road network more effectively, considering the case for re-trunking these routes, upgrading these routes to dual carriageway and improving junctions would have a wide range of clear benefits, including:

- **Economic growth** - the South East Lincolnshire agrifood sector is seeing a wave of investment as the demand for UK sourced or processed food rises. Road infrastructure capacity has to expand to meet this demand, which is driven by new trading relationships post Brexit and new supply chain configurations post Covid. Without economic growth the area cannot meet the community's or the governments aspirations for levelling up.
- **Environmental** - the current road network suffers from significant congestion, which leads to higher emissions. Improved road capacity e.g. through dualling and free flowing junctions would help address this.
- **Safety** - by addressing the inherent challenges in the A16 and A17 single carriageway roads carrying local traffic, a high concentration of slow moving farm vehicles and over 1million commercial vehicle movements a year. Dualling would reduce congestion and lead to safe overtaking, with benefits economically, socially and environmentally.
- **Levelling Up** - by helping to address the structural weaknesses in the South East Lincolnshire economy, by focusing on building on the area's UK leading food cluster to create higher value, higher skilled, better paid jobs. Road improvements help this by enabling sector growth and competitiveness to be delivered.

'The A16 / A17 are vitally important major routes for our food haulage industry and supply chain, where every second counts if they are to remain competitive and to enable them to keep to the tight schedules demanded by supermarkets.'

The A16 links to Peterborough and the A1 and the A17 to the A47 and the ports to the East of the Country as well as the East Midlands. Both these major routes need urgent action, as over 1,200 HGV's leave Spalding every day and with over 30% of the nation's food passing through South Holland, investment in these two major roads has never been more important.'

Nick Worth, Deputy Leader South Holland

Contacts

South East Lincolnshire is keen to engage with Highways England on these proposals as the Vision for Route Strategies is developed. To discuss this proposal or for further details please contact: Michelle Sacks, Deputy Chief Executive Growth, South & East Lincolnshire Councils Partnership, Michelle.Sacks@boston.gov.uk