OBJECTION

I would like to commend the Examining Authority on the process that it has run in relation to this application. You have sought to facilitate a thorough, fair and transparent process in very difficult circumstances.

This being said, it is apparent that the NSIP DCO Planning process is not designed (and therefore not fit-for-purpose) to adequately assess proposals from networks of offshore and onshore privately owned early-stage companies with no assets, no existing operations, and inadequate disclosure of investment.

The NSIP DCO Planning process is clearly intended for applicants that are either from the public sector (local councils, Highways England; Transport for London; Network Rail; Port of London) or are established, well-funded private operators with audited accounts that demonstrate sizable balance sheets (Heathrow Airport; London Luton Airport). See Appendix 1.1.

In view of this inherent weakness in the relevant legislation and given the weightier responsibilities on the Government where Articles under the European Convention for Human Rights are engaged¹ it seems inconceivable to the ordinary person that the NSIP DCO process is not adapted to take account of the significant risks of such an Applicant. Early-stage companies present a much higher risk profile for many reasons, including but not limited to resource contraints (financial and human). On balance a start-up is extremely unlikely to succeed in delivering a Nationally Strategic Infrastructure Programme.

I respectfully suggest to the Examining Authority that in spite of the excellence you have shown through this examination, that this Applicant has been assessed under relevant planning legislation and that this has resulted in vital questions going unasked. As a result, the Applicant now presents a significant risk to the Government if its application is approved.

The Applicant is struggling to afford the cost of the most minimal mitigation measures to address the impact of its scheme on Ramsgate, Herne Bay and the Villages. It is tens of millions of pounds short of offering a scheme that delivers parity with other UK Airport Operators currently expanding their operations.

To allow this application to proceed without adequate redress to the infringement of residents' human rights I believe leaves the UK Government exposed as not having done enough to protect residents against the economic interests of this Applicant.

The lack of sufficient due diligence goes to the heart of assessing viability of the Applicant's scheme and its claimed economic benefit. The UK Government is required by law to demonstrate proportionality in weighing the economic contribution of the scheme against the infringement of impacted residents' human rights. Due diligence is standard practice in the evaluation of viability, particularly when entering

¹ See Hatton & Others v The United Kingdom for evidence that Articles 8 & 13 of the European Convention for Human Rights are engaged in case of aircraft noise. Appendix 1.3 and [REP5-077]

into a transaction with an early-stage company. Due diligence protocols exist to provide a framework of good practice and to safeguard against omissions. It is regretful given the life-changing impacts of this application that relevant legislation failed to require due diligence to be undertaken with the use of a due diligence protocol. Appendix 1.2. The consequence is that this Applicant's management team and it's few known investors have not been adequately tested. This would ordinarily have a very significant bearing on the assessment of a start-up company's likely viability.

Whilst I commend this Examining Authority for your tireless attempts to work within the constraints of the relevant legislation, I feel I have no choice but to register a complaint against the NSIP DCO process as relates to Aviation; the relevant legislation has failed to take account of the high level of risk associated with a start-up aspiring to deliver a programme of Nationally Strategic significance and scale that will shatter peoples' right to respect for our private and family life, and our home². In such cases relevant legislation should require full and systematic due diligence to be undertaken.

A sample of due diligence *Investor* questions are included in Appendix 1.4. These questions were submitted to the ExA at Deadline 4 [REP4-086]. With four weeks to the end of this examination only Q1 has been asked under the relevant legislation.

Insufficient due diligence was at the heart of the Seaborne Freight scandal. Insufficient due diligence is at the heart of this nationally strategic infrastructure programme application. Seaborne Freight was an embarrassment to the British Government that inflicted humiliation at International scale, but was environmentally harmless. This scheme will irreversibly negatively impact over 40,000 inhabitants across Ramsgate, Herne Bay and the Villages.

We find ourselves with less than four weeks to the end of this examination and it is not without difficulty:

- Kent County Council has called the entire DCO process into question due to inadequacies in the Applicant's submissions and late filing of considerable volumes of technical information. See Appendix 1.5
- 2. The Ministry of Defence has made clear, "it is [...] difficult to see how the Planning Inspectorate will be able to confirm the application given the safeguarding concerns that the MoD has expressed." Appendix 1.6
- 3. Residents have questioned the validity of the Environmental Impact Assessments in view of the CAA Noise Contour maps submitted by Five10Twelve Ltd and No Night Flights, which prove the inadequacies of the Applicant's noise contour maps
- 4. Residents have questioned the sufficiency of the Noise Mitigation Plan when benchmarked against other expanding UK airports which offer compensation for noise mitigation starting at 57dB Leq16 (Appendix 1.7). The Applicant's current 63dB Leq16 threshold is constrained by affordability issues (Second ISH on CA when the Applicant's QC stated that "there is no more money")

² Article 8, European Convention on Human Rights

5. **Residents dispute the Noise Mitigation Plan** in view of CAA Noise Contours submitted by Five10Twelve Ltd and No Night Flights. Indeed, with four weeks remaining it is still unknown what the night noise impacts are likely to be.

175 (one hundred and seventy five) pages of Fourth Written Questions from the ExA with less than four weeks to the end of this Examination are surely also evidence of the extent to which this Applicant is high risk and has failed to provide clear answers and resolution to outstanding issues.

175 (one hundred and seventy five) pages of Fourth Written Questions from the ExA will pale into insignificance when compared with the volume of responses to Fourth Written Questions due on 28 June. It is inconceivable that this volume of information will not raise further material concerns and yet it will be impossible to analyse and respond properly, as Kent County Council and Stonehill Park have made clear.

In view of the considerable flaws of this Applicant it is difficult to see how this application could be accepted by the Secretary of State. However, in the event that it is I wish to register this complaint.

Up-front due diligence would almost certainly have confirmed the decision that resulted in a failed CPO attempt under Thanet District Council by this Applicant, and the conclusions of Kent County Council in regards to this application (see Appendix 1.8) and would have enabled the Examining Authority to bring this application to an early close. It would also have prevented the significant cost and wasted resources incurred by:

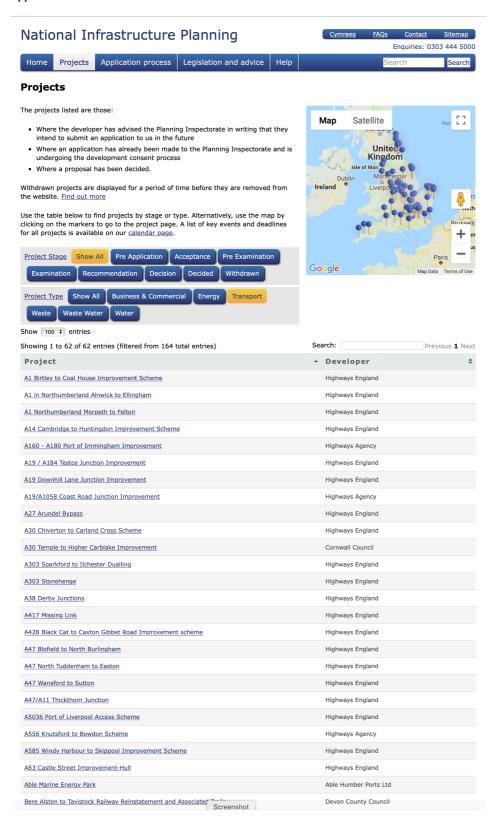
- Central government (MOD; Department for Transport)
- Local government (Kent County Council and Thanet District Council)
- Statutory bodies including (but not limited to) Natural England, Historic England, Public Health England, Highways England
- Non-statutory organisations (Met Office; Kent Wildlife Trust)
- Legal land owners and land rights holders including (but not limited to) Stonehill Park Limited;
 Network Rail; NATS; Nemo Link Ltd; Cogent Land; BT Group; RAF Manston Museum; Southern Gas
 Networks; Southern Water Services
- The many members of the public that have worked tirelessly, mostly through evenings and weekends and using personal holiday days (unpaid, in the case of the self-employed) to inform and attend this examination and who in the case of Five10Twelve Limited and No Night Flights have funded Civil Aviation Authority noise contour maps due to the lack of credibility of the Applicant's noise contour maps, which favour the Applicant in minimising its financial obligations to fund noise mitigation measures and compensation.

The role of this Applicant's directors in failures of previous incarnations of RSP / Manston Airport have not been tested through this Examination; no written questions have resulted from the many submissions including my Deadline 2 Submission [REP2-010] requesting the ExA to look closely at the Applicant's management team and history. Appendix 1.10. Individual Applicant directors held senior positions in prior Manston operations, that resulted in 'gargantuan' loss of private investor funds. Appendix 1.9

Were the relevant planning laws fit-for-purpose for assessing early-stage, small and medium enterprises aspiring to deliver a NSIP that involves compulsory purchase of land and infringement on residents' enjoyment of their homes, then the history and capability of this management team would have formed an integral part in assessing viability of the current application.

The Government has a responsibility to assure proportionality in this decision; how can this responsibility possibly be deemed upheld when essential due diligence on the applicant management team and investors has not been conducted?

