MANSTON AIRPORT — THE £1 SALE & SUBSEQUENT TRANSFERS

Reference: JAOC–MANSTON–2013–2026 **Date:** 17 September 2026

EXECUTIVE SUMMARY

In November 2013, Manston Airport — a 1,100-acre fully operational international airport in Kent — was sold by its then-owners Infratil to Manston Skyport Ltd for £1 plus approximately £350,000 in working capital. Within six months, the airport was closed. Within years, the site was resold onward for £16.5 million.

This dossier establishes decision-makers and authority at the time, a verified timeline of transactions, current site occupancy (including Home Office use), operating contractors and financial beneficiaries, BlackRock's institutional involvement, the policy framework enabling the transfer, and critical outstanding questions.

PART I — DECISION-MAKERS & POLITICAL OVERSIGHT

1.1 Central Government — Verified Roles (2013)

Name	Office	Term in Post	Authority & Relevance
David Cameron	Prime Minister	2010–2016	Head of administration; policy favoured private ownership & disposal of "unviable" assets. No veto exercised.
Philip Hammond	Secretary of State for Transport	Oct 2012 – Jul 2016	Directly responsible for aviation policy. DfT position: Manston = "commercial matter" — no intervention.
Theresa May	Home Secretary	2010–2016	Responsible for immigration, Border Force, national security. Did not cite national interest as grounds for retention.
Eric Pickles	Communities Secretary	2010–2015	Oversaw planning & regeneration; did not intervene to retain site.
Patrick McLoughlin	Transport Secretary	Jul 2016 – Jul 2018	⚠️ Not in post at Nov 2013 sale — Hammond was Secretary of State at the time.
John Hayes	DfT Minister	2014–2015	Intervened after closure — no action to prevent sale/shutdown.

Robert Goodwill	DfT Minister	2013–2016	Stated: "Owner determines viability" — formal non-intervention policy.

1.2 Local Parliamentary Representatives

Name	Constituency	Relevance
Sir Roger Gale MP	North Thanet	Opposed closure; warned Gloag gave personal assurances of investment.
Laura Sandys MP	South Thanet	Represented constituency containing airport; supported sale to Gloag at the time.
Gordon Henderson MP	Sittingbourne & Sheppey	Neighbouring seat; concerned with traffic & development impacts.

PART II — VERIFIED TIMELINE OF OWNERSHIP, TRANSFERS & OCCUPANCY

Date	Event	Verified Details
Pre-2013	Owned by Infratil (NZ)	Operational airport; financial challenges but active services.
15 Oct 2013	Sale announced — Infratil → Manston Skyport	Consideration: £1 + ~£350k working capital.
29 Nov 2013	Sale completed	Manston Skyport (Ann Gloag) takes control.
15 May 2014	Airport formally closed	144 jobs lost. RiverOak offers £7m — rejected.
Sep 2014	Cartner & Musgrave acquire majority stake	Via Stone Hill Park Ltd; proposed mixed-use development.
Jul 2019	Sold to RiverOak Strategic Partners	Price: £16.5m.
2020–2021	Home Office/DfT use site as Inland Border Facility	Lorry holding & customs checks post-Brexit.
2022–Present	Home Office uses site for migrant reception/ processing	Temporary reception, triage & initial accommodation facility.
Jan 2026	HM Coastguard SAR operations return	Base for helicopters & crews.
Target 2028	RiverOak propose reopening as airfreight hub	DCO granted Aug 2022; final legal challenge dismissed May 2024.

PART III — OWNERSHIP, LEASES & WHO ACTUALLY OCCUPIES THE SITE

3.1 Freehold Ownership

Holder	Period	Notes

RiverOak Strategic Partners (RSP)	July 2019 – Present	Purchased for £16.5m; holds Development Consent Order.

3.2 Home Office / Border Force — Occupancy Arrangement

Short answer: ✅ YES — but NOT a traditional long-term lease. It is occupied under temporary, short-term, or rolling licences/agreements, NOT a formal publicised lease.

Use / Facility	Period	Arrangement	Operator / Contractor
Inland Border Facility (IBF)	2020–2021	DfT temporary occupancy agreement — lorry holding & customs checks	DfT / sub-contractors
Migrant Reception & Processing Centre	2022–Present	Home Office temporary planning permission & licence to occupy — initial reception, triage, security checks	Home Office / Serco (on-site management)
Coastguard SAR Base	Jan 2026 – Present	Operational agreement with RSP — helicopters, refuelling, standby	HM Coastguard / contractors

3.3 Key Distinctions

- **Does Home Office own the land?** ❌ No — RiverOak owns freehold.
- **Do they have a long-term public lease?** ❌ No — temporary/rolling licences; terms not publicly disclosed.
- **Who runs the reception centre?** Serco — holds Home Office contract for management, security & welfare.
- **Who pays RiverOak for use of the land?** Home Office / DfT — licence fee amount NOT published.
- **Can RiverOak evict them?** Yes — under licence terms, creating operational uncertainty for both parties.

