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Transport
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ME14 1XQ

Your Reference:
TR010032

Interested Party
Reference Number:
20035779

Date: 13th March 2025

Dear Sir/Madam,

Planning Act 2008 and the Infrastructure Planning (Examination Procedure) Rules 2010

Application by National Highways (“the Applicant”) Seeking Development Consent for the Proposed Lower Thames Crossing Scheme

Request for comments from All Interested Parties on the Applicant’s Response

This letter is Kent County Council’s (KCC) response to the Secretary of State’s tenth [consultation letter](#) (issued on 28th February 2025) and provides comments on National Highways’ updated documentation (dated 27th February 2025) following the Secretary of State’s [ninth letter](#) (dated 5th February 2025).

KCC has long supported the Lower Thames Crossing (LTC) proposals, and so the announcement made by the Chancellor of the Exchequer in her speech on 29th January 2025 is welcomed by the County Council.

In the Chancellor’s speech, she stated “We will work with the private sector to deliver the infrastructure that our country desperately needs. This includes the Lower Thames Crossing, which will improve connectivity at the Port of Tilbury and Dover, London Gateway and Medway, alleviating severe congestion, as goods destined for export come from the North, and the Midlands and across the country to markets overseas.”

It is positive the new Labour government recognises the potential of the LTC to unlock significant economic growth both regionally and nationally. However, it is clear that the need for a new crossing of the Thames is now more urgent than ever and KCC hopes that funding for this Nationally Significant Infrastructure Project, whether that be sourced be publicly or privately, can be secured quickly so as not to delay the start of the project.

As outlined within both the Chancellor's speech and KCC's Local Impact Report (REP1-241), the LTC provides the first part of a new strategic route from the Midlands and the North to the Channel portals. This supports KCC's long-term aim of bifurcation, or splitting, of traffic to/from the Channel portals along the M20/A20 and M2/A2 corridors, releasing capacity and relieving pressure on the M20, especially in times of disruption to cross-Channel services.

However, for the LTC to achieve its full potential, the entire A2/M2 must be improved, this includes delivery of National Highways' Road Investment Strategy (RIS) pipeline projects – the A2 Brenley Corner (M2 Junction 7) and A2 Dover Access (Lydden to Dover), which are both currently uncommitted schemes. Most importantly though, is the A229 Blue Bell Hill, which will play a crucial role in supporting the success of the LTC by providing a key connection between the M2 and M20 motorway corridors.

A229 Blue Bell Hill

Currently KCC is in the process of developing an improvement scheme for the A229 Blue Bell Hill. The scheme aims to not only address future growth in the area but also mitigate the additional traffic as a result of the LTC. Funding for the scheme is being sought through the Department for Transport's (DfT) Large Local Major (LLM) programme; however, currently it is unfunded and has a local funding gap, meaning delivery is uncertain.

If successful through the LLM programme then 85% of the £250 million scheme cost could be secured, with a 15% (approximately £38 million) local contribution still needed. As a result, KCC has been discussing potential contributions from local developers, but the timings of future developments in the area are not proposed to come forward by the trigger points in which funding would be needed to deliver the scheme (2029).

In addition, the impact from each development is considered to be small but the cumulative impact is significant (even without the additional traffic from the LTC). Unfortunately the current planning process is not set up to support delivery of schemes of this size and scale, nor is KCC or other local planning authorities in a position to forward fund the match funding element that is required as part of the LLM programme. As a result, more support is needed from central government to ensure this vital scheme can go ahead.

As part of the previous Conservative Government's Network North announcement, the DfT had said that it would increase its contribution to 'most' LLM and Major Road Network (MRN) schemes from 85% to 100%. The A229 Blue Bell Hill Improvement scheme is intrinsically linked to the success of the LTC and therefore needs to be viewed as an extraordinary scheme in the DfT's LLM programme. In light of this, KCC would be grateful if the Secretary of State could consider providing 100% funding for this essential scheme.