Appendix 1.1



Daventry International Rail Freight Terminal	Rugby Radio Station Ltd Partnership & Prologis UK
East Midlands Gateway Rail Freight Interchange	Roxhill (Kegworth) Limited
East Midlands Intermodal Park	Goodman Real Estate (UK) Limited
Expansion of Heathrow Airport (Third Runway)	Heathrow Airport Limited
Expansion of London Luton Airport	London Luton Airport Limited
Great Yarmouth Third River Crossing	Norfolk County Council
Heathrow West	Heathrow West Limited
Heysham to M6 Link Road	Lancashire County Council
Hinckley National Rail Freight Interchange	DB Symmetry (Hinckley) Limited
Ipswich Rail Chord	Network Rail
Lake Lothing Third Crossing	Suffolk County Council
Lower Thames Crossing	Highways England
M1 Junction 10a Grade Separation - Luton	Luton Borough Council
M20 Junction 10A	Highways England
M25 junction 10/A3 Wisley interchange improvement	Highways England
M25 junction 28 improvements	Highways England
M3 Junction 9 Improvement	Highways England
M4 Junctions 3 to 12 Smart Motorway	Highways Agency (now Highways England)
M42 Junction 6 Improvement	Highways England
M54 to M6 Link Road	Highways England
Manston Airport	RiverOak Strategic Partners Ltd
Morpeth Northern Bypass	Northumberland County Council
North Doncaster Rail Chord (near Shaftholme)	Network Rail
Northampton Gateway Rail Freight Interchange	Roxhill Developments Limited
Norwich Northern Distributor Road (NDR)	Norfolk County Council
Portishead Branch Line - MetroWest Phase 1	North Somerset Council
Rail Central (Strategic Rail Freight Interchange)	Ashfield Land Management Limited and Gazeley GLP Northampton s.á.r.l.
Redditch Branch Enhancement Scheme	Network Rail
Silvertown Tunnel	Transport for London
Stafford Area Improvements - Norton Bridge Railway	Network Rail
Tilbury2	Port of Tilbury London Limited
Trans Pennine Upgrade Programme	Highways England
West Midlands Interchange	Four Ashes Limited
Western Rail Link to Heathrow	Network Rail Infrastructure Limited
Woodside Link Houghton Regis Bedfordshire	Central Bedfordshire Council
York Potash Harbour Facilities Order	York Potash Ltd

Appendix 1.2

ľ	Begin forwarded message:
	From: Manston Airport < ManstonAirport@planninginspectorate.gov.uk >
	Subject: RE: Procedural question
	Date: 11 March 2019 at 17:19:30 GMT
	To: Georgina Rooke
ľ	Cc: Manston Airport < ManstonAirport@pins.gsi.gov.uk >
ŀ	Dear Georgina Control of the Control
	Thank you for your email.
1	Relevant legislation does not place a requirement on the Planning Inspectorate to carry out due diligence in this way.
1	In respect of funding, paragraph 18 of government guidance related to procedures for the Compulsory Acquisition (CA) of land states that applicants should be able to demonstrate that adequate funding is likely to be available to enable the CA within the statutory period following the order being made and that the resource implications of a possible acquisition resulting from a blight notice have been taken account of. An application for a Development Consent Order that would authorise CA must be accompanied by a Funding Statement which should demonstrate that the above tests are met.
	As you will be aware the Examination of the application by RiverOak Strategic Partners is still live. The Examining Authority therefore remains in the proc of interrogating all of the evidence that has been, and will in future be, presented to it.
١	Kind regards
١	The Manston Airport Case Team
١.	Original Message
	From: Georgina Rooke -
	Sent: 28 February 2019 19:44
	Sent. 20 rebruary 2019 15.44 To: Manston Airport AmastonAirport@pins.qsi.qov.uk>
	10: Manston Airport « <u>Manston Airport expiris, gas, gov.uk</u> > Subject: Procedural question
	Subject: Procedural question
	Dear Sirs,
	Can you please confirm whether you are following a Due Diligence protocol (or checklist, or equivalent) for the UK and offshore companies involved in th
	project?
	If so could you please share a copy.
ì	Many thanks,
	Kind regards,
	Georgina Rooke
	This email has been scanned by the Symantec Email Security.cloud service.
	For more information please visit http://www.symanteccloud.com

Appendix 1.3

HATTON & OTHERS V THE UNITED KINGDOM

SEE JUDGEMENT CONTAINED IN MY DEADLINE 5 SUBMISSION: https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-003912-Georgina%20Rooke%20-%20Deadline%205%20Submission.pdf

Appendix 1.4

F1.4 – Please respond to the following questions for each investor (1-6)

- 1. Can the Applicant provide proof of Investor commitment and funds
- Can the Applicant provide Investor details to enable the ExA to determine whether as credit / financial
 institutions they would be subject to UK Money Laundering, Terrorist Financing and Transfer of Funds
 (Information on the Paver) Regulations 2017
- 3. If the answer to question F1.4.2 is 'no' then how does the Applicant propose the ExA assess the risk of money laundering, terrorist financing and transfer of funds (see associated UK regulations 2017) associated with this transaction?
- Is each investor subject to UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Paver) Regulations 2017?
- 5. What value (GBP) has each Investor committed to the Applicant and how has this commitment manifested itself (e.g. Lol?)
- 6. What security does each Investor require in return for its investment?
- 7. Is each investor listed on a regulated Market? If so which Market(s)?
- 8. What investment conditions has each investor stipulated?
- 9. What return on investment does each investor expect of this project?
- 10. What is the duration of each investment?
- 11. What is each investor's exit strategy and plan?
- 12. What is each investor's rights in the event of non-delivery of the project and the forecast revenue / profit projections?
- 13. What is each investor's funding release schedule?
- 14. How much investment remains to be secured by the Applicant?
- 15. Which legal entity(ies) will each investor invest in, and what will be the impact on the current Persons with Significant Control?
- 16. What level of governance does each investor require over the future operations of the business?

- 17. Are each of the investors aware and agreeable to the involvement, influence and control of the other investors committed to this application? What evidence is there to substantiate the Applicant's response to this question?
- 18. Can the applicant provide proof of Investor funds for this project specifically?
- 19. Can the applicant provide details and terms of existing loans to all of the RSP family of companies involved in the application, development and operation of this project

F1.7

- Can the Applicant provide detailed CVs and references for the individuals with extensive career experience in capital markets and infrastructure project finance in London and New York
- Can the Applicant provide contact details of existing clients for whom they have provided capital markets and
 infrastructure project finance services, and summary credential details of £300M+ initiatives for which they were
 directly responsible for raising the funding

Appendix 1.5

Kent County Council kent.gov.uk

Mr. Kelvin MacDonald National Infrastructure Temple Quay House 2 The Square Bristol BS1 6PN Environment, Planning and Enforcement

Invicta House County Hall Maidstone ME14 1XX

Phone: 03000 412818 Ask for: Sarah Platts Email: Sarah.Platts@kent.gov.uk

14 June 2019

BY EMAIL ONLY

Dear Mr. MacDonald

Re: Application by RiverOak Strategic Partners for an Order Granting
Development Consent for the upgrade and reopening of Manston Airport

- Deadline 8

KCC hereby provides comments relating to information received to Deadline 7 and further information requested from the ExA, as set out in its letter of action points arising from hearings held between 3 June and 7 June 2019.

Comments on responses to the ExA's Third Written Questions received at Deadline 7/7a

At this juncture of the Examination, KCC is very concerned with the lack of clarity in relation to traffic impact from the development proposals and the recent major changes to proposed highway mitigation. There is also significant disparity between highway mitigation proposals indicated within the applicant's response to the Third Written Questions and the draft section 106 agreement.

Following Issue Specific Hearing 7, there are numerous actions that are now due to be submitted by the applicant at Deadline 8. Given the apparent complexity of the required actions, this is likely to be submitted by the applicant in the form of several documents, modelling, drawings and technical notes, which KCC will wish to comment on in due course.

Given the current timetable for responses in relation to submissions due at Deadline 8, it is considered completely inappropriate to submit such a considerable amount of new technical information at this late stage of the Examination. It calls the entire DCO question into process, with the result that it imposes an unreasonable burden upon KCC to examine documentation submitted exceptionally late in the process and therefore compromises KCC's ability to consider submissions with necessary depth and rigor. KCC would also like to urge the applicant to prepare summaries of the documents submitted.

Appendix 1.6



RiverOak Strategic Partnership PO Box 3297 Bristol BS1 9LL Safeguarding Statutory

Defence Infrastructure Organisation Kingston Road Sutton Coldfield West Midlands B75 7RL

Tel: +44 (0)121 311 2259 Fax: +44 (0)121 311 2218

Email: DIO-safeguarding-statutory@mod.uk www.mod.uk/DIO

19 Jul 2017

Dear Sir/Madam,

Your Reference: Development Consent Order

Our Reference: 10040265

MOD Safeguarding Manston Airfield

Proposal: Manston Air freight terminal, one passenger carrier, aircraft recycling and engineering facility,

flight training school, fixed base operation and business facilities cargo buildings, aircraft stands,

internal access road and parking areas, museum

Location: Manston Airfield

Manston Road Manston Kent

England

Planning Reference: Development Consent Order

Thank you for consulting the Ministry of Defence (MOD) on the above proposed development which was received by this office on 30/05/2017.

