

LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

Wednesday 6 February 2008

Session 3

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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

4th Meeting 2008, Session 3

CONVENER

*Duncan McNeil (Greenock and Inverclyde) (Lab)

DEPUTY CONVENER

*Kenneth Gibson (Cunninghame North) (SNP)

COMMITTEE MEMBERS

*Alasdair Allan (Western Isles) (SNP)

*Bob Doris (Glasgow) (SNP)

*Patricia Ferguson (Glasgow Maryhill) (Lab)

*Johann Lamont (Glasgow Pollok) (Lab)

*David McLetchie (Edinburgh Pentlands) (Con)

*Jim Tolson (Dunfermline West) (LD)

COMMITTEE SUBSTITUTES

Robert Brown (Glasgow) (LD)

Rhoda Grant (Highlands and Islands) (Lab)

Tricia Marwick (Central Fife) (SNP)

Margaret Mitchell (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO ATTENDED:

Robert Brown (Glasgow) (LD)

THE FOLLOWING GAVE EVIDENCE:

Neil Hobday (Trump International Golf Links, Scotland)

George Sorial (Trump Organization)

CLERK TO THE COMMITTEE

Martin Verity

SENIOR ASSISTANT CLERK

Jane-Claire Judson

ASSISTANT CLERK

Ian Cowan

LOCATION

Committee Room 2

Scottish Parliament

Local Government and Communities Committee

Wednesday 6 February 2008

[THE CONVENER *opened the meeting at 10:01*]

Decisions on Taking Business in Private

The Convener (Duncan McNeil): Good morning and welcome to this meeting of the Local Government and Communities Committee. Item 1 on our agenda—[*Interruption.*] I think I have a point of procedure from Alasdair Allan.

Alasdair Allan (Western Isles) (SNP): My point of procedure relates to the letter from the convener to the First Minister, copies of which were circulated recently to committee members. My question is about the remit of the committee with regard to this item. I would like to know on whose behalf—on yours or the committee's—you asked a series of questions of the First Minister that relate not to Aberdeenshire but to Aviemore. I appreciate that the First Minister suggested that he wants to be helpful on Aviemore, but the tone and character of the questions is—I have to be honest—that of a fishing expedition, as far as I can see. The letter includes the following request:

“Please could you provide an explanation of your actions—”

relating to Aviemore—

“and whether they fall within the terms of the ministerial code.”

I want to be clear. Do we have a remit to look at the Aviemore issue? On whose behalf was the letter written?

The Convener: I wrote the letter to Alex Salmond following two witness sessions of the committee. The issues that I raised with Alex Salmond in the letter came up in our evidence sessions and in answers to parliamentary questions about Aviemore. Given that we are examining issues arising from our concerns about the planning process, the Aviemore and Aberdeenshire issues were clearly linked. I received correspondence this morning from Alex Salmond, in which he agrees to answer the questions in the letter. Frankly, I am surprised that you waited until this morning before raising your questions with me, rather than raise them last Friday, when you received a copy of the letter.

Item 1 on our agenda is to invite members to agree to take in private item 3 and item 4. Item 3 is

to discuss the evidence taken from the Trump Organization and consider our approach to the draft report. Can I have agreement to take item 3 in private?

Members indicated agreement.

The Convener: Item 4 is for the committee to consider its draft report on the Glasgow Commonwealth Games Bill. Discussion of the possible contents of the draft report on a bill is normally held in private. Can I have agreement to take item 4 in private?

Members indicated agreement.

Planning Application Processes (Menie Estate)

10:05

The Convener: Item 2 is the planning application at the Menie estate. The committee will take evidence from the Trump Organization. I welcome the witnesses who are with us this morning. George A Sorial is managing director of international development and assistant general counsel at the Trump Organization, and Neil Hobday is project director in Scotland of Trump International Golf Links. The witnesses are accompanied by Colin Boyd QC.

Gentlemen, I welcome your attendance this morning. You have an opportunity to make some introductory remarks if you wish. I will then invite members of the committee to ask some questions.

