

From: Paul King, Cabinet Member for Economic Development & Coastal Regeneration

Simon Jones, Corporate Director of Growth, Environment and Transport

To: Growth, Economic Development & Communities Cabinet Committee- 11 September 2025

Subject: The Economic Benefits of the Lower Thames Crossing

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of Report: None

Electoral Division: All KCC electoral divisions

Summary: This report provides an overview of some of the anticipated economic benefits that will result from the Lower Thames Crossing.

Recommendation: The Cabinet Committee is asked to consider the report and make comments to the Cabinet Member for Economic Development and Coastal Regeneration.

1. Background:

- 1.1 The [Lower Thames Crossing \(LTC\)](#) is a Nationally Significant Infrastructure Project (NSIP) being delivered by National Highways. The scheme's Development Consent Order (DCO) was given approval by the Secretary of State for Transport on 25 March 2025. The LTC will provide an entirely new road crossing of the River Thames east of London, linking the M25 in Havering, the A13 in Thurrock and the A2 in Kent (east of Gravesend). The proposal includes 14.3 miles of new road and around 50 new bridges and viaducts. The crossing beneath the River Thames will comprise of two 2.6-mile tunnels making it the longest road tunnel in the UK.
 - 1.2 Currently the Dartford Crossing is the only way to cross the Thames east of London by road. This was designed to handle 135,000 vehicles a day, but the daily average now is 150,000 – with the busiest days seeing up to 180,000 vehicles using it. Almost 40% of the vehicles using the Dartford Crossing each day are freight vehicles or Heavy Goods Vehicles (HGVs) some 10,000 of which pass through Kent to and from the Channel ports each day. The LTC will alleviate capacity constraints at Dartford while adding resilience to the strategic road network in and around Kent, albeit when combined with other required improvements to the A2/M2 and A20/M20 corridors and connecting roads.
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- 1.3 The total estimated cost of the project is expected to be around £10 billion. On the 16th June 2025 the UK Government announced £590 million to allow National Highways and their appointed contractors to progress with the detailed design and undertake pre-construction work. The UK Government is currently exploring different financing models to fund the remaining construction costs, and this includes opportunities for private sector investment.
- 1.4 At the earliest, construction of the Lower Thames Crossing could start in 2026 and last a total of six years. As it stands the project is anticipated to have an opening year of 2032/2033. However, these timescales could change depending upon the final funding model.
- 1.5 Increased crossing capacity and greater journey time reliability will mean that residents and businesses in Kent will have a much greater range of opportunities for work, education and leisure. The LTC will unlock growth opportunities that are currently suppressed by the unreliability of the Dartford Crossing, which has constrained productivity in the Lower Thames area.
- 1.6 Various KCC teams are working closely with the LTC team including the Economy function to ensure that the scheme benefits the county as much as possible given its unique scale and the opportunities this represents.
- 1.7 This paper focuses on the economic benefits that the LTC will bring about as a new strategic trade route between the ports of the south-east, the midlands and the north. The LTC has the potential to create jobs, upskill local people and open up new opportunities for businesses.

2. Boosting the Kent & Medway Economy:

- 2.1 In expressing support for the scheme as an interested party during the planning application stage, private sector representatives of the Kent & Medway Economic Partnership (KMEP) and the Kent & Medway Business Advisory Board emphasised that the LTC had the potential to:
- **Increase productivity** within local businesses reducing business travel time in and around Kent and related lost working hours.
 - **Open up new business markets** for local firms due to reduced and more reliable travel times to customers and locations in surrounding areas.
 - **Increase the workforce pool and decrease vacancy rates** by reducing a the significant barrier to recruitment of unreliable commuting journeys.
 - **Unlock growth potential** in North Kent by making the area more attractive to inward investment and expansion opportunities for existing firms.
 - **Unlock housing growth** which will support the construction sector and its local supply chains.
- 2.2 Once the LTC is in place, and assuming that wider infrastructure improvements are also made across Kent's strategic road network, local businesses will ultimately benefit from reduced congestion, a reliable new route with vastly improved journey times and enhanced connectivity to and from the East of England, Midlands and the North.
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3. Inward Investment & Business Expansions:

3.1 The LTC has the potential enhance Kent's ability to attract inward investment. As detailed below, the scheme has been assessed as having likely potential of increasing Foreign Direct Investment. Given the focus, efforts and status of the Thames Estuary within which the scheme lies, local Kent businesses operating would be likely beneficiaries of new foreign investment, helping to grow existing businesses and create new markets for the establishment of new businesses.