The proposed application site occupies the designated safeguarding zone surrounding the Manston technical site. The development extends through a consultation zone in which the MOD must be consulted upon all forms of development due to the potential for new developments to obstruct or degrade the operation of the nearby MOD mast.

The safeguarded technical installation is a High Resolution Direction Finder (HRDF) air navigational aid. The HRDF is used to precisely locate transmissions from aircraft and supports the delivery of air traffic control functions. However, its key role is to precisely locate transmissions from emergency transponder beacons on aircraft (both military and civilian) or an military aircrew that have bailed out of their aircraft. In this role the HRDF mast serves as an integral part of a UK wide network (the UK Diversion and Distress Facility) which is used to locate aircraft or personnel and direct rescue services. Maintaining the operational effectiveness of this technical installation is therefore critical to maintaining the UK emergency response capabilities for the management of air safety incidents.

On reviewing the details provided it has been established that due to the proximity of the aircraft infrastructure to this MOD mast it may cause a physical infringement of MOD technical safeguarding criteria that ensure its operational capability is not impeded or degraded. As such the MOD considers the proposed scheme in its current form to be incompatible with the need to safeguard this technical installation and therefore have concerns with this application.

I trust this is clear however should you have any questions please do not hesitate to contact me.

Yours sincerely Louise Dale

 $\frac{https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-004124-Defence%20Infrastructure%20Organisation%20letter.pdf$

iv. It should also be noted that in discussion with the Applicant in 2017, a formal response was provided confirming that the Application was "incompatible with the need to safeguard this technical installation". A copy of this letter is attached

In conclusion, the MoD still has considerable concerns both as to the Application in its current form as well as the issue of re-locating the HRDF. It is difficult to see how the question of the re-location of the HRDF will be resolved before the 9th July. In the absence of any final agreement regarding this it is also difficult to see how the Planning Inspectorate will be able to confirm the application given the safeguarding concerns that the MoD has expressed.

Appendix 1.7

 $\underline{\text{https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-004385-AS-} \\ \underline{\text{\%20Stone\%20Hill\%20Park\%20-\%20Manston\%20-\%20Urgent\%20submission.pdf}}$

<SEE BELOW FOR SCREENSHOTS>

$\underline{\textbf{SHP Comments on Appendix ISH6-21 of the Applicant's Written Summary of Oral Representation put to ISH~6}}$

Background

- 1. This submission by Wood, on behalf of the Applicant, responded to a request from the ExA to provide details of those airports that have used 60dB as the trigger for their Noise Insulation provision.
- $2. \quad \text{There are two material issues with the information provided by the Applicant;} \\$
 - $2.1. \ \ \text{Firstly, the information provided by the Applicant in Table 2.1} \ is \ materially \ in accurate in places;$
 - 2.2. Secondly, it fails to acknowledge the move to reduce these trigger levels further as a key mitigation measure as part of plans to extend/develop airports. In view of the Government's approach, as set out in the 2050 Green Paper, the Applicant's proposals must be compared against those that are currently being consulted upon (e.g. Heathrow) and those for which planning consent has recently been granted (e.g. London Stansted).
- 3. As a consequence, the document provides a wholly misleading perspective of the levels at which Noise Insulation provisions are set.
- 4. The Applicant is yet again failing to disclose factual information that would undermine its case.
- 5. Whilst SHP has only had a very short time since the information was published to review and check the Applicant's assertions, the Table below highlights a number of material inaccuracies / issues with the information submitted by the Applicant.

Airport	Commentary on Noise Insulation Scheme
Bristol Airport	The Applicant has asserted that the Noise Insulation trigger level for Bristol is 63dB LAeq. This is wrong.
	It is difficult to comprehend how Wood were not aware of this having prepared the Environmental Statement that accompanies Bristol Airport's December 2018 planning application to enable a throughput to 12 million passengers (planning reference: 18/P/5118/OUT).
	Paragraphs 7.8.7 – 7.8.8 of Chapter 7 of the ES accompanying the application (copy appended as Appendix A) notes the following;
	"7.8.7: Air noise is currently limited by a condition which states that the area enclosed by the 57 dB LAeq,16h (07:00 to 23:00) summer noise contour shall not exceed 12.42km2 using the standardised average mode (Planning condition 30).

1

Airport Commentary on Noise Insulation Scheme	
	"7.8.8: Residential properties located within this 57 dB LAeq,16h contour (which did not previously qualify for noise insulation in the A38 Diversion Scheme) are eligible for a grant under the noise insulation grant scheme (Planning condition 31). This grant scheme is on the same basis as the previous A38 Diversion Scheme and is described in more detail in paragraph 7.8.25.
	Paragraphs 7.8.25 – 7.8.26 of Chapter 7 of the ES accompanying the application, provides information on the Noise insulation grants (please also note the extension announced by the airport below);
	"7.8.25 As part of the Bristol Airport Environmental Improvement Fund, grants are available from Bristol Airport to cove some or all of the costs of new glazing and ventilators for properties most closely overflown and impacted by noise fron Bristol Airport flights. Depending on location a property could be eligible for a grant of 100% (up to a maximum of £5,000 or 50% (up to a maximum of £2,500).
	7.8.26 Eligible properties are within the 63 dB, 60 dB and 57 dB noise contours. If a property is within the 63 dB contour the grant can cover 100% of new double glazed windows or ventilators up to a sum of £5,000. If a property is within the 60 dB and 57 dB contours, the grant can cover 50% of new double-glazed windows or ventilators up to a sum of £2,500.
	7.8.27 As there is a limit of annual funding grant applications are prioritised according to categories based on the contou the property is in, and whether it has had a grant before. Should the fund be oversubscribed in any one category, priorit is given to those living closest to the extended centreline of the runway i.e. those closest to overflying aircraft."
	It is noted that the Wood's ES, explains in paragraph 7.1.1 (see below) that it itself did not prepare the Noise Chapter, however, this raises further questions regarding the experience of Wood in undertaking such work.
	7.1.1 This chapter of the Environmental Statement (ES) has been prepared by Bickerdike Allen Partners LLP and assesses the likely significant effects of the Proposed Development with reference to noise and vibration.
	It should be noted that scheme has been further enhanced as evidenced by a press release from Bristol Airport dated 12 Februar 2019 (https://www.bristolairport.co.uk/about-us/news-and-media/news-and-media-centre/2019/2/noise-insulation-scheme) which states;

Airport	Commentary on Noise Insulation Scheme	
	"Under the new proposals, grants will cover 100 per cent of costs up to £7,500 (in the 63dB LAeq 16hr contour) and £3,750 (in the 60dB and 57db contours). This is intended to encourage take up to ensure as many eligible properties as possible benefit from noise insulation."	
London Gatwick	In Table 2.1, the trigger level given for Gatwick is 63dB. This is wrong.	
	We would refer the ExA to page 65 of the Adopted 2019 Noise Action Plan, an extract of which is given below;	
	"SECTION 15 – DETAILS OF CURRENT NOISE ASSISTANCE SCHEMES NOISE INSULATION SCHEME	
	The current Noise insulation Scheme was launched in 2014. This scheme was expanded significantly from the previous version covering 1,000 more properties in areas across Surrey, West Sussex and Kent.	
	The major changes to the scheme are two-fold. First the noise boundary for the scheme has increased by using a lower level of noise from 66 Leq to 60 Leq as a baseline with the boundary line drawn flexibly to ensure entire roads and communities are included. Secondly, the noise contour boundary has been drawn along the flight paths by 15km to both the east and west of the airport."	
	A copy of the adopted 2019 Noise Action Plan is appended along with the relevant Annex as Appendix B . It is of note that the Noise Insulation Scheme boundary shown in Figure 29 of the Annex (Annex 7 – page 17), extends over a considerably longer distance than either the 57dB or 60dB contours shown in Figure 4 (Annex 7 – page 41).	
London Stansted	In Table 2.1 of the Wood note, the noise trigger level is given as 63dB LAeq.	
	This is misleading as explained in paragraph 2.18 of SHP's Written Summary of Oral Representations put at ISH6. This explained that the insulation scheme has been extended to 57dB contour as noted below;	

3

Airport	Commentary on Noise Insulation Scheme
	"Stansted Airport planning application UTT/18/0460/FUL, which Uttlesford District Council resolved to grant in November
	2018, includes a requirement to extend the sound insulation grant scheme to include households in the 57 dB LAeq,16h
	noise contour. Appended as Appendix 3 are (i) the draft s106 agreement (see schedule 3: Part 1) that secures this, and
	other obligations; (ii) a graphic from London Stansted Airport setting out the proposed scheme and the relevant noise
	contours and (iii) the Uttlesford DC planning committee report dated 30 November 2018."
London Heathrow	Harbon land in the transfer of the control of the c
London Heathrow	Heathrow launched its statutory consultation for its proposed DCO on 18 June 2019. Included within the consultation documents was a Draft Noise Insulation Policy. Paragraph 3.2.1 notes;
	"3.2.1 The Noise Insulation Schemes are designed to ensure a suitable internal acoustic amenity for habitable rooms as summarised in the table below."
	The relevant tables providing details of the schemes and the trigger levels for each are Table 3.1 and Table 4.1, respectively.
	For example, these Tables show that all those in the full single mode easterly and westerly 60dB LAeq,16hr noise contour of an expanded airport would be entitled to Scheme 1 compensation as noted below;
	"This includes a full package of noise insulation to habitable rooms, including bedrooms, living rooms, and dining rooms. This may include kitchens, toilets, bathrooms, but does not including porches, conservatories, out buildings and rooms solely for leisure activities.
	Windows may be upgraded to acoustic double glazing or by the addition of secondary glazing or both. External doors to habitable rooms may be upgraded. Ceilings or lofts may be over-boarded with additional lining. Acoustic thermal insulation batts (or equivalent) may be installed above ceilings in lofts. Suitable ventilation may be provided so that windows can be kept closed in warm weather."
	The policy also explains that those in full single mode easterly and westerly 57dB Laeq,16hr or the full 55dB Laen noise contours of an expanded airport, (whichever is the bigger) would be entitled to financial support.
	A copy of the draft Noise Insulation Policy is attached as Appendix C.

