

# Chancellor Backs £9 Billion Lower Thames Crossing Project, Exploring Private Financing

January 30, 2025



**Chancellor Rachel Reeves has expressed her support for the proposed £9 billion Lower Thames Crossing (LTC), a 14.3-mile road project designed to alleviate congestion at the Dartford Crossing between Kent and Essex. Reeves confirmed the project's importance and indicated that the Treasury is actively exploring options for private financing to deliver the much-needed infrastructure improvement.**

The Lower Thames Crossing, a planned motorway-style road, would connect the A2 and M2 in Kent to the A13 and M25 in Essex, featuring a 2.6-mile tunnel under the Thames – which would be the UK's longest road tunnel. National Highways, the project's proponent, states that the scheme would nearly double road capacity across the Thames east of London, calling it their "most ambitious scheme in 35 years." They aim to begin construction in 2026 with the road opening scheduled for 2032.

In a recent speech on economic growth in Oxfordshire, Chancellor Reeves emphasized the government's commitment to working with the private sector to deliver essential infrastructure projects. "This includes the Lower Thames Crossing, which will improve connectivity at Dover, Felixstowe and Harwich, alleviating severe congestion, as goods destined to export come from the North and the Midlands and across the country to markets overseas," Reeves stated. "To drive growth and deliver value for money for taxpayers, we are exploring options to privately finance this important project."

The announcement has been met with mixed reactions. Steve Gooding, director of the RAC Foundation, acknowledged the need for the crossing and noted that private financing, given the anticipated tolling, was unsurprising. Richard Smith, managing director of the Road Haulage Association, hailed the decision as a "major victory" for the haulage sector, anticipating a boost to the economy. However, Thurrock Council in

Essex has consistently opposed the project, citing negative impacts, while groups like Friends of the Earth have raised environmental concerns. Transport Action Network criticized the private financing approach, arguing that it would lead to increased tolls and fail to address fundamental flaws related to traffic generation and emissions. A final decision on the project from Transport Secretary Heidi Alexander is expected by May 23rd.