

Sentences announced in Britain's "Donnygate" Labour Party corruption case

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Prison sentences were announced this month, in what has been described as the worst local government corruption case since the 1970s. One of the most comprehensive police investigations into council fraud ever carried out has resulted in two senior Labour Party councillors in Doncaster, South Yorkshire and a property developer being sentenced to a total of 11 years in jail.

In total five people were convicted, including Peter Birks, the former head of council planning, and former mayor and council deputy leader Raymond Stockhill, who took bribes to process a planning application. Others, including John Dainty, the leader of the council's Conservative Party group, were cleared of corruption in this case but face further allegations.

The financial scandal originated with dealings between property developer Alan Hughes and Birks and Stockhill. Hughes' business was in dire straits when he bribed Birks and Stockhill to process a planning application for land protected against development.

In 1992, with debts mounting to more than £6 million and his business failing, Hughes applied to develop land known as Poppyfields in Branton, South Yorkshire, but his application was rejected. He knew Birks and his lifelong friend Stockhill and felt that they could influence the planning committee. He lavished around £30,000 on Stockhill, and gave a £160,000 farmhouse to Birks and his wife. A few months later his second application, despite being virtually identical to the first, was granted. Hughes later sold the land for £2.25 million, thus saving his business.

Hughes was sentenced to jail for five years, Birks for four years and Stockhill, for two years. Stockhill's sentence was later suspended to one year, because he has suffered a stroke and a heart attack and is deemed

to have a maximum life expectancy of five years. Hughes's common-law wife, Stephanie Higginson, and his financial adviser, Gordon Armitage, were found guilty of aiding and abetting corruption and were given a 160 hours community service sentence and a one-year jail term respectively.

The court also heard how the investigation had uncovered five other occasions where Stockhill and Birks had supported plans by Hughes against the advice of officials. In one case Hughes made a profit of £150,000 in a day as a result of a planning decision.

The case against the two top-level councillors does not tell the full story. They have been described as the tip of a vast pyramid of corruption, or as one newspaper termed it "a rotten network." Doncaster has been under police investigation for fraud since 1997, involving councillors taking expenses for foreign trips and purchasing racehorses. The financial embezzlement is reported to run into millions. The investigation into the scandal brought about 74 arrests and 23 Labour councillors have so far been convicted for expenses fraud. Also implicated are two former town mayors. None of the town's 21 districts (wards) was left unaffected. Included in the 74 arrests was councillor Malcolm Glover, who was appointed as a "clean pair of hands" after the scandal broke five years ago.

In passing sentence at Nottingham Crown Court, Justice Hunt, said the corruption scandal—dubbed somewhat unimaginatively as "Donnygate"—had betrayed the public's trust: "Public life requires a standard of its own. Power corrupts and corruption in government by those elected by the public strikes at its integrity and at the root of democracy. Fortunately it is rare in this country."

The judge's summation was a mixture of public hand-wringing and a clumsy whitewash. To limit the

financial wrongdoing to a few individuals and seek to draw a line under it is convenient for many in public office today. But contrary to the statement of Justice Hunt this case is far from being an aberration. Even as it was breaking in the news in 1999, less than a 10 minutes drive away from Doncaster in neighbouring Labour Party-dominated Rotherham council another scandal was emerging. Rotherham councillors had set up an initiative ostensibly to deal with the town's dire poverty. But investigations uncovered that appointed officials had received salaries of up to £100,000, while the organisation had failed to draw up a single working policy to combat poverty.

After years of very high level cases of Tory sleaze and financial malpractice, the Blair Labour government, on entering office, sought to capitalise on the public revulsion against such conduct. Not only have events since demonstrated the hypocrisy of Prime Minister Tony Blair's claims of "transparent government", they have shown how far back the internal rot in the Labour party goes. In the nearly two decades when the Labour Party was in opposition, many of its local representatives were busy creating small fortunes for themselves through all manner of covert business deals and kick-backs.

With the overwhelming hostility of the local population towards Tory officials, many Labour councillors saw their tenure as almost assured. They looked upon their administrations as akin to personal fiefdoms. The corruption cases in both Doncaster and Rotherham council may never have come to light. The latter was only stumbled upon due other allegations. The fact that Doncaster and Rotherham are located in an area devastated by two decades of industrial decline in such areas as coal and steel simply underlines the gross political opportunism that has always characterised the Labour Party.

Labour Party headquarters may seek to dismiss such corrupt practices as an example of "Old Labour" and even seek to clamp down on such practices in local government. But they do so only in order to concretise their new and more overt sponsorship by big business. The number of scandals—such as its agreeing to abandon the outlawing of tobacco advertising in motor racing following a £1 million donation from formula one tycoon Bernie Ecclestone—that have dogged the government have demonstrated that it is only a change

in price tag on Labour policy.



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