Airport	Commentary on Noise Insulation Scheme
	The ExA will note that the matrix of protections proposed for residents surrounding Heathrow are far more extensive than the Applicant has proposed for residents of Ramsgate (and other parts of Thanet). SHP would also note that the ExA's proposal to reduce the trigger level to 60dB would still leave residents in a less favourable position.
	The information provided by the Applicant is inaccurate and understates the extent of the Noise Insulation Scheme proposed for Heathrow.

Suggested Action

- 6. As a result of the Applicant's failures to furnish the examination with accurate, up to date and relevant information, it is considered that it may be appropriate to direct a Fourth Written Question at the Applicant along the following lines:
 - "Provide a detailed summary, with supporting evidence, of UK airports that use trigger levels for Noise Insulation provision that are below 63dB LAeq (or similar measure).
 - Provide a detailed summary, with supporting evidence, of UK airports that are proposing to reduce trigger levels for Noise Insulation provision to a
 level that is below 63dB LAeq (or similar measure). For the avoidance of doubt, this should include airports that are consulting on proposed
 developments (e.g. Heathrow), or where planning applications have been submitted or where planning approvals have been granted (e.g. London
 Stansted)."

Conclusion

- 7. SHP consider it is totally unacceptable that the Applicant continues to submit erroneous information in an attempt to support its untenable position on this issue. It is highly concerning that the information provided in the Wood addendum fails to even take into account its own ES on Bristol Airport (as noted above).
- 8. SHP consider that it should not be for interested or affected parties to be forced to incur unnecessary and wasted expense in providing evidence to the Examination that rebuts unsubstantiated assertions by the Applicant. As demonstrated through this submission, the correct information is accessible,

provided a reasonable effort is undertaken to find it. Accordingly, the Applicant's submissions/assertions on this and other matters in its application cannot be accepted at face value.

- 9. There also remains the uncertainty over both the accuracy of the noise contours submitted by the Applicant and the fleet mix assessed by the Applicant.
- 10. The noise contours prepared by Wood (previously Amec Foster Wheeler) are contradicted by those submitted by Five10Twelve Ltd and No Night Flights, both of whom used the independent ERCD to prepare the contours. Wood's experience in this area is unknown, and as highlighted above, the preparation of the Noise Chapter in the Bristol Airport application was undertaken by a specialist company, and not Wood.
- 11. In SHP's Written Summary of Oral Representations put at the each of the dDCO and ISH6 hearings, SHP explained that the Applicant has assessed an erroneous fleet mix (dominated by small ATR-72), and as a consequence, the noise contours will not reflect the likely significant effects (if the forecast ATMs were achieved).
- 12. On a final matter, SHP would note that the level and accessibility of information on noise and its impacts provided by the Applicant is wholly unsatisfactory when compared to the information contained within the planning /consultation documents for schemes at Bristol, Heathrow and Stansted.

Appendix 1.8



Environment, Planning and Enforcement Invicta House County Hall Maidstone ME14 1XX

Email: strategicplanning@kent.gov.uk

3 May 2019

Mr. Kelvin MacDonald National Infrastructure Temple Quay House 2 The Square Bristol BS1 6PN

BY EMAIL ONLY

Dear Mr. MacDonald

Re: Application by RiverOak Strategic Partners for an Order Granting
Development Consent for the upgrade and reopening of Manston Airport

- Deadline 6 Submissions

Please find attached the County Council's responses to the Examining Authority's Second Written Questions and the Examining Authority's Second Written Questions dealing with Traffic and Transport.

Kent County Council (KCC) will continue to work closely with the applicant to address all technical issues associated with, and arising from, this proposal.

KCC's overall position on this site is well documented, referenced and summarised in a number of documents submitted as part of this Development Consent Order (DCO) Examination (including the applicant's Environmental Statement and Planning Statement). The County Council would reiterate that it maintains its previously published position in respect of the future of Manston Airport. The Authority's published Position Statement 'Manston Airport under private ownership: The story to date and the future prospects' (March 2015), states that: "promoting job creation, supporting business growth and generating economic prosperity for the residents of East Kent is - and always has been - Kent County Council's primary objective. Kent County Council (KCC) has never deviated from this" (see page 13).

At this juncture in the DCO Examination process, for completeness and transparency, the County Council would like to make it clear that it has never offered its support in principle to the DCO application submitted by RiverOak Strategic Partners.

At a time-limited debate on Manston Airport at a Full Council meeting on 16th July 2015, the County Council's position states: "that we the elected members of KCC wish it to be known that we fully support the continued regeneration of Manston and East Kent and will keep an open mind on whether that should be a business park or an airport, depending upon the viability of such plans and their ability to deliver significant economic growth and job opportunity."

kent.gov.uk

Manston Airport under private ownership: the story to date and future prospects (March 2015):

March 2015

Manston Airport under private ownership:

The story to date and the future prospects

Position statement

Published by Kent County Council



Introduction

For decades Kent County Council has made great efforts to develop aviation at Manston Airport.

Manston, with its proud history as a front-line Battle of Britain aerodrome, has long been a symbol of Kent's determination in the face of adversity.

But our desire to stimulate and grow Manston was not the result merely of nostalgia or sentimentality.

For decades we have been aware of the commercial potential of Manston's long, 2,700 metre runway. For decades we have championed Manston's proximity to London. For decades we have argued that Manston was a sleeping giant: a regional and national asset.

Our 2012 policy document 'Bold Steps for Aviation' made all this clear and promoted the development of Manston to the Government as an alternative to building a controversial new runway in the Thames Estuary.

Our support for Manston has not merely consisted of kind words and encouragement. We have invested substantial sums of public money.

We have made substantial investments in both road and rail infrastructure to improve access to Manston and East Kent.

Our record in supporting Manston is plain to see and we are proud of it. $\label{eq:condition}$

It was disappointing and regrettable to learn that all our hard work and investment, and the hard work of the various companies that had tried to make flying profitable at Manston, had failed.

Manston's story began in 1915 when it was a small grass airfield operated by the Admiralty. Now a new chapter is about to begin that will bring new jobs and new prosperity to East Kent. It will be our duty to encourage, guide and nurture to help ensure this happens.

This document sets out the story of Manston Airport over the last 16 years, from its sale by the Ministry of Defence to the present day. We also consider the future, which we are confident will be bright.

Hansard 28th April 2014

Robert Goodwill, Parliamentary Undersecretary of State at the Department of Transport

Whatever the result of efforts to secure such a resolution (on Manston), the government are unable to intervene directly, as we believe that UK airports and airlines operate best in a competitive and commercial environment. It is therefore for individual airports to take decisions on matters of future economic viability!

Manston Airport under private ownership: the story to date and the future prospects

Chapter one

The last 16 years of private ownership

Since the Ministry of Defence sold RAF Manston in 1998, the airport has never made a profit and has never delivered on its promise of jobs for the area. When the airport closed on 15th May 2014 144 people were employed there.

Since 1998 three companies have tried and failed to run Manston as a viable business. The Wiggins Group, with its start-up low cost carrier EUJet, launched scheduled flights to twenty one destinations in Europe in 2004 but collapsed into administration in the summer of 2005 leaving 5,400 passengers stranded. Its fleet of five 108-seat Fokker 100 jets were repossessed by Debis Air Finance.

Infratil Limited, which bought Manston from the administrators in 2005, lost between £40 - £50 million over the next nine years attempting to achieve passenger numbers of over a million per annum. The highest number of passengers was 50,000. Similarly its ambitious plan to grow freight traffic failed.

Lothian Shelf (417) Limited, a company owned by Mrs Ann Gloag, bought Manston for £1 in November 2014. In the next 4 months the airport made revenue losses of £100,000 per week plus significant capital losses.

Mrs Gloag's decision to sell the airport was based on an assessment that these losses could not be sustained. Mr Trevor Cartner and Mr Chris Musgrave acquired 80 per cent of the company in order to provide space for a wide range of businesses, with a focus on attracting companies in the manufacturing sector, as well as the provision of housing, shops, schools and community facilities.

Manston Airport under private ownership: the story to date and the future prospects

Chapter two

The Wiggins era 1998-2005

In 1998 Wiggins Group acquired Manston Airport for £4.75 million. Its company accounts show that between 1999 and 2002 the company reported losses of £8.6 million, with a further loss of around £2 million reported over the next two years.

In January 2004 Wiggins Group renamed itself Planestation and later that year Planestation bought 30 per cent of airline company EUJet.

