



Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
Westminster
London SW1A 2HQ

31 October 2025

Dear Chancellor of the Exchequer,

Budget 2025 submission: scrap the Lower Thames Crossing to save taxpayers' money, invest in sustainable transport and help deliver the Plan for Change

Transport Action Network (TAN) delayed making this submission for your 2025 Budget in the expectation that two events scheduled for the past week would unfold as we anticipated.

The first of these was the catastrophic outcome for Welsh and UK Labour in the Caerphilly by-election for the Senedd held last Thursday, 23 October. Labour suffered its worst electoral result in the area for more than a century and plummeted to third place with just 11% of the poll. We believe this outcome shows that the UK Government has squandered the goodwill of many of even its most loyal voters in the fifteen months since last year's General Election.

The second event was the decisive election on 25 October by individual and affiliated members of the Rt Hon Lucy Powell MP as Deputy Leader of the Labour Party. In her acceptance speech, Ms Powell asserted that the UK Government needs to present to voters a clearer idea of whose side it is on and the values and beliefs which underpin its policies.

Both these events demonstrate the importance for the UK Government in reconnecting Labour with voters and it is in this context that TAN, therefore, invites you to consider scrapping the Lower Thames Crossing (LTC). Not only will it provide little or no meaningful relief to the Dartford Crossings but it will do nothing to help a quarter of a million households without access to a car in Kent and Essex. This could drive this spurned electorate into the arms of Reform or the Greens.

Contrary to Labour's Missions

TAN has been sounding the alarm about this completely new, six-lane 'smart' motorway in the far South East of England since the Conservatives were in power. Contrary to the propaganda berating 'blockers' for holding up major infrastructure projects, the LTC's planning application was never subject to a single judicial review. We always took the view that the project was so weak from any economic (value for money), transport policy, environmental or social perspective that it would eventually be brought down by its own absurdities.

Subservience to vested interests

The vested interests which lobbied so hard for it not only included the usual plethora of shady lobby organisations (many with Conservative roots) and trade associations, but also National Highways itself. This is the promoter of the LTC, a government company which operates as its own freelance lobbying campaign with apparently little proper scrutiny by the Department for Transport, HM Treasury, or Parliament.

Recent examples of unregulated activity by National Highways include the employment of a senior Labour member of the House of Lords as a supposed 'skills adviser' to act as a lobbyist for the LTC in the highest levels of government, along with a grotesquely lavish exhibition stand promoting its new motorway at the recent Highways UK conference in Birmingham. National Highways also spends precious taxpayers' funds greenwashing the LTC and its other projects.

Unaffordable even with private finance

Although your administration granted planning consent in March, it has since been struggling to justify the £16 billion of public funds needed to build the LTC and associated roads. You have, therefore, been forced to embark on a quest for private finance which by our calculations will still require at least £6 billion of public money and lead to higher tolls for working people and businesses using the existing Dartford crossings. Tolls have already been increased by 40% this year in readiness, to the consternation of businesses and residents and with potential electoral consequences next May.

Labour supporters we meet are astonished when they hear about the cost of the LTC for so few benefits, especially when you are saying growth is paramount. Thurrock's (Labour) Council calculated that it would divert just 4% of traffic from the overloaded Dartford crossings while induced demand would bring congestion back to current levels in only five years. It would also take 7 years to build, with all the construction chaos that will ensue, for no perceivable electoral gain for Labour.

Even under figures carefully massaged by National Highways, the LTC's Benefit Cost Ratio (BCR) is just 0.48, i.e. returning just 48p in benefits to the nation for every pound expended. Including alleged 'wider economic benefits' lifts the BCR to just 1.22 - far below many of the rail schemes paused or cancelled in your recent Spending Review. The LTC's cost per mile is projected to be higher than the disastrously overspent and mismanaged HS2, even before a single shovel has turned. Additional costs to the NHS and emergency services will be incurred far into the future, while left behind communities become ever more frustrated. The extra traffic due to the LTC will increase journey times on the M25, A2/M2, A13 and more widely, undermining growth.