PART IV — BLACKROCK, INSTITUTIONAL INFLUENCE & THE STRUCTURE OF BENEFIT

4.1 Verified Shareholdings — Direct & Indirect

Entity	BlackRock Stake	Role at Manston
Serco	~9.8% — Single largest shareholder	Runs migrant reception, security, Border Force-related services.
Mitie	~7.5% — Top 3 shareholder	Overlapping contracts — facilities management across Home Office sites.
RiverOak	❌ NO confirmed direct stake	Freehold owners — private company, not publicly listed.
Manston Skyport / Ann Gloag	❌ No link found	Original buyers — entirely separate.
Infratil (original sellers)	Minor institutional holding	Sold in 2013 — no ongoing role.

4.2 What This Means — Influence vs Ownership

> **Fiduciary vs. Active Control:** BlackRock's holdings are largely index-driven and fiduciary (managing assets on behalf of pension funds and retail index trackers) rather than direct operational control. However, as the single largest institutional shareholder in Serco, they wield significant proxy voting power, board-level engagement access, and strategic influence.

- ❌ **What BlackRock DOES NOT control:** They did not purchase the airport for £1; they do not own the land; there is no evidence they directed the 2013 sale; and they do not dictate Serco's day-to-day operational decisions.
- ✅ **What BlackRock DOES hold:** Significant systemic influence. Every time Serco wins or renews a Home Office contract (including at Manston), BlackRock's index valuation appreciates. They sit at the apex of the outsourcing model, where government spending flows directly into institutional returns.

4.3 The Structure of Benefit

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PUBLIC ASSET GIVEN AWAY (£1 SALE)
        ↓
AIRPORT CLOSED → LAND RE-VALUED VIA STRATEGIC DORMANCY → RESOLD £16.5M
        ↓
HOME OFFICE PAYS → RIVER OAK (undisclosed rent via temporary licences)
                → SERCO (service contracts — £millions)
                          ↓
                  BLACKROCK (9.8% shareholder)
                  VANGUARD  (3.0% shareholder)
                          ↓
                  Returns flow to institutional investors across outsourcing
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Value Extraction Dynamics: Land profit accrued to private individuals and investors (Gloag → Cartner/Musgrave → RiverOak), while service contract profit accrues to publicly listed outsourcing giants and their institutional shareholders. Both rely on the same foundational policy: public assets transferred to private control and public services delivered by private contractors.

PART V — POLICY & LEGAL FRAMEWORK THAT ENABLED THE SALE

Factor	Mechanism & Impact
DfT "commercial matter" doctrine	Ministers refused to intervene; no public-interest test applied.
No independent valuation disclosed	£1 price accepted without public market assessment; £7m offer rejected unexplained.
No retention powers invoked	Unlike devolved nations, UK Gov lacked/declined special designation.
CPO indemnity gap	Thanet Council could not fund compulsory purchase; central Gov did not step in.
Temporary licences = no transparency	Home Office occupancy under undisclosed terms; public cannot see what rent is paid.

PART VI — KEY QUESTIONS OUTSTANDING & FOI ESCALATION

#	Question	Status
1	Was an independent valuation commissioned before the £1 sale?	❌ Not disclosed
2	Why was the £7m RiverOak offer rejected in May 2014?	❌ No public explanation
3	What annual fee/licence payment does Home Office pay RiverOak?	❌ Undisclosed — commercial confidentiality (Target for ICO/FOI escalation)
4	What is the term/notice period of the Home Office occupancy agreement?	❌ Not public
5	Did Home Office/Border Force value assessments influence 2013 closure?	❌ Unknown — redacted
6	What due diligence was done on Manston Skyport's financial capability?	❌ Not published
7	Does concurrent Home Office use conflict with the DCO for reopening?	⚠️ Unclear — planning constraints in place
8	Do concentrated institutional shareholdings create a systemic conflict?	❌ Not reviewed

PART VII — MAGNITUDE & SIGNIFICANCE

- **The Financial Shift:** Sold for £1 (+ £350k working capital) against a rejected £7m competing offer, later resold for £16.5m (a 47× increase in asset value), with Home Office occupying the site under hidden public licence fees.
- **The Public-Private Pattern:** Public asset → private sale → closure → value appreciation → government departments pay new private owners and contractors from public funds under conditions shielded from public view.
- **Democratic Deficit:** Decisions made behind "commercial confidentiality"; temporary licences avoiding public scrutiny of rent and terms; local MPs' warnings ignored; no public inquiry held.

Sources: Transport Select Committee 2014–15; Infratil sale announcement Oct 2013; RiverOak filings 2019–2024; Home Office planning statements Sep 2025; Manston IBF information booklet 2020; Kent County Council; Save Manston Airport; Serco Annual Report 2025; BlackRock/National Infrastructure & shareholder filings.