In September 2004 EUJet operated flights to destinations across Europe. That year Planestation's losses were £73 million and the company had to borrow £46 million at an interest rate of 28%. In December Planestation bought the remaining 78 per cent of EUJet.

In its busiest month in early 2005 the airport carried 62,709 passengers. EUJet's aim had been to handle over 750,000 passengers per annum but the company became insolvent and went into administration.

In July 2005 all EUJet operations were suspended along with all non-freight operations.

Mr Tony Freudmann had overseen Manston's transfer from an RAF base to a commercial operation. He was Senior Vice President of Wiggins Group between 1994 and 2005. He was 'let go' by Wiggins in February 2005. He is now the spokesman for the RiverOak consortium.

The Wiggins Group and Planestation failed in their ambition for Manston to become a successful international airport; but even then, more than 10 years ago, they also had ambitions for property development on the airport site, in collaboration with property developers MEPC plc.

Chapter three

INFRATIL 2005-2013

Infratil Limited is a successful company listed on the New Zealand stock exchange with the primary purpose of investing in electricity distribution, public transport and ports. The company was established in 1994 with NZ\$50m of capital. At the time it acquired Manston and Prestwick airports it controlled assets worldwide in excess of NZ\$ 4.4 billion.

Following Wiggins' demise, Infratil Limited bought Manston Airport from the Administrator for £17 million in August 2005.

In addition to Manston, Infratil also owned Prestwick, Flughafen Lubeck, Wellington and Auckland Airports. Its master plan for Manston (published in November 2009) envisaged building a new passenger terminal to accommodate up to 3 million passengers per annum. It also envisaged building a parallel taxi way to the runway and an increase in the freight and passenger aprons. At the time of publishing its plan the airport was handling 32,000 tonnes of freight per annum. The master plan envisaged freight growth of between 4% and 6% per annum to equate to approximately 167,000 tonnes of freight per annum by 2018. It also planned on developing corporate jet facilities with an executive terminal.

As at 31 March 2013 Infratil's investment in the UK's airports had a book value of \$20m and over the year a further \$12m was contributed to meet costs. Their sale price crystallised a net economic cost of \$32m."

(Infratil financial results 2013-14)

In 2013 KLM started passenger flights to Schiphol Amsterdam. However, over its 12 months of operation its seventy eight seat Fokker planes were less than half full (42 per cent of capacity). KLM operations at Manston made no significant financial contribution to the cost of running the airport.

In November 2013 Infratil Limited sold Manston Airport and the associated liabilities to a company controlled by Mrs Ann Gloag for £1.

In 2009 the airport was handling fewer than 50,000 passengers per annum. Infratil forecast that by 2014 this figure would rise to 527,000, by 2015 to 1,268,000 and by 2033 to more than 4.7 million passengers per annum. In 2009 the airport employed approximately 100 people, some full time and some part time. Infratil forecast that they would be employing more than 500 staff by 2014, 2,800 by 2018 and 6,150 by 2033.

When the airport closed in May 2014 there were 144 people employed at Manston Airport.

In 2012 Infratil announced that Manston and Prestwick airports were for sale.

In each year that Infratil Limited owned Manston it incurred losses of more than £3 million per annum and wrote off the purchase price of £17 million.

Chapter four

Manston Skyport Limited 2013-2014

Mrs Ann Gloag originally approached Infratil with a view to buying both Manston and Prestwick airports, which were being sold as a package. However, Infratil set a deadline for their sale in order to stem their losses. When the Scottish Government bought Prestwick for £1 Mrs Gloag agreed to buy Manston also for £1.

From the discussions that Kent County Council had had with her and her team we believed that she had every intention to maintain and grow the aviation business at Manston Airport.

She gave a press interview with the Isle of Thanet Gazette on 8 August 2014 to dispel the myths and uncertainty that had been widely propagated by campaign groups opposed to the subsequent closure of the airport.

"Can you please outline the reasons behind your decision to close the airport?"

"The prospect of new passenger and freight opportunities failed to materialise and the scale of the losses meant that there was no credible prospect of the airport becoming profitable."

"Would you have bought it if you'd known you would have to close it just months later?"

"I wanted to make it a success and I didn't buy it to close it. Our whole team worked tirelessly to secure new business for the airport but no new operators considered it a viable option. It was only when our aviation team arrived at Manston that we started to discover the scale of the problems."

"Why did you reject RiverOak's offers to buy it?"

"They were introduced to us as a potential buyer and in good faith we entered into discussions with them. However, we had serious concerns from the outset about the way RiverOak conducted their business with us. We are aware of the £7 million figure that has been made public by RiverOak. For clarification, the structure of their offer meant the final amount would have been considerably less. They also failed to provide any business plan to back up their claims of future employment or to reassure us that their bid offered commitment to maintain it as an operational airport."

Prestwick airport made a pre tax loss of £10 million in its final year of ownership under Infratil.

After buying the airport for £1 the Scottish government said it could take a number of years for taxpayers to see a return on public investment in Prestwick.

It announced a £10 million commitment towards 'operating costs, repairs backlog and improvements to the terminal building.'

Prestwick is continuing to lose £1 million a month.

Chapter five

Support given to Manston by Kent County Council over the past 16 years

Kent County Council's support of Manston as an airport over the last 16 years has been unwavering.

Transport infrastructure

Kent County Council has made or enabled substantial transport and infrastructure investment for the benefit of Manston and the surrounding area.

In 1997 Columbus Avenue was constructed on the north side of the airport at a cost of £1.52 million. These infrastructure works were funded through the European Regional Development Fund and the Single Regeneration Budget.

In 1998 Kent County Council completed the A299 Thanet Way extension of the M2 through to Ramsgate.

In 2000 Kent County Council completed the Ramsgate Harbour Approach Road and in 2009 the Euro Kent link road.

The A256 dualling was completed in 2012 and £87 million was invested in the East Kent Access Road in 2013.

Kent County Council is in the planning stage of the £6.7 million Westwood relief scheme to help growing businesses at Westwood and Manston.

Network Rail has just announced the commencement of its £11 million scheme to reduce journey time between Ramsgate and Canterbury; Kent County Council is contributing £4.5 million to the cost of this upgrade. Kent County Council has also committed £12 million to a new Thanet Parkway Station near Manston.

Business premises;

In Spring 2006 Kent County Council acquired the undeveloped area of Manston Business Park, amounting to some 40 acres of developable land, from the Administrator of Planestation plc for £5.35 million.

Manston Business Park and the EuroKent sites subsequently became the key holdings of a joint venture between Kent County Council and Thanet District Council.

By 2015 Manston Business Park has seen the development of industrial units which will be occupied by start-up and small developing businesses.

Support for aviation

In its discussion document Bold Steps for Aviation (May 2012) Kent County Council supported the increased use of Manston Airport and stressed its potential to make a significant contribution to aviation in the UK.

"In Kent, Manston has the potential to make a significant contribution [to the UK's aviation capacity], providing excellent communications to European destinations and reduced flight times.

In addition:

- Over the years Manston has received more than £1million in financial assistance from Kent County Council. When EUJet commenced its flights in 2004 Kent County Council bought a 1.5% shareholding in EUJet Ops Limited.
- In 2007 Kent County Council provided financial assistance to enable the start of charter flights from Manston to Virginia USA, although these flights were discontinued shortly thereafter.
- Between May 2004 and May 2005 when EUJet Ops Limited was acquired by Planestation Limited, Kent County Council acquired options to buy further shares. Planestation Limited was however put into liquidation and the council's investment had no further value.
- When KLM expressed an interest in starting scheduled flights to Amsterdam, Kent County Council provided £100,000 to Visit Kent, the tourist agency which provided marketing and tourism support.

Support offered to investors at the airport

In March 2013, when Infratil were seeking aviation buyers for the airport, Kent County Council distributed a note offering to help new investment at Manston Airport through:

- Financial assistance from the Regional Growth Fund
- Use of land owned by Kent County Council adjacent to the airport
- · Expediting the new Thanet Parkway station
- A Route Development Fund to increase the number of passengers
- Working with airlines and train operating companies to achieve integrated ticketing
- Discussing with Ministers to seek assistance from Government. Kent County Council's offer to any investor with a viable business plan remains open, although to date we have received no take up.

Helping to find a new airport operator

Kent County Council met PWC, the agents selling the airport, with a view to helping find a viable new owner/operator. Over 18 months discussions were held with thirty interested parties including low cost airline operators and private investors, many were introduced to PWC by Kent County Council.

In the event, two of the shareholders of Discovery Park Limited made an approach to Mrs Ann Gloag which subsequently led to their purchase of the airport.

Chapter six

What do we know about RiverOak and its proposal for a compulsory purchase order?

RiverOak was introduced to Kent County Council by Mr Tony Freudmann. Subsequently the Leader of Kent County Council invited representatives of RiverOak to meet to discuss their plans for the airport. RiverOak declined, saying that their plans were confidential. The invitation to present their business plan to the council has been repeated on several occasions: RiverOak has always declined to do so.

RiverOak Investment Corp LLC was established in January 2001 in Delaware USA to manage 'niche focussed real estate investments for institutional entities that are strategically driven, including private and public pension funds.'

Its CEO is Mr Stephen DeNardo.