George Sorial (Trump Organization): Thank you and good morning. We are all certainly honoured to be here. We will spend as much time as you require and we will answer any questions. You have invited us, so why not get started?

The Convener: Thank you. That is what we will do.

The first tentative approach on the Menie estate takes us back to when the previous Scottish Executive and First Minister were aware of the Trump Organization in 2005. Is that correct?

George Sorial: I was an attorney in the private sector in 2005 and did not work for the Trump Organization, but that is correct, to the best of my knowledge.

The Convener: Mr Hobday?

Neil Hobday (Trump International Golf Links, Scotland): That is correct.

The Convener: You were involved at that time, in 2005.

Neil Hobday: Yes.

The Convener: At that time, you met the chief planner.

Neil Hobday: That is correct. It was just after Christmas, I believe, in 2006, when he was moving office in Atlantic Quay. It was really to get a description of the likely planning process that we would be faced with if we were to go ahead with the project and make the acquisition later that year.

The Convener: When did you next meet the chief planner?

Neil Hobday: The next and last meeting with the chief planner was with my colleague George Sorial in December last year.

George Sorial: I believe it was on December 4.

In the interest of perhaps making this meeting briefer, I point out that we have already submitted a written statement through our counsel, in which we state that we have reviewed the testimony from the prior witnesses and we concur with their recollection of the facts. I do not know whether that helps at all. Although I am glad to sit here and go through all the questions, answer them and reiterate anything if you think it is appropriate for us to do so, in the interest of saving time, I do not think that you are going to get anything different from what you have already heard.

The Convener: I ask you to leave that up to us, Mr Sorial.

I refer to the statement that was issued by John Swinney. My questions arise from his statement, which we have not had the opportunity to speak to. I am following a line of questioning, if you will bear with me.

Mr Swinney said:

"In January 2006 the Chief Planner, Jim Mackinnon, was requested to participate in a discussion about a possible planning application with officials of Aberdeenshire Council".

Did he refuse to do so at that time, and why?

Neil Hobday: I am sorry. Will you repeat the question?

The Convener: John Swinney said in his statement:

"In January 2006 the Chief Planner, Jim Mackinnon, was requested to participate in a discussion about a possible planning application with officials of Aberdeenshire Council and consultants"—

you, I presume—

"acting for the Trump Organisation. It was made clear that the Chief Planner was available to be consulted on matters of Scottish planning procedure."

Did he refuse at that time to join you in your meeting with Aberdeenshire Council? Why did he refuse to do so?

George Sorial: You would have to ask him that question. I simply do not know.

Neil Hobday: I do not recall that happening.

The Convener: That is a statement by the cabinet secretary.

Neil Hobday: I do not recall there being an issue—

The Convener: I presume that he declined that invitation. Throughout the process, in that case,

from 2005 until 2007, the chief planner never met the Trump Organization.

Neil Hobday: Between the first time we met him and the last time, as we have said, there was no meeting with the chief planner.

The Convener: Thank you.

Johann Lamont (Glasgow Pollok) (Lab): Welcome to the meeting. I appreciate your taking the time to be here.

There are two different issues: the importance of the planning system and your perception of that, and why you did not follow certain options that were open to you at each stage of the process. I assume that the Trump Organization has within it expertise on the planning process in Scotland and the kind of developments that we are discussing. What expertise would you gather around you in dealing with such developments?

George Sorial: Are you specifically asking about what type of expertise we would have—

Johann Lamont: Would you have access to planning advice from legal people in your organisation?

George Sorial: Sure. That is a simple question. We have internal mechanisms for evaluating and assessing any aspect of a project. We also have counsel in Scotland—you are all familiar with Dundas & Wilson—and we have our own planners and environmental experts. We receive a wide spectrum of advice on any issues that may conceivably arise.

Johann Lamont: So you expect the advisers to whom you have access in your organisation to understand all the options that are available to it and what following particular routes would involve, in respect of time, for example. It has been suggested that the Trump Organization may have misunderstood how the appeal system works, but you are confident that your advisers would be able to tell you how that system works and how long following an option might take.

