

Owen McKee (5) and the corrupt governance surrounding Loch Lomond and Trossachs National Park Authority

Description

Among the papers for the LLTNPA meeting today are three concerning the draft Annual Report and Accounts <http://www.lochlomond-trossachs.org/looking-after/npa-board-meeting13/06/2016/menu-id-409.html> For readers who are not aware these include statements about the governance of the Loch Lomond National Park Authority which are signed off by the Park's external auditors, Audit Scotland.

There is not a mention in the Annual Report and accounts of the Owen McKee case – my last article on this gives links to all the information <https://parkswatchscotland.co.uk/2016/05/13/owen-mckee-case-4-scottish-government-complicity-cover/> but Owen McKee was the convener for planning who traded in the shares of Scotgold Ltd after the Board had granted planning permission to the Cononish goldmine and this was then covered up by the Board. It is still being covered up, in fact Owen McKee has been almost airbrushed from the Park's history. In the annual report it states "Owen McKee.....resigned from Board duties with effect from 4th August 2015". Not a mention of the reason why – the exposure of his share-trading in the Sunday Herald.

I reported Owen McKee to the Commissioner for Ethical Standards in Public Life and this led to a hearing of the Standards Commission earlier this year which found that Mr McKee had breach the Code of Conduct for Standards in Public Life. The quote from the Standards Commission press release after that Hearing speaks for itself:

"The Convener, Kevin Dunion, in delivering the Hearing Panel's decision said: "The Panel emphasises to all Members of Devolved Public Bodies the importance of declaring all relevant interests, financial or non-financial. The declaration of interests(including interests in shares) is a fundamental requirement. The failure to declare such interests removes the opportunity for openness and transparency in a Board Member's role and denies any member of the public the opportunity to consider whether a Board Member's interests may or may not influence the decision-making process."

Rather than urge Owen McKee to refer himself to the Commissioner for Ethical Standards in Public Life when his share-trading came to light, or report him themselves if he failed to do this, the LLTNPA Board signed off a report which only their convener, the Head of Audit and at least one civil servants at the Scottish Government had read. Their failure to act completely undermined the Code of Conduct for Board Members which would never have been referred to the Commissioner for Ethical Standard unless I had found out what happened through FOI requests.

The LLTNPA Board cover-up also discredits a number of statements and claims made in the draft Annual Report and Accounts:

- "Our values are our moral compass; they help guide how we make decisions" (page 9 Annual

Report). So perhaps Board Members can explain what values make it ok not to report a fellow Board Member who was clearly in breach of the Code of the Conduct? (I reported Board Members to the Commissioner for Ethical Standards but because there is no actual clause saying you should report other members who are in clearly in breach of the Code no action could be taken despite their failure to act with the principles behind the Code, such as integrity).

- “The Convener of the Authority is personally responsible to the Scottish Ministers for ensuring thatthere is probity in the conduct of the Authority’s Affairs (page 15 Annual Accounts). So, did Ministers know about the Owen McKee case or was the cover-up simply agreed with civil servants? (Linda McKay told Keith Connal, a senior servant, about the Owen McKee case and all suggestions of reporting the case to the Commissioner for Ethical Standards then appear to have been dropped.
- “Notification of interests. The Authority has detailed policies in place governing situations where personal or business interests may arise in the activities and decision of the organisation” (page 10 Accounts) – why then there is no mention of why Owen McKee resigned or consideration of whether those policies are adequate? While the Owen McKee case demonstrates the Park’s policies are totally inadequate its the sense of moral compass on the part of the Board that is the real issue.
- “The internal auditor’s annual report for 2015-16 states that based on the work undertaken over the course of the year, significant assurance can be given on the overall adequacy and effectiveness of the organisations’s framework of governance, risk management and control” (page 17 accounts statement from Gordon Watson as accountable officer)”. Among the things Mr Watson fails to mention here is that the case was never reported to Audit Scotland and the Park had appointed Owen McKee, of all people, to its Audit Committee. He goes on to say that as Accountable Officer he thinks the report is “balanced and fair”.
- Finally, Audit Scotland in signing off the accounts is required to report if the Governance Statement does not comply with Guidance from Scottish Ministers. The lead Auditor states (page 24) he “has nothing to report in these matters”. This may well be true but if so show that the Guidance from Scottish Ministers is totally deficient as it allows Boards and its own civil servant to cover up breaches of the Code of Conduct.

It would be wonderful if any Board Member today was brave enough to admit the Park had made a serious mistake, that the truth about Owen McKee needed to be properly covered in the Annual Report and Accounts and the Minister for the Environment, Roseanna Cunningham, refused to sign off the Annual Report and Accounts until this happened. I suspect this is unlikely to happen because there is a cosy coterie who are quite content with the corrupt governance arrangements that surround the National Park Authority which individual Board Members are not strong enough to challenge.

What we now know is that not just the LLTNPA Board and senior civil servants, but also Audit Scotland who appear quite happy that breaches of the Code of Conduct for Board Members are covered up so long as they personally are not in breach of any rules. To me this is little different to the bankers, lawyers and accountants who, when caught avoiding tax, always state they are not breaking any rules. How about then the Board engaging with the public – or even their staff below senior management -on how they handled the Owen McKee case and asking whether they think they acted ethically or not?

This might help restore their sense of moral compass.

Category

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