Comments on the Applicant's updated documentation

The County Council has reviewed National Highways' updated documentation (published on 28th February 2025), which includes the following:

- 4.3 Updated Funding Statement
- 7.6 Updated Road User Charging Statement
- 11.12 Additional information relating to funding
- 3.1 Draft Development Consent Order

Whilst KCC has no preference over the funding model used to deliver the LTC, we do insist that the Government ensures that this strategically important project experiences no further delay. We do however, have the following comments on the funding models and the Road User Charging mechanism.

Should the Government decide to pursue the option of a Regulated Private Entity model, under which a private sector body finances, builds and operates the LTC, then KCC supports the Applicant's proposal for an economic regulatory regime. This would ensure an independent regulator sets an allowed revenue for the Regulated Private Entity to cover its operating and financing costs. As the Regulated Private Entity would receive Road User Charges from both the LTC and the existing Dartford Crossing, it is imperative that the cost of these charges are kept reasonable to promote both economic growth and fairness for road users. For the LTC to achieve its objectives, it is important the Regulated Private Entity does not set the Road User Charge so high that it stifles growth.

However, there is also a need for flexibility in the charging regime and we are concerned that the proposal appears to rule out the government retaining capability to set differential charges at the Dartford Crossing and LTC. This removes its primary mechanism for ensuring the benefits are realised based on the reassignment of flows of traffic. For example, if there is congestion at one crossing, the charges could be lowered at the other crossing to encourage different route choices and enable more efficient use of the network. There must also be a residents discount scheme at both crossings similar to what already exists at the Dartford Crossing. To enable this, the charging regimes for the existing Dartford Crossing and the new LTC must be linked; however, the power to set charges should remain with the Secretary of State and not the private entity that finances the new crossing. The independent regulator should still have oversight to ensure that the charging regime is not excessive and only covers its costs, and also incorporates the incentive element of the charge to facilitate demand management.

We also question why the Regulated Private Entity model is in perpetuity, especially given the Design, Build, Finance Operate and Maintain (DBFOM) proposal concerning only the roads and not the tunnels is assumed to be a standard 25-30 year arrangement. Why would it not follow a similar length of concession. There needs to be full transparency of the payment mechanisms and regulatory regime for public infrastructure.



In regards to the alternative Public Tunnel and DBFOM Roads model, we query why this option has not been modelled on the basis of availability payments rather than the sole assumption that it is funded by the Road User Charge.

There may be a benefit to government retaining control of the Road User Charge income on the basis that if delivery of the LTC unlocks a significant suppressed demand and income is high (and higher than the cost of LTC availability payments), the government will be in a position to invest the funds into the road network which could support recovery of other expenditure such as the LLM A229 Blue Bell Hill Improvement scheme. If the Regulated Private Entity model is also applied to other large infrastructure projects and so will save the government money on delivery other RIS schemes, then there is the opportunity for government to use these savings fund other local authority major schemes (e.g. Blue Bell Hill) as private finance opportunities for such projects do not exist for councils.

It is imperative that the A229 Blue Bell Hill Improvement Scheme is delivered in advance of the LTC so that the LTC's benefits can be realised and also so that the two schemes are not delivered at the same time, which would cause massive disruption from works on parts of the network along the same strategic route.

There are clearly significant upfront costs associated with the Regulated Private Entity approach, as it states in the Applicant's revised documentation, of between £200m to £350m depending on the model. That does suggest contractual set up and breaking on existing contracts will take time, and whilst delay to the project is not acceptable, if the Regulated Private Entity model ensures that the new LTC is delivered, then it is worthwhile.

Summary

In summary, KCC has long supported the need for a new Lower Thames Crossing. We hope that funding for the Project is secured, whether that be publicly or privately, and that Development Consent Order (DCO) is granted. However, it is imperative that the Secretary of State and Department for Transport (DfT) recognise the role in which the A229 Blue Bell Hill will play in supporting the overall success of the LTC. As a result, KCC asks for full support of the County Council's application to the DfT's Large Local Major (LLM) programme, and for the Secretary of State to consider the possibility of 100% funding for the A229 Blue Bell Hill Improvement scheme.

Yours faithfully,

Simon Jones

Corporate Director – Growth, Environment and Transport
Kent County Council