George Sorial: There was never any issue relating to our not understanding our options.

Johann Lamont: I understand that the Trump Organization has explained why it requested to meet Alex Salmond MSP and the chief planner. The organisation was clear that it was entitled to do so—I do not think that there is any doubt about that. It has explained that the request was made on the basis that

“The purpose of those meetings was to seek clarification about legally available options relating to the procedural aspects of the planning process as no clear guidance had been provided by the local government officials.”

That was following the decision that was taken by Aberdeenshire Council's infrastructure services

committee. Did you seek advice from local government officials following the infrastructure services committee's decision?

George Sorial: Yes, we did. Your characterisation is accurate. We were not able to get any clear guidance on certain procedural matters. Anyone who is familiar with what happened in Aberdeenshire will understand that the situation was chaotic. We were bombarded with opinions from every direction—from council members, other politicians and business people. Everybody had an opinion about what we should do. We inquired of the council what our options were. By the day after the hearing, there was a lot of discussion about the council convening an emergency session. The issue then became whether that session would hold any force of law, but nobody gave us guidance on that. Nobody could give us an accurate answer.

Johann Lamont: So local government officials did not give advice. That led you to seek advice from Alex Salmond as a local MSP—he would not, of course, be able to intervene in the planning process—and the chief planner.

You said that you “were bombarded with opinions” but, with all the advice that you receive, you will appreciate that opinions are not material planning decisions and that there is a process for people to go through. At what point was the Trump Organization as the developer aware that it had the right to appeal?

George Sorial: We were aware of the possibility of appealing from the outset. We had a clear understanding of the law in Scotland. We knew what our options were.

Johann Lamont: So you knew that you had a right of appeal. Has the Trump Organization or any organisation that you have been involved in ever exercised such a right?

George Sorial: I do not think that that has any relevance.

Johann Lamont: Okay.

I am interested in the balance in the planning system. The right of appeal is often seen as a balancing mechanism. You described the situation in Aberdeenshire as “chaotic”, but others might argue that the council was following its processes, which had been agreed. However, there is a balance, because you have the right to appeal. Why did your organisation choose not to exercise that right of appeal, which is well founded in planning law?

10:15

George Sorial: I am very willing to answer that question, but I have to say that I am a little

surprised that the issue is of such interest. Much of the advice that we receive from counsel is privileged and confidential. It amazes me that I have to sit here and have these discussions in a public forum. However, I am willing to do so.

We have earmarked £1 billion for the development of this project; £1 billion has already been set aside. I was in a very difficult position: I had to gather all the information I could and then make a very fast decision on whether we would continue with the process. We are very familiar with the appeals mechanism, so we were in a good position to evaluate the pros and cons. Our answer to your question is simple: we have tremendous opportunities everywhere else in the world to do our projects. I could name dozens of countries that will more than welcome the development of a Trump project. Why did we not appeal? We were not willing to wait. We do not have the time. We had other options available to us—which we still have. It is a very simple answer.

Johann Lamont: Somebody must have given you information about how the planning system works in Scotland, and I do not think that the system here is all that out of kilter with everywhere else in the world. If people, including the local MSP, had told you at the beginning of your engagement in the planning process that a defence and protection of your development—even if there were local concerns—would be your right of appeal, you would still have been clear that you would not exercise that right of appeal because it would take too much time.

George Sorial: I do not think that that is a fair characterisation. We have had overwhelming public support. The lowest poll that I have seen has shown 80 per cent support, and I have seen polls showing more than 90 per cent support. We were shocked by what happened. We were aware that an appeal was possible and within our rights, but we never thought that we would be in this situation. To be frank, we are still surprised by it. We have overwhelming public support.