The RiverOak website states 'within a time frame that spans nearly 4 decades of business experience, Steve DeNardo has successfully been involved in all phases of real estate investment, development and management. His focus and interest has been on the management and turnaround of troubled assets.'

RiverOak's Chief Investment Officer is Mr George Yerrall. The website says: 'He is in charge of sourcing and analysis of investment opportunities and the execution of investment and asset management strategies.'

In its statement to the UK Airports Commission (The Davies Commission) RiverOak described its strategy for Manston as handling 250,000 tonnes of cargo per annum by 2030, 500,000 tonnes of cargo per annum by 2040 and 750,000 tonnes by 2050. It also described its long term strategy to include 'aircraft maintenance, repair and teardown operations.'

RiverOak also stated that by summer 2017 at the earliest they would plan to re-open passenger services 'if appropriate contracts can be agreed with suitable carriers.' They would also re-establish Manston as a key diversion airport, capable of providing emergency resilience to the wider South East airport system.

In an interview on 12 May 2014 with Paul Francis of the KM Group Mr DeNardo was asked 'How did RiverOak become involved in the bid to buy the site from Mrs Gloag?'

Mr De Nardo replied; 'We have been active in searching for opportunistic transactions in both the UK and Ireland, We have an extensive network of contacts in both and one of our contacts made us aware of the Manston situation.'

He was also asked 'How did you team up with Annax Aviation whose Chief Executive Tony Freudmann has become spokesman for your bid?'

Mr DeNardo replied: 'Our contacts put us in direct discussion with Tony Freudmann who we knew had both operational experience at the airport and had made an attempt to purchase the airport.'

Following Mrs Gloag's refusal to accept an offer from RiverOak to buy Manston Airport, RiverOak then approached Thanet District Council with a view to the council making a Compulsory Purchase Order of the airport in favour of RiverOak. Thanet District Council concluded that a decision on a CPO could not be made until:

- Thanet District Council had commissioned an independent feasibility study on the future viability of a going concern operational airport.
- Any prospective airport owner/operator submit a viable business plan and also enter into an indemnity agreement that would cover any exposure to all costs placed upon Thanet District Council.

Thanet District Council commissioned Falcon Aviation whose report was considered by the Council's cabinet on 31st July 2014. The report identified 'no business plan with a credible investment plan of less than 20 years is likely to provide the commitment necessary to rebuild confidence. From an investor's standpoint, the payback period might be as long as 50 years. The level of investment would have to be significant (£100m's) and there are never any guarantees of success.'

Throughout Thanet District Council's consideration of a CPO it has been advised by its Section 151 Officer that it appears evident that the airport will not be successful if it reopens and attempts to operate in the same configuration as it has done previously up to its closure.

The advice to Thanet District Council's cabinet was that invitations should be issued to parties willing to enter into an indemnity agreement capable of delivering the twenty year business plan.

During the course of Thanet District Council's processes, on 17 July 2014, Kent County Council unanimously adopted the following motion;

"Kent County Council supports the actions taken so far by Thanet District Council to retain Manston as a regional airport. We recognise the value that a regional airport brings to East Kent and are disappointed at its closure. Kent County Council will explore with Thanet District Council ways in which it can support proposals to retain Manston as an airport." The original Motion proposed by Mr Cowan (Dover Town, LAB) and Mr Truelove (Swale Central, LAB) was replaced by the above, proposed by Mark Dance (Whitstable, CON).

In supporting the amended motion the Leader of Kent County Council said "Thanet District Council's approach is now such that they are going to carry out and have already commissioned, an independent study as to the viability of running the airport as a going concern or not. Nobody knows the conclusion to that, as I said on the radio this morning, after 16, 17, 18 years of Manston, everybody has just lost money. So what is the market telling you? And it will be interesting to see what the independent viability report concludes. And Thanet District Council are absolutely right in doing that. If it does suggest there is viability they will then ask for expressions of interest from people to come forward who have the ambition to do exciting things at Manston in running it as an airport, or not. And if there are some exciting propositions, or if we had an owner that is reluctant to do anything exciting, which again we don't know, we will then make the decision as to whether or not to support the CPO process. And it is premature to have that decision now, which is why we can't support your original motion which was asking for an open ended commitment to support Thanet and their CPO, no matter what. I want to see, and hope, that there are exciting propositions that come forward, with good people, that have got the money to do exciting things. And we will have to wait and see as to whether that's the case, and then we will review our position."

In an endeavour to support Thanet District Council, on 1st September Kent County Council's Director of Governance and Law wrote to Thanet District Council's' Monitoring Officer to remind them of our offer to assist the council. The Monitoring Officer replied: 'We need to do the evaluation of any Expressions of Interest first before we can begin to assess what legal support might be needed moving forward and whether any of that support would need to be commissioned from Kent County Council. We are not in a position to make any decisions until we have the result of this, but I will be more than happy to consider making such an approach at the appropriate time.'

Kent County Council has never been approached by Thanet District Council for the help offered.

Unsuprisingly, **as a result of this**, on 11 December 2014 Thanet District Council recieved a cabinet report detailing the outcome of its excercise to seek an indemnity partner for the compulsory purchase of the airport and a comprehensive and viable business plan. The following was decided:

That no further action be taken at the present time on a CPO of Manston Airport on the basis that the council has not identified any suitable expressions of interest that fulfil the requirements of the council for a CPO indemnity partner and that it does not have the financial resources to pursue a CPO in its own right.'

The conclusions made by the council's Section151 Officer were that 'The information provided does not provide assurances which would satisfy him that a valid expression has been put forward and he is therefore unable to recommend moving ahead with this proposal. Although the issues here are emotive Members should excercise extreme caution before seeking to move forward with any proposal which is at odds with advice from its officers, particularly where there are likely to be **significant risks** which would affect the council at a fundamental level.'

As the Falcon report, Thanet District Council's feasibility study and the advice from the council's 151 Officer show, the financial risks of a compulsory purchase of the airport were unacceptable.

Chapter seven

What do we know about Discovery Park Limited and its directors?

The new owners of Manston, Chris Musgrave and Trevor Cartner, have a strong track record in taking over large difficult sites following the demise of earlier uses and regenerating them to create jobs and bring economic benefits to the wider area.

Ten years ago they acquired Wynyard Park in Billingham after Samsung had announced that it was closing its operations there. They have now created 2000 jobs and have attracted £200million of private investment at Wynyard Park.

Seven years ago they invested in the advanced manufacturing manufacturing park (a joint venture between the University of Sheffield, Boeing, British Aerospace and Rolls Royce) to build seventeen units for local small and medium size enterprises associated with aerospace research and other advanced manufacturing on the site of the former Orgreave colliery. In 2013, when the site was fully occupied, they sold their investment.

In 2012 they acquired Discovery Park from Pfizer after Pfizer had announced that they were closing down all their operations there and were planning to demolish the buildings at the site. When Pfizer made this announcement they employed 2,200 staff all of whom were subject to redundancy notice. By March 2015 700 of the Pfizer jobs have been retained and a further 1,700 jobs have been created by more than 100 new tenants on the site. Currently total job numbers are in excess of 2,400 and Discovery Park is on track to deliver more than 3,000 new jobs.

Trevor Carter and Chris Musgrave plan to transform the 800-acre site at Manston with a £1 billion redevelopment, over a 20-year period, into a mixed-use scheme helping to create more than 4,000 jobs. They will be announcing more details over the next few weeks.

Conclusions

The truth is that Manston has failed over a prolonged period of time to run as a commercially successful airport.

Kent County Council gave strong support to various investors but the reality of commercial aviation at Manston Airport led to very significant losses. In fact, in the 16 years since it was taken into privately ownership it has incurred losses by those who have tried to operate it in excess of £100 million.

The objective now must therefore be to make sure that we have owners who want to do exciting things on the site and that the land is not left abandoned.

Bristow Group had chosen Manston as its location for the regional search and rescue base; when the airport closed the company decided to locate that base at Lydd. Kent County Council is pleased that this vital service will still be located in Kent. Lydd Airport is also starting a substantial investment programme to extend its runway and construct new aviation facilities.

Surely it is now time to look at a B Plan for Manston.

The driver must be to seize the best opportunity to create a significant number of new jobs and bring prosperity into East Kent.

RiverOak has not managed to convince Thanet District Council that there is a viable business plan. We believe the new owners have got a credible plan and the financial ability to create substantial numbers of new jobs which will bring prosperity and economic growth to East Kent.



Paul Carter, Leader of Kent County Council:

"I would like to make it abundantly clear that in my 10 years as Leader of Kent County Council I have done everything in my power to help and support the economy of East Kent. I believe that this document demonstrates and evidences exactly that."

Myth busting questions and answers

 What is Kent County Council's stance on Manston Airport? At first you supported a CPO process but now you are supporting a business park – is this not inconsistent?

Promoting job creation, supporting business growth and generating economic prosperity for the residents of East Kent is - and always has been - Kent County Council's primary objective. Kent County Council (KCC) has never deviated from this.

The closure of Manston Airport was met with deep disappointment at County Hall. Any viable proposal from an aviation company with sufficient financial backing to run Manston as an airport would have been strongly supported by Kent County Council as our debate at the July council meeting made clear. No viable proposal was presented to Kent County Council or TDC.

