



The Scottish Parliament
Pàrlamaid na h-Alba

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Standards, Procedures and Public Appointments Committee

Complaint against Alison Harris



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Standards, Procedures and Public Appointments Committee

To consider and report on the following (and any additional matter added under Rule 6.1.5A)—

- (a) the practice and procedures of the Parliament in relation to its business;
- (b) whether a member's conduct is in accordance with these Rules and any Code of Conduct for members, matters relating to members interests, and any other matters relating to the conduct of members in carrying out their Parliamentary duties;
- (c) the adoption, amendment and application of any Code of Conduct for members;
- (d) matters relating to public appointments in Scotland; and
- (e) matters relating to the regulation of lobbying.
- (f) matters relating to local government elections, Scottish general elections, implementation of the Referendums (Scotland Act) 2020 and Freedom of Information and open government falling within the responsibility of the Minister for Parliamentary Business.

2. Where the Committee considers it appropriate, it may by motion recommend that a member's rights and privileges be withdrawn to such extent and for such period as are specified in the motion.



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Scottish Conservative
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Introduction

1. The Committee met on 2 December 2021 and 20 January 2022 to consider a complaint made by Joe Lo about the former MSP, Alison Harris.
2. The Commissioner for Ethical Standards in Public Life in Scotland has reported to the Committee on the complaint.
3. Annexe B to this report contains the Commissioner's full report and appendices.

The Complaint

4. The Committee considered a complaint from Mr Joe Lo about Alison Harris. The complaint is that Alison Harris did not register the true market value of the shares she held in Georgian Finance Company Limited appropriately in her Register of Interests.
5. The Committee received representations in writing from Alison Harris (this is attached after the Commissioner's report in Annex B).

The Committee's decision

6. The Committee is unanimous in the decision reached on the complaint. The Committee cannot concur with all of the findings in fact of the Commissioner and does not agree with the Commissioner's conclusion.
7. In relation to the Commissioner's findings in fact, the Committee does not consider that the valuation of the market value of the shares in Georgian Finance Company Ltd secured by the Commissioner can be deemed to be the definitive market value of the shares in the context of the Code of Conduct. Indeed, the Committee would highlight that material included in the Commissioner's report illustrates that experts can have conflicting views as to the market value of the shares in private limited companies because different methodologies can be used to determine this.
8. The Committee was cognisant that the Code of Conduct for MSPs does not provide a definition of market value, nor does it prescribe any methodology for ascertaining the value of shares. However, the Code does state that "on detailed financial and commercial matters, a member may wish to seek advice from other relevant professionals." Alison Harris indicated in her representations to the Committee that she had sought the professional opinion of the Company's accountant as to the market value of the shareholding, which she interpreted as being nil due to her being unable to freely sell her shares.
9. In relation to the Commissioner's conclusion, the Committee does not agree that there are sufficient grounds to conclude that there has been a breach of the Interests of Members of the Scottish Parliament Act 2006 and the Code of Conduct.
10. Alison Harris registered an interest in shares on the basis that she held more than 1% of the nominal value of the issued share capital of the company. She did not, additionally, register these shares on the basis of the market value exceeding 50% of a member's salary at the start of the relevant parliamentary session because she ascertained the value of the shares to have a market value of £1.
11. While the Committee recognises that a fair observer might reasonably consider the market value to be higher, there were conflicting expert views on the market value of the shares. In addition, the Committee could not draw on either a definition of market value or a prescribed method for reaching a market valuation within the Code to reach an incontrovertible conclusion that the market value of the shares exceeded the threshold. For these reasons, the Committee does not consider it is in a position to reach the conclusion that a breach of either the Act or the Code has taken place.
12. The Committee recognises that there are many types of shareholdings, particularly in relation to private limited companies, and that in some circumstances ascertaining a market value for shares can be complex. For this reason, it intends to consider this matter further with a view to revising the Guidance on the Code of Conduct for MSPs to provide more clarity to members on the registration requirements and greater transparency to the public on members' interests.

Conclusion

13. In conclusion, while the Committee does not consider there are sufficient grounds to consider that the Code of Conduct has been breached in relation to this complaint, it would remind all members that they should approach the registration of their financial interests in the spirit of the utmost transparency to ensure that their integrity and propriety cannot be called into question.

Annexe A - Extracts from Minutes

10th Meeting, 2021 (Session 6), Thursday 2 December 2021

Commissioner for Ethical Standards Public Life in Scotland (in private): The Committee considered a report from the Commissioner for Ethical Standards in Public Life in Scotland.

2nd Meeting, 2022 (Session 6), Thursday 20 January 2022

Complaint (in private): The Committee continued its consideration of a report from the Commissioner for Ethical Standards in Public Life in Scotland.

Complaint: The Committee announced its decision at Stage 3 on a report from the Commissioner for Ethical Standards in Public Life in Scotland.

Complaint (in private): The Committee agreed its draft report.

Annexe B - Report from the Commissioner for Ethical Standards in Public Life in Scotland and other relevant correspondence

[Link to the Report from the Commissioner for Ethical Standards in Public Life in Scotland and other relevant correspondence \(5.4MB pdf\)](#)