Johann Lamont: If you had overwhelming support in Aberdeenshire, I would have thought that you would have been supported if you had gone for an appeal. Therefore, the explanation that we have received—that you would have been caused reputational damage—does not stand up to scrutiny. You say that there was overwhelming support for the development. The appeals provision within planning legislation is well tested and well respected and exists to protect developments against decisions that are made at local level. No one is saying that to appeal would have been an extreme or odd thing to do, and it would not have caused you reputational damage. However, you chose not to exercise your right of appeal. Equally, you did not say, “Well, you’ve had

your chance, and we’re going to walk away,” because you still want the development. You had the option to exercise your right of appeal, but you chose not to take it even though 80 per cent of the people said that they were in favour of the development.

George Sorial: Those are your opinions. I answered your question as well as I could. It is a simple answer: we are familiar with the appeals mechanism but it would have taken too much time and would have been too expensive. That is the simple truth of the matter. You may disagree with what I say, but I was the person who was charged with the responsibility of making the decision with Mr Trump. We took that decision based on the advice of our counsel and of planners. There is nothing else to it.

Johann Lamont: So it was not about reputational damage.

George Sorial: Whenever a company suffers a setback, as we did in the infrastructure services committee, it hurts. Our company gets tremendous value from branding. I am not going to sit here and explain the concept of branding—it is beyond the scope of this discussion—but, yes, we did have a degree of reputational damage. Whenever you go before any planning body you put yourself at risk. That possibility is always there. However, to answer your question again, I say that an appeal—in the light of our other opportunities elsewhere—did not make sense. Other developers may take a different view.

David McLetchie (Edinburgh Pentlands) (Con): Now that the application has been called in by the Scottish Government, what subsequent information have you been given as to the process that will now be followed?

George Sorial: I have been advised on what the call-in process is. Beyond that, I have no further comments. Are you asking something specific? I am not going to sit here and explain to you my—

David McLetchie: Have the cabinet secretary or Government officials given the Trump Organization any indication of the likely timescale for the process?

George Sorial: No. It has been a little more than two months since the application was called in. To date, I do not know the status of the application. Frankly, I think the committee has held up the process somewhat. Despite the public rhetoric that it has not, we all know well that it has. I do not know the status of the application or the timeframe for the process. No one has made any commitments. I am aware of the process procedurally, because it has been explained to me by counsel, but beyond that I have no information.

David McLetchie: So you have no information on whether the process may involve a local inquiry, for example.

George Sorial: I have heard that it may. We are still waiting to hear whether that will be the case.

David McLetchie: Before we go any further, I clarify for the record that the call-in process is entirely a matter for determination by the Scottish ministers. The committee has no locus whatever in the determination of your application. The process and timescale that are to be followed are a matter for ministers and are not affected in any way by the committee's deliberations. Ministers could have made those decisions weeks ago.

George Sorial: I am being very honest, in an attempt to be open. We know that, in reality, the committee has delayed our application. We should acknowledge that from the outset.

David McLetchie: No, we will not acknowledge that. I point out to you that the application was called in by the minister on Tuesday 4 December, on the back of two five-minute telephone conversations with the chief planning officer, Mr Mackinnon. That was a dynamic decision-making process. Sixty-four days later, the Government has made no announcement on how your application will be handled, following the call-in. Are you happy with the way in which the Scottish Government is handling the matter?

George Sorial: I am indifferent. For me as a developer, every day that passes is a loss. A real financial loss is attached to having land and not being able to build on it. However, I am aware that there is a process, and we are willing to go along with whatever that process may be.

David McLetchie: It does not strike you as odd that it should take a minister 10 minutes to decide to call in your application but that after 64 days no further decisions should have been made.

George Sorial: I have no opinion on the matter either way. The Trump Organization would like to start working tomorrow, but we are mindful and respectful of the process. Everything we have done in the past, including our voluntary presence at our expense at this committee meeting, clearly demonstrates that.

David McLetchie: We genuinely appreciate that.