The sale of Manston to the Discovery Park Team Musgrave and Cartner in September offers substantial private sector investment to support job creation and economic growth for Thanet. Cartner and Musgrave have a strong track-record at Discovery Park with 1,700 new jobs since 2012.

How can you say no viable proposal came forward? Didn't RiverOak say they would pay the full asking price?

Kent County Council asked RiverOak if we could see their business plan. RiverOak has consistently refused to let us see any details on the grounds they are commercially confidential. TDC took a decision that the information supplied by RiverOak to it was insufficient to support a Compulsory Purchase Order. We have therefore concluded that RiverOak's plan is not viable. Representatives of Mrs Ann Gloag explained to the Transport Select Committee why Mrs Gloag refused to accept the offer from RiverOak. 2

¹ http://democracy.thanet.gov.uk/documents/b10075/ Supplementary%20Agenda%202%2031st-Jul-2014%20 19.00%20Cabinet.pdf?T=9

² http://parliamentlive.tv/Event/Index/d4330491-c83e-4204-a339-28a011b42071 3. Did you promote Manston to the best of your abilities to attract a new investor when the closure was announced? Is it not true that Manston has unique infrastructure with the longest runway in England and superb transport links?

Kent County Council has taken every opportunity to support and promote the use of regional airports such as Manston. The authority's discussion document Bold Steps for Aviation, written in 2012, makes our position abundantly clear, showing Kent County Council has lobbied central Government to prioritise Manston above other proposals, such as the establishment of a Thames Estuary Airport.

Our support for Manston is evidenced by our substantial investment in transport infrastructure making Manston more accessible to a greater potential customer base, including investing in the East Kent Access Road, a new railway station, and improving the rail infrastructure. The Regional Growth Fund has been made available to companies with plans to increase employment.

Since the Minister of Defence privatised the airport there have been three private owners of Manston Airport: Wiggins, Infratil, and Ann Gloag. Despite ambitious plans to increase passenger numbers and freight operations, each of these has sustained significant financial losses totalling over £100 million

When Manston Airport was put up for sale, Kent County Council introduced PWC (the marketing agents for Infratil) to 30 potential buyers from around the world (including RyanAir) none of whom in the event decided that they could make the airport profitable.

Myth busting questions and answers

4. What offers of support were made by Kent County Council to Thanet District Council to assist them with their CPO process?

We very much supported Thanet District Council in the potential for a CPO subject to the outcome of their independent feasibility study and submissions by indemnity partners.

At the Leader's request, Kent County Council's Director of Governance and Law offered to help Thanet District Council in the CPO process. TDC responded in writing saying "We need to do the evaluation of any Expressions of Interest first before we can begin to assess what legal support might be needed moving forward and whether any of that support would need to be commissioned from KCC. We are not in a position to make any decisions until we have the result of this, but I will be more than happy to consider making such an approach at the appropriate time."

The offer of support was repeated several times by the Leader at different meetings with Iris Johnston.

5. Who now owns Manston? Is it Mr Cartner, Mr Musgrave, Ann Gloag?

The company that owns Manston Airport has three shareholders; Mr Cartner (40%), Mr Musgrave (40%), and Mrs Gloag (20%). This information has been provided to the Select Committee by solicitors acting for Mr Cartner and Mr Musgrave.

6. How could the Leader of Kent County Council support Mr Cartner and Mr Musgraves' purchase of the site? I have heard Wynyard Park is in debt and promised to supply thousands of jobs and only a proportion have been realised.

Information provided to Kent County Council shows that Wynyard Park is currently debt free. Under Mr Cartner and Mr Musgraves' ownership, Wynyard Park has created more than 2000 jobs and attracted £200million of private investment. Publications which have asserted that

this is incorrect have been served with a letter from a firm of solicitors specialising in libel.

(NOTE: It is quite normal for development companies to carry debt/bank borrowings on their balance sheet. The key is sensible debt to value ratios).

7. How can you be excited by the new proposition by Cartner and Musgrave if you have seen no plans? What are the plans?

The new owners issued a press release when they acquired Manston Airport outlining their intention to create more than 4,000 jobs and a £1 billion redevelopment. They will be announcing more details in the next few weeks.

At the time when Mr Cartner and Mr Musgrave outlined these plans to the Leader of Kent County Council, the planning consultants had not yet completed the master plan so no document was handed over. However, a fairly detailed description of what was envisaged was discussed. The plans include a new sports centre and the financial backing of the Spitfire museum, as well as plans to bring advanced manufacturing to the site.

8. How can Kent County Council ignore its democratic mandate? Haven't you seen the petitions showing that the people of Thanet want an airport?

The Save Manston Campaign was invited to County Hall to present its petition. However when representatives of the group arrived they had not brought it with them. All letters and emails from objectors have received replies. We have also received letters of support re the closure.

9. When have you met Ann Gloag or her colleagues and what was the purpose of each meeting? Are the minutes available? Was a change of use discussed?

Elected members and officers of the council met Ann Gloag and her company representatives on a number of occasions before and after she bought the airport. The purpose of the meetings was to establish what were her intentions for bringing jobs and new investment to Kent and to sustain a viable airport.

Myth busting questions and answers

At a meeting on 14 March 2014 when we were expecting an update on progress, much to our suprise we were told confidentially that given the scale of losses it had been decided to notify staff the following week that a redundancy process was necessary.

Subsequently a meeting was held on 3 July 2014 to discuss with Ann Gloag what she intended, and she explained she was discussing a possible sale but that the details were commercially confidential.

10. Why have you appeared to support Ann Gloag when she obviously bought the site to turn it into a housing development and never intended to operate an airport? Have you a vested interest? Did you not say you wanted a housing development last year?

Mrs Gloag told us that it was her intention to run Manston Airport as a commercial venture and that was why she hired aviation specialists to put in place a strong business plan for aviation and support the implementation. She also retained the previous Managing Director of Manston, Mr Charles Buchanan. She told us subsequently that it was only when she was advised that the airport could not be made viable, and that the losses of £100 thousand per week could not be sustained, that she decided that the airport must be closed.

During our discussions, a change of use of the airport was not discussed although we did touch on alternative uses for parts of the airport site such as aviation hangar space, servicing and maintenance. The Leader of the Council has no private business interests in the Manston site and will not benefit personally from any proposal relating to the development.

11. Thanet does not need more business parks. Existing local business parks are struggling to attract businesses and are over 50% empty.

When Pfizer announced closure of its R&D facility at Sandwich it was a common view that all the buildings would need to be demolished and the site could not be redeveloped.

Mr Cartner and Mr Musgrave have successfully applied for planning approval for a multi-use development to include commercial, retail and housing: the site is currently over 50% reoccupied by commercial users and there are now 2,400 jobs. It was their success with Discovery Park that persuaded them of the potential at Manston, and they already have a number of substantial potential tenants.

Appendix 1.9



Planestation: turnaround from hell

Analysis 1 SEP 2004

Losses of £73 million, an ousted management team and huge overheads are just three of the factors that have plagued airports and property group Planestation – yet one entrepreneur is aiming to make the business profitable.



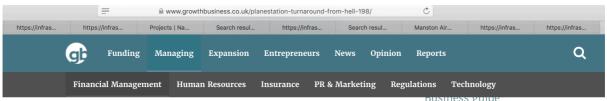






'I don't think I've got an easy job, that's for sure,' is how Martin May, one of the UK's foremost turnaround practitioners, describes the task before him at troubled airports and property group Planestation.

Recent Articles



To anyone who has a passing knowledge of this group, his comments will smack of extreme understatement, because, up till now, Planestation has been one of the most woeful ventures ever to grace the London Stock Exchange.



Over the past ten years the group, previously known as Wiggins, has raised more money – north of around £115 million – than its actual market valuation. With this cash it built up an international chain of seven (hitherto largely dormant) airports and an assortment of property interests and assets in the UK. Apart from property disposals, it has generated little in the way of revenues, milked its investor base for all they were worth and produced gargantuan annual losses – in the past 48 months alone it has lost more than £73 million.

The group was only saved from complete collapse at the turn of the year when no less than £46 million was raised from City institutions to repay an almost equal amount of mezzanine finance that was accruing interest at 28 per cent (yes, we're not lying, twenty-eight per cent!). After this fundraising, chief executive Oliver Iny walked the plank. He was shortly followed by the chairman, Richard Bernays and non-executive director Lady Rona Delves Broughton.

Knowledge is strength

Even for May, who has engineered a few spectacular turnarounds over the past ten years, transforming Planestation into a proper business represents something of a special task. But he exudes charm and calm in equal measure and says he is 'excited', not perturbed, by the challenge ahead.

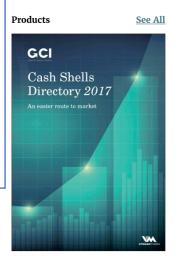
'I know my strengths and weaknesses, as all chief executives should. I am not good at business development, I am not a specialist in any particular sector. What I am good at is fixing things.'

18 Jun 2019 5 ways we help female

founders achieve their ambitions 17 Jun 2019 Playfair Capital Chris Smith

Q&A – 'This stage of investment is an art'
17 Jun 2019





Cash Shells Directory 2017

The annual Cash Shells 2017 Directory is an invaluable guide for companies, and advisers, considering joining the stock market by reversing into a shell, providing a list of potential candidates and commentary on each of them.