3.2 The LTC's [Economic Appraisal Package](#) explains that:

- *“Reviews of other estuarial road crossings confirm that the presence of an estuary often leads to additional sources of market failure, as a result of congestion”. The LTC will help to overcome these challenges and enable “road-using sectors ... to benefit from the Project’s provision of a step change in cross-river accessibility.”*
- *Businesses in the clusters shown in table 1.1 below “will gain opportunities for beneficial relocations and business reorganisations and changes in travel to work patterns. Changes in location and in the intensity of land use are expected to take place to reduce costs, expand output and improve competitiveness, all of which yield productivity and labour supply benefits.”*
- *“Other businesses may relocate from places closer to London, where rising site values continue to change the optimum location for land-intensive activities. The Local North [Essex] and Local South [Kent] areas are places that would be attractive to businesses that are displaced due to factors in the land market.”*
- *“The Project is likely to result in cluster growth and greater diversification of the Local North and Local South economies as businesses relocate from south to north and vice versa across the river and change their land intensity.”* There are, therefore, risks that businesses may locate away from Kent to Essex but the reverse is also true.

Table 1.1 Business clusters in the Lower Thames area

Cluster type	Cluster name	Area
Key clusters	Transport, logistics and storage	Thurrock and Dartford
	Construction	Lower Thames area
	Business support services	Lower Thames area
	Agri-food	Kent and Essex
Emerging clusters	Creative industries	Thames Estuary
	Maintenance and sale of motor vehicles	Lower Thames area
	Robotics and advanced manufacturing	Lower Thames area
	Ceramics	Lower Thames area
	Financial and insurance services	Brentwood and Havering

- 3.3 The LTC scheme will result in significant investment being made in new infrastructure through the construction process which will benefit the local supply chain. The LTC is expected to have a multiplier effect with improved business confidence and subsequent investment making North Kent a more attractive place to do business.
- 3.4 As the project progresses, existing strategic partners of KCC will be well placed to support inward investment activity in and around Dartford and Gravesham, as well as Medway, in particular with a focus on developing existing sectors and emerging clusters.