We have already heard that on Tuesday 4 December you issued a statement to the effect that you had other options for your development; Northern Ireland was mentioned in that context. It was widely reported that you had issued an ultimatum and that Aberdeenshire Council had 30 days to sort out the matter to your satisfaction. The newspaper article that contained the report also quoted you as saying:

"An appeal process is a lengthy and expensive one. We are just not in a position where we are willing to do that."

Can you confirm that the newspaper reports of your statement and position are accurate?

George Sorial: To the best of my knowledge, that is what I said on the date in question.

David McLetchie: You have already indicated to me that you have no idea how long the call-in process may take and whether it will involve a public inquiry. Consequently, you can have no idea how expensive the process will be. Those are exactly the same criticisms that you made of the appeal process on 4 December. As we know, we have now been waiting 64 days, never mind 30 days. Can you explain why the Trump Organization appears to be content with the process following the call-in but was not content to use the appeal mechanism back on 4 December, given that you seem to be moving no further forward any faster?

George Sorial: With all due respect, that question is somewhat misguided. We would have had control over making a decision on an appeal process. We had no part in the call-in—it happened to us and we reacted.

David McLetchie: Yes, but given that you said that you had many expert advisers, that you were familiar with the laws and the processes and that you had been there from the outset, you must have been aware that the application could have been called in before a decision was taken by the infrastructure services committee. Is that correct?

George Sorial: Of course I was aware of that, but the applicant has no say in or control over a call-in. It happened to us, and we are still reflecting on it. At the time, we were happy about it because it removed the application from a chaotic environment—Aberdeenshire Council—in which we had completely lost faith. When the minister stepped in and removed consideration of the application from that council, it could not have been anything but good news for us. We are still assessing the position. There is an assumption that we will go along with the process. I do not know what will happen with the call-in. If we find ourselves in the same situation in a year, I can assure you that that will have a negative impact on whether we decide to do business here.

We had no control or power over the call-in; Neil Hobday and I found out about it from a member of the press. The call-in process is completely different from the appeals process. You are trying to draw an analogy between circumstances that are not parallel.

David McLetchie: No—I am simply saying that the application could have been called in before the council decision was made. In other words,

before we got to that first base, you would have known, through your advisers, that it would have been possible for the application to be called in from the start, in which case it would never have needed to go anywhere near the council.

George Sorial: Right. In retrospect, that might have saved us a lot of headache.

David McLetchie: Indeed it might, but you would have known from the advice that you received from all your advisers that the call-in process could take just as long as a subsequent appellate process, and be just as expensive.

George Sorial: I am not an expert, but I have been advised by members of our team who are experts that the call-in process is more streamlined. I will qualify that by reiterating that we had nothing to do with the fact that the application was called in; it just happened. You cannot draw an analogy between our aversion to an appeal and our reaction to a call-in, because they are completely dissimilar processes.

David McLetchie: I have one final point. You said that you were happy with the call-in because it meant that the matter was out of the hands of Aberdeenshire Council.

George Sorial: That is right. We are sitting back and assessing the situation. I do not know what will happen. We might very well arrive at a point when we will walk away from the project.

David McLetchie: I understand that but, legally, the matter was already out of the hands of the council once the infrastructure services committee had made its final decision. The infrastructure services committee was the final decision-making body. On 29 November, all your advisers would have said, "That is it—the process is over as far as the council is concerned."

George Sorial: The position was not that clear. Just a day after the infrastructure services committee's meeting, we heard that a group of 10 councillors was required to carry a motion to convene an emergency meeting of the council. The position was not crystal clear. There was a lot of rhetoric to the effect that the full council might have the ability to overturn the decision of the infrastructure services committee.

I am an attorney. Although I am not a Scottish lawyer, I am able to read documents. I looked through the standing orders and the policies and regulations of Aberdeenshire Council—as did our team—and found them to be confusing, convoluted and full of conflicts. The position was not clear. Even on the Monday following the infrastructure services committee's decision, no one could give me an answer on whether a decision of the full council would have any force of law. That put us in a bad position because it

meant that Mr Trump and I were forced to make a rapid decision.

