## Edinburgh West MP Michelle Thomson withdraws from party whip

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The Sunday Times broke <u>the story</u> about new SNP MP Michelle Thomson and allegations about her property dealings a mere 10 days ago, which has now led to the party's business spokeswoman stepping aside and withdrawing from the party whip yesterday evening.

This means that Mrs Thomson now sits in the House of Commons as an independent MP until Police Scotland have finished their enquiries into what are described as 'alleged irregularities relating to property deals'.

The MP said on Tuesday evening: "I am aware of the police investigation and will cooperate fully if required to do so. I have always acted within the law and look forward to being cleared of any wrongdoing. I have this afternoon decided to withdraw from the party whip whilst an investigation takes place. Once the investigation is concluded I look forward to returning to play a full role in party activities."

Resigning the whip means that her party membership is also suspended, although some commentators on Twitter said that they had no real idea whether resignation or suspension had happened first.

Mrs Thomson took to Twitter to set the record straight:

<u>@STVNews</u> ur headline said I had been suspended from SNP then main item said I had taken myself out — latter correct. Let's be clear.

- Michelle Thomson MP (@MichelleThomson) <u>September 29, 2015</u>

Mrs Thomson and her business partner were represented by Edinburgh solicitor, Christopher Hales. He had an office on Gorgie Road, and according to the Sunday Times investigation all of the 13 transactions which resulted in his being struck off the roll of solicitors involved Michelle Thomson or her property company. Most of these cases appear to have involved a sequence of purchases and sales for one house taking place on or near the same day; so-called 'back to back transactions'. The solicitor involved had a duty to report to the mortgage lender where any property had been owned for less than six months, and he failed to do this in each of these transactions. Among other failings the tribunal noted that Mr Hales did not advise the mortgage lender of any relationship between Mrs A and Mr C in the set of dealings explained below.

The Discipline Tribunal report into the case states that the prices at which the properties changed hands were not the same between all parties. In this example Mr & Mrs E sold their property for £100,000 to Mrs A. Three days later Mrs A sold the same property to Mr C for £160,000. The same solicitor acted for Mrs A in relation to the first purchase, and for Mrs A and Mr C in relation to the subsequent deal. One of the cardinal rules set down by the Law Society of Scotland states that solicitors must not act for two or more clients where there is a conflict of interest, or a potential conflict of interest. It further provides that the same solicitor should no act for purchaser and seller in any property dealing except in a very strictly defined set of circumstances.

Commenting <u>on the case</u> that led to Christopher Hales being struck off as a solicitor, Lorna Jack, Chief Executive of the Law Society of Scotland said:

"Our financial compliance team carried out a routine inspection of the firm Grigor Hales of Gorgie Road, Edinburgh in 2011 and as a result of our findings, in order to protect the public, we prosecuted Christopher Hales before the independent Scottish Solicitors' Discipline Tribunal (SSDT)

because we believed he had not met the required professional standards of conduct. The case was heard before the tribunal in May 2014 and he was struck off as a solicitor for failing to adhere to Law Society and Council of Mortgage Lender requirements in relation to a number of mortgage transactions.

"Where a solicitor is found guilty of misconduct, the SSDT has a range of sanctions at its disposal and can censure, fine, restrict or suspend a solicitor from practice. In the most serious cases it can strike them from the roll which means they can no longer practice as a solicitor.

"The SSDT published its findings relating to Christopher Hales on its website in June 2014. The SSDT only publishes the name of the solicitor.

"We publish SSDT findings in our Journal magazine and Journalonline.co.uk. We published an article on the findings of the Christopher Hales case in July 2014.

"If the Law Society has concerns about any potential criminal matter arising from a SSDT finding, it will refer the matter to the appropriate authorities. In the case of Christopher Hales, we first raised this informally with the Crown Office in December 2014. Our Guarantee Fund sub-committee referred it formally to the Crown Office in July 2015."

In 2014 the SSDT found 24 instances of professional misconduct and five received the ultimate censure by being struck off.

Chairman of the SSDT, Alistair Cockburn, said: "The SSDT plays a very important role in the regulation of solicitors, and ensures that misconduct cases against solicitors can be heard by an independent panel made up of both solicitors and non-solicitors.

"In the vast majority of cases people have no complaint about their solicitor, however it's vital that solicitors who have failed to meet the standards required of them can be sanctioned.

"Issues with conveyancing transactions were prominent, with 10 solicitors failing to comply with the Council of Mortgage Lenders (CML) Handbook. It is important that solicitors ensure that they are up to date with requirements set by the Law Society of Scotland and the CML to ensure they meet the needs of their clients, including the lender client."

The Edinburgh Reporter met with Michelle Thomson ahead of the General Election 2015 and conducted the interview shown below. Thomson is a former professional musician and was Managing Director of Business for Scotland which is when she first became involved in politics.

When she was appointed as SNP spokesperson for Business, Innovation and Skills in May she said: "This is a portfolio ideally suited to my specific skills and experience. As General Manager of Business for Scotland during the referendum campaign I learned a great deal about the challenges and issues that Scotland's small businesses face in their day-to-day activities."

The First Minister chose the backdrop of the Forth Bridge on the day after the election to have the photo of all 56 SNP MPs taken by the press. The Forth Bridge lies within Thomson's constituency and she uses a photo of the iconic structure in her social media profile, altered today to show that she is only an MP with no party affiliation and with no portfolio. Thomson was elected to the Edinburgh West seat by a majority of 3210 in May 2015 ousting the incumbent LibDem MP Mike Crockart who was visibly upset on election night by his dismissal.

#GE2015 Michelle Thomson SNP from Phyllis Stephen on Vimeo.