

From: [REDACTED]
To: [Manston Airport](#)
Subject: Funding
Date: 07 June 2019 08:29:37

Dear sir/madam,

I have now written to you several times with questions about the funding of this project and, more recently, the legitimacy of your requests to know about the ultimate source of any funding. You have not been prepared to reply to any of the questions I have asked. During this week's examination RSP's position was made very clear. They told you that they would not tell you who was funding this project. The identities of the investors are to remain hidden by routing the money through an offshore company in the British Virgin Islands. We are told that this arrangement has been sanctioned by HMRC. The ultimate investors could be Chinese, Russian, South American etc.; nobody knows.

During this week's examination RSP told you that they would not reveal the identities of the investors who have paid for the work they have done on this project to date. They challenged your right to ask for this information. Do you now accept that you will never be told who is backing this project and that you have no right to know who is underwriting a project which has been billed as a Nationally Significant Infrastructure Project? Would you agree that, if you do accept this, you are implicitly accepting that the source of funds being brought into the UK to fund a project authorised by the Secretary of State is not a matter of public interest and need not be transparent?

During this week's examination RSP were persuaded that they ought to comply with your previous requests to produce up to date accounts for Riveroak Operations Limited, the vehicle they are using to channel funds from the offshore company to this project.

Accounts have now been published for the year to August 2018. However, these accounts seem to show that this company owes large amounts of money to creditors. Presumably, these creditors are the offshore company which has been funding this project? Riveroak Operations Limited appears to be wholly reliant on the offshore company to lend them money, to continue lending them money and to lend them money to pay the interest on the loans they have already incurred. It seems to me that Riveroak Operations Limited is just a front company and would collapse tomorrow if the offshore investors withdrew their support. I appreciate that there is some kind of Joint Venture Agreement but, if the funding dried up I fail to see how the project could continue. Is it acceptable for the Secretary of State to be asked to authorise a project which has been advanced by a front company underwritten by anonymous foreign investors?

You will be aware that, prior to applying for a Development Consent Order, Riveroak had been involved in negotiations with Thanet District Council to persuade the council to compulsorily purchase the site. When the Labour party was running the council they were highly supportive of the campaign to reopen the airport. Ultimately, however, they were unable to progress the implementation of a CPO because Riveroak weren't prepared to lodge an appropriate sum of money in an escrow account to ensure the council was not left out of pocket. The council was then taken over by a UKIP administration which had been elected on a platform of reopening the airport. They too were unable to reach an agreement to compulsorily purchase the site on behalf of Riveroak. Once again, the sticking point was the inability/unwillingness of Riveroak to lodge money in an escrow account. The Conservatives then took over running the council. Nobody has been able to satisfactorily explain why they did not compulsorily purchase the site on behalf of Riveroak, particularly when they claim to be wholly behind the project. It seems to me that the council was acting sensibly in assessing the risk to its finances and refusing to

engage with the CPO if appropriate sums of money were not ring-fenced for the purchase of the site. Is it sensible for the British government to engage in a DCO without insisting that the same safeguards are applied?

Whilst much of the examination, to date, has focused on questions posed to the applicant the Planning Inspectorate ought to make a statement to clarify exactly what they do and do not need to know in order to make a positive recommendation to the Secretary of State. Prior to acceptance the Planning Inspectorate had raised the issue of funding and had suggested that it needed to be resolved before the application was accepted. When the application was accepted without evidence for the funding the Planning Inspectorate said that this evidence would need to be provided early in the examination process. When evidence wasn't provided early in the examination process the Planning Inspectorate started a process of requesting information at each stage of the examination. As we approach the end of the examination stage it has become clear that the meaningful information requested has not and will not be provided. Why has the Planning Inspectorate been asking for information about funding if that information is not required for the application to proceed?

Kind Regards,

Mr. Peter Binding