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Fixing things is indeed his forte. Since leaving a global packaging specialist in the late 90s May has worked wonders at a very diverse selection of companies. Among his most successful commercial reinventions has been Gresham Computing, where he transformed the lossmaking, indebted venture into a profitable refinanced concern within six months.

His most recent project has been Cape, where he is still chairman. He joined in June 2002 after it had leaked so much cash its shares had bombed and debts were topping £50 million. Now, it is trading profitably, its debts are negligible and, in response, the shares have soared tenfold.

A meticulous 12-month plan

Says May, 'in distressed business you meet many similar problems. There are always immediate cash concerns, the incumbent management are very often "blockers" of change, margins are weak and staff morale is non-existent.

'When I come on board I engender a 12-month time- and task-orientated plan to get the ship afloat. It's about real business goals, revenue generation and management inspiration.'

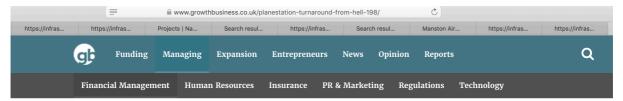
For May, the first quarter in his standard recovery plan is all about 'stopping unnecessary spending immediately'. He also identifies noncore assets that can be off-loaded for much needed cash.

The next three months is then about establishing 'short-term corporate and financial goals' to ensure that by the third quarter 'management changes are in place and a temporary platform built to start developing a viable future strategy'. The last three months of his first year is then devoted to 'really making a step change to take the business forward'.

Hard medicine

The first six months at Planestation have, by and large, followed this philosophy to the letter. 'When I first arrived here I realised that the commercial "vision" of the previous management was merely vapour. Like many failing concerns, it was truly a lifestyle business. It was full of hobbies.'

To reinforce the point he highlights the fact that



To reinforce the point he highlights the fact that annual head office costs were no less than £7.8 million. This figure included the £600,000 it cost to lease Planestation's wonderfully indulgent Georgian offices on London's grandiose Berkeley Square. Head office costs have been slashed and the group has relocated to a small space at the back of the building. The rest is being sub-let.

Another 'pet project' he put to the sword was the previous management's harebrained attempt to build a 1.4-mile-long grandstand (designed by leading signature architect Lord Foster) at its property site in East London. This was part of its overall plan to build a 'London City Racecourse'. Says May, 'A total of £2.8 million was spent on this design, which, unsurprisingly, failed to get planning permission.'

Beyond cost-cutting

On the finance front, a $\pounds 5$ million cash injection was completed recently, with most of the new investors being tempted in by May's new realism and much progress has been made on the actual business.

Of the group's seven airports, three have been designated core and revenues are at last beginning to tumble in.

At Kent International, Planestation's flagship asset, passenger services are finally up and running following the launch of Europe's newest airline, EUJet. Planestation invested £2 million for a 30 per cent stake in this airline. Two planes are operating, and the plan is to have seven on the go by next year. The other major development at this site was the final completion of a Border Inspection Post (one of only eight in the UK). This, it is hoped, will become a serious destination for those shipping fresh produce and other cargo into the UK.

At the group's Lahr airport in Germany's Black Forest, charter flights are landing and taking off and plans are afoot to increase cargo capacity. Over in the US, Planestation's plans to take holiday-makers from the UK and Europe to Florida are developing rapidly.



Property solutions

As for its property division, May is in negotiations to sell the group's residential property interests in Liverpool. Many now reckon that due to his patience, he is likely to reel in more than the £9 million previously mooted by analysts. In Oxfordshire, a future residential development is at the planning stage and in East London, a revised (and more sensible) proposal for a racetrack has been resubmitted. £30 million, say commentators, is what could be raised over the short- to medium-term from three-to-four sites.

Says May, 'When I came here, we were spending money to no particular end. Last year, we spent £11 million maintaining dormant airports. The previous year, £13.5 milion. It wasn't too hard to work out that revenue generation built on a scaleable business model was what was needed.'

Ever the pragmatist, May acknowledges much remains to be done. 'I am a sensible businessman. I'm taking one step at a time. The board here has collective goals and every individual employee here has personal goals. We are still not profitable but the days when this company was an acquirer of assets and a stealer of ideas is over. Our target is to be cash neutral by March next year. I intend to make it.'

Appendix 1.10

https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-002958-Georgina%20Rooke%20-%20Comments%20on%20Deadline%201%20Submissions.pdf

History of Manston & Tony Freudmann's Involvement

The House of Commons Transport Committee produced a report on Smaller Airports, ordered by the House of Commons to be printed on 9 March 2015. The report is provided in electronic format. It's objective was to recognise the role of smaller airports as economic and social enablers, and identify ways to protect the threats to the smaller airports sector, particularly in view of Air Passenger Duty and the expansion of hub airports capacity in the south-east of England.

Manston airport closed just before the start of the House of Commons Transport Committee enquiry and it's case was considered in detail to ensure similar cases do not arise in future. The Manston Case Study provides interesting insight into the challenges Manston faced then; the recommendations of the House of Commons Transport Committee which are largely being addressed, and the ongoing challenges that Manston continues to face. The detail can be found on pages 16-21.

In summary1:

- 1989 Kent International Airport (civilian airport) was set up within the RAF facility at Manston
- 1998 the MoD put RAF Manston up for sale
- 1999 RAF operations ceased
- 1999 Manston was purchased by Wiggins Group, a property development company.
- 1999 to 2003 the Wiggins Group operated Manston as a cargo airport

Georgina Rooke - Deadline 2 Submission (06 Feb 2019)

- o Tony Freudmann had joined Wiggins Group in 1994. He was responsible for airport
- Wiggins' focus became "former military bases with ample availability of surrounding land which can be developed using the real estate experience of Wiggins"
- 2000 Wiggins acquired Odense airport in Denmark in a joint venture with the local authority (later ended by the Local Authority because the rent was not paid)
- 2000 Wiggins acquires a 25 year lease for Smyrna Airport, TN USA. In 2003 Wiggins
- surrenders the lease for Smyrna 2001 Wiggins takes a lease fron the Czech MoD for Pilsen Airport
- 2001 Wiggins acquires 80% of Lahr airport Germany 2001 Wiggins acquires Schwerin Parchim airport in N Germany plus an EU grant for its development; agreement terminated due to non-payment of rent
- 2001 Wiggins takes 43% stake in Cuneo-Levaldigi airport Italy. Despite significant investment by the Italian government Wiggins withdraws, having suffered significant losses
- 2001 Wiggins agrees a deal to build and operate an airport in Ajman, UAE. The plan is abandoned in 2003 2001 the Financial Review Reporting Panel criticises Wiggins for five years of inaccurate
- reporting of its financial results
- o 1999-2002 Wiggins reported losses of £8.6M with a further £2M loss over 2003-2004 2003 Trading in Wiggins shares is suspended
- 2004 Wiggins takes lease to operate International side of Melbourne Airport USA. Project is just starting as PlaneStation goes under in 2005
- 2004 Wiggins enters into a JV with the local authority in Hungary to take over Borgond Airport
- 2004 Wiggins Group changed its name to PlaneStation It posts losses of £73M in 2004 and had to borrow £46M at an interest rate of 28%
- 2004 PlaneStation buys 30% of a new airline EUJet
- 2005 Wiggins (now PlaneStation) goes into liquidation

EUJet operations suspended

- Pilsen is sold; Lahr airport sold to Babcock & Brown; work had not begun on Borgond Airport
- 2005 New Zealand company Infratil purchases Manston for £17M 2005 2012 passenger services run from Manston (Flybe; Monarch)

- 2013 first KLM flight takes off from Manston (April)
 2013 Infratil announces sale of Manston Airport to Manston Skyport (October), wholly owned by Ann Gloag, for £1 and £1.5M debt
 - In each year that Infratil Limited owned Manston it incurred losses of more than £3 million um and wrote off the purchase price of £17 millio 2014 (March) Manston Skyport announced its plan to close Manston. In the 4 months from
- November 2013 March 2014 the airport made revenue losses of £100,000 per week plus significant capital losses (Manston Airport under private ownership: The story to date and the future prospects. Kent County Council. March 2015)
- Manston closed on 15 May 2014.
 - 144 people lost their jobs
 - Skyport told the House of Commons Transport Committee it closed Manston because, "Ryanair withdrew from discussions to operate from Manston, because British Airways decided not to relocate its cargo operation to Manston and because the Airports Commission concluded that hub capacity should be expanded in the south-east." House of Commons Transport Committee Report on Smaller Airports, ordered by the House Commons, 9 March 2015
- 2014 RiverOak Investment Corporation approached Ann Gloag about a possible purchase of Manston Airport for £7M. The offer was rejected. Tony Freudmann is spokesperson for RiverOak consortiun According to Kent County Council, "The Wiggins Group and Planestation failed in their ambition for
- Manston to become a successful international airport; but even then, more than 10 years ago, they also had ambitions for property development on the airport site, in collaboration with property developers MEPC plc.

House of Commons Transport Committee. Smaller Airports: Ninth Report of Session 2014-15
 Manston Airport under private ownership: The story to date and the future prospects. Kent County Council. March 2015