4. Skills and Employment Opportunities:

- 4.1 During the construction phase, the LTC aims to recruit almost half its workforce locally (within 20 miles of the crossing in Kent and Essex), creating hundreds of opportunities for workers to get new qualifications, including apprenticeships and to secure skilled roles on the project.
 - 4.2 A further 22,000 people on both sides of the estuary could be supported through the LTC supply chain. The project intends to source at least 20% of the workforce from the closest boroughs (Gravesham, Medway, Thurrock, Havering and Brentwood). At the project's peak, the LTC itself will directly employ around 3,000 people in a wide variety of roles.
 - 4.3 The project will also support the development of green skills across the region. This will involve training people and encouraging the supply chain to make use of sustainable materials and apply new and emerging sustainable construction techniques to deliver the environmental aspirations of the scheme. The LTC project will ultimately support the creation of a workforce that is able to understand how to maintain key infrastructure in a way that does not harm the local natural environment.
 - 4.4 When the LTC opens to traffic, the improved transport access will mean that a significant number of jobs and employment opportunities will suddenly be in reach of the local populations on both sides of the river. This will give local residents greater opportunity to build rewarding careers close to their homes and provide local employers with a much bigger pool from which to fill vacancies and tackle skills gaps.
 - 4.5 The LTC will deliver Skills Hubs in both Gravesham and Thurrock so those residents most impacted by the project can readily access training. The Skills Hubs will help to address local skills shortages which would otherwise affect the delivery of the Lower Thames Crossing. This will clearly benefit the wider construction industry locally too. Participants in skills programmes will be guaranteed a job interview with some of the companies in the current LTC supply chain (50+ companies). A temporary skills hub will be set up in Gravesend in the Autumn 2025 with a permanent facility to follow next year.
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- 4.6 KCC's Economy Team is working closely with the LTC to deliver a number of construction courses as part of the Kent Skills Bootcamps programme funded by the Department for Education. As the LTC moves into the construction phase, there is significant scope to use the Skills Bootcamps programme to train local people and secure job interviews with companies working on the scheme.
- 4.7 The Skills Hubs will focus on a number of priority groups including people who are unemployed, prison leavers, NEETs (those not in education, employment or training), military leavers, adult learners, homeless (or those at risk), women returners, care leavers and those with special educational needs. This provides an additional opportunity for KCC to make links to the new [Connect to Work](#) supported employment programme led by KCC's Economy team.
- 4.8 The LTC team is also committed to collaborative working between Local Authorities, local education providers and the supply chain to deliver a lasting skills legacy in Kent & Essex. This presents a significant opportunity to address some of the challenges set out in the recent 'Get Kent & Medway Working Plan'.

5. Supply Chain Opportunities:

- 5.1 National Highways is aiming to put local businesses including small and medium sized enterprises (SMEs) at the heart of the Lower Thames Crossing supply chain. It aims to spend at least £1 in every £3 of the construction budget with SMEs. An example is Syntech Biofuel, a Kent based renewable energy company that is providing biofuel to replace diesel for LTC's work at Hole Farm.
- 5.2 The LTC team is committed to organising free events and workshops with the 'Supply Chain Sustainability School' to ensure that local firms are well placed to bid for contract work. KCC and its partners have the opportunity to promote further engagement in these and other sessions to local businesses.
- 5.3 Over 5,000 businesses, including 1,200 from Kent, 1,100 from Essex and others from further afield have signed up to the Lower Thames Crossing Supply Chain Directory which have been shared with the scheme's three main delivery partners (BMJV, Balfour Beatty - roads north of the Thames, and Skanska – roads in Kent). Further work is required now the project is going ahead, to encourage further Kent companies to seek supply chain opportunities.
- 5.4 KCC and its local partners, should continue to work with the LTC to promote supply chain opportunities to local businesses to ensure maximum benefits for these firms.

6. Visitor Economy:

- 6.1 Although not a driver for the LTC project, Kent's Visitor Economy also stands to benefit once the LTC is operational. Visitor markets from neighbouring counties and boroughs would become much more accessible given shorter and more reliable journey times. Towns such as Gravesend and sites /
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attractions such as Bluewater and Cyclopark will immediately benefit from larger visitor catchment areas.

- 6.2 There will be opportunities for Kent strategic partners, working with local attractions and locations to promote new itineraries and the visitor economy offer to markets in neighbouring areas (Essex, Thurrock, Southend etc.)

7. Conclusions

- 7.1 The LTC is a significant infrastructure project which will provide many 'once in a lifetime' opportunities for local businesses and residents while contributing to a more productive local economy on both sides of the Thames Estuary. KCC and its partners are well-placed to promote opportunities for employment, supply chain access and inward investment in Kent to boost the local economy over the coming years.

8. Recommendations

- 8.1 The Cabinet Committee is asked to consider the report and make comments to the Cabinet Member for Economic Development and Coastal Regeneration.

Contact details:

Report Author: Steve Samson Job title: Head of Economy Telephone number: 03000 417167 Email address: steve.samson@kent.gov.uk	Director: Stephanie Holt-Castle Job title: Director of Growth & Communities Telephone number: 03000 412064 Email address: stephanie.holt-castle@kent.gov.uk
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