The LTC is a source of increasing anger in the nations and regions which sent many Labour MPs to Westminster last year. A Labour Together report published in April highlighted the folly of pouring ever more public infrastructure investment into the South East while the rest of England misses out. Proving this point, the LTC has already had £840 million allocated to it by your Government - with nothing built - yet this money could have been allocated to other projects delivering far more benefits and sooner.

Sustainable alternatives

The South East of England of course has legitimate transport needs. In our 'Essex-Kent Superlinks' report¹ launched jointly with train drivers' trades union ASLEF, we showed how LTC cancellation could unlock cheaper and smarter public transport solutions to Dartford's traffic as well as transforming rail freight access to and from the Channel Tunnel. These are areas crying out for investment.

Low levels of car ownership in South Essex and North Kent mean that the LTC is irrelevant to many people living alongside the Thames Estuary. If public transport solutions existed they could seek new and better employment opportunities, powering economic growth in the area. The LTC is thus fundamentally contradictory to Labour's 'Opportunity' Mission and the growth aspirations of the Plan for Change. It is also undermining the decarbonisation and safer streets missions while piling more pressure on the NHS.

More infrastructure investment across the nations and regions

Savings from cancelling the LTC would be so large that, even after investing in public transport for the Thames Estuary, the Government would have money left over for other parts of the UK where Labour desperately needs to rebuild trust in politics. Investing just some of the money on curing the

¹ <https://transportactionnetwork.org.uk/essex-kent-superlinks-report/>

plague of potholes would bring seven times more economic benefits throughout England than if it were spent on the LTC. Polling shows that road users are far more concerned about maintenance and safety than building new highways.

Many of the rail schemes paused and cancelled in your Spending Review - such as Midland Main Line Electrification, Dawlish resilience and Ely and Haughley Junctions - could also be progressed. These would generate substantial direct employment in the supply chain as well as wider economic benefits. The Ely scheme, for example, has a BCR of 4.89 - many times that of the LTC - and would improve rail access to ports in the east, taking lorries off the roads and easing congestion, while turbocharging the economy.

Economic growth lost

By further encouraging road haulage over rail freight which is suited to a long distance (and international) transport corridor like this, the Government is actively undermining the UK's rail freight businesses. (A similar thing is happening on the A66). These, if given a level playing field would be able to deliver the modal shift required to provide lasting, rather than temporary, relief to Dartford.

This would boost the economy while reducing long term costs, such as road wear and pollution and NHS and emergency services costs. If the money were invested differently, such as in a public transport solution - there is no high capacity local public transport crossing anywhere near Dartford - outcomes cheaper than the LTC would result, generating far more growth and opportunity.

Not only is new public transport infrastructure urgently needed but it needs to come with more affordable fares funded by 'unfreezing' fuel duty which disproportionately benefits the wealthy.

Damages the Net Zero Mission

Since becoming Chancellor of the Exchequer, you and most of your ministerial colleagues have sadly shown a declining regard for Labour's goals on social inclusion, carbon reduction and nature restoration espoused in the run-up to the General Election. Your administration appears completely wedded to disregarding the carbon consequences of airport expansions and for many other environmentally damaging trunk road schemes. It is relying on questionable technical fixes such as sustainable fuel, when we have seen how well that has played out with Drax. Unfortunately, the recent Carbon Budget and Growth Delivery Plan fails to adequately address these issues.

The Government also seems blind to the obvious needs of those who require most help to play a more productive role in society. This may in part explain the collapse of your party's support amongst younger people and the rise in popularity of the Green Party.

Nevertheless, you might go some way to restoring Labour's environmental and social credibility by avoiding, through cancellation of the LTC, the 6.6 million tonnes of CO2 projected to be emitted in its construction and operation, along with a vast swathe of damage to nature across Kent and Essex. Also by investing in solutions that help everyone, rather than just the better off.

There is a better choice for Labour

We share the commonly held view that your Budget on 26 November will determine the course of the UK for the remainder of the present Parliament and probably have a major impact on the outcome of the next General Election. We do hope you will recognise the significance of recent political events and seriously consider our suggestion to cancel the LTC in response to them.

We are of course available to provide further information or briefing.

Yours sincerely,

Chris Todd
Founder & Director