10:30

David McLetchie: I hear what you are saying, but I have read the rules governing Aberdeenshire Council's scheme of delegation and I think that it is pretty clear cut that—

George Sorial: You are a lot smarter than me, sir.

David McLetchie: No, I do not think I am a lot smarter than you. However, I think that it was pretty clear cut that the council's committee's decision was the final one.

George Sorial: Well, I disagree.

Jim Tolson (Dunfermline West) (LD): I want to ask about some of the phone calls that took place in December in relation to this project. There seem to have been some irregularities. Perhaps we can clear them up this morning.

In his statements, Alan Campbell, the chief executive of Aberdeenshire Council, confirmed that, although the call-in was not irregular, the phone calls relating to it were. Alex Salmond MSP called the chief planner during your meeting with him. Could you tell us what the purpose of that call was, initially?

George Sorial: I actually did the talking during the call—the phone was handed to me. We wanted to set up a meeting on 4 December with Mr Mackinnon.

Jim Tolson: Again, it was quite unusual for the local member—which is the role that Alex Salmond was playing at the time—to be able to contact the chief planner and hand over the phone to you. The fact that that happened came out only after extensive questioning of Mr Salmond by me and others. That was quite an irregular move.

George Sorial: I do not see what is irregular about it. Civil servants are there to deal with such situations. This was an emergency. I do not find it unusual at all.

Jim Tolson: As you said, Mr Sorial, you had a discussion with the chief planner. What did you discuss with him on that occasion?

George Sorial: We set up an appointment for the next day. That was the discussion. There was an understanding that, at that meeting, we would discuss procedural issues. He was aware of the situation, having followed the news like everyone else. The discussion was fairly brief; we simply set up an appointment to talk the next day.

Jim Tolson: During that meeting the following day, you had further discussions.

George Sorial: Yes.

Jim Tolson: Was there really a need for that, given that you have access to good, Scottish queen's counsels and can also rely on your own legal experience? Was there a need to find out details that you did not already have access to from your own sources?

George Sorial: There is always a need. Someone in my position makes decisions based on information. You never have enough information. It is always worth talking to someone else, whether they are a lawyer, another business person, a cab driver or a civil servant. You should always gather information. That is the only way in which you can make an accurate decision. It never hurts. As a matter of routine, in every jurisdiction in which we have operated worldwide, we talk to Government officials.

Jim Tolson: I am glad that you are saying that it is good to get more information and to talk to as many people as possible, because that is exactly why you are here today. The committee is talking to a number of people in relation to this application.

The Convener: On that point, I have a question that Mr Hobday might like to answer. With regard to my earlier question about the involvement of the chief planner prior to the application being submitted, was there a level of frustration that the chief planner was not prepared to become involved in the live planning application throughout that process? What representation was made to the chief planner and to ministers about the reluctance of the chief planner to become involved in a live application? Was there an exchange of correspondence between you and ministers or the chief planner between January 2006 and August 2007?

Neil Hobday: No.

The Convener: He was asked to participate in discussions but he did not do so. Was that a concern to you?

Neil Hobday: No.

The Convener: There was no request for the involvement of the chief planner prior to—

Neil Hobday: Not to my knowledge, no.

Kenneth Gibson (Cunninghame North) (SNP): Good morning Mr Hobday, Mr Sorial and Mr Boyd. I was one of those who pressed for an inquiry, not to delay your application—because I would like to see the development proceed at the earliest possible opportunity—but to try to cut through the Gordian knot of the concerns that have been expressed in public and to try to ensure that things go forward.

I have a couple of questions. First, I am sure that you will agree that it is a ludicrous distortion for Mr McLetchie to say that the call-in process was based on two five-minute conversations. Surely there was a considerable amount of deliberation before that.

George Sorial: Again, we had no say in that; it was just imposed on us. You would have to ask the members of Government who made the decision. I have no idea.

Kenneth Gibson: There has been a lot of talk about the First Minister's involvement and whether he was acting in his capacity as First Minister or as the local member for Gordon. Mr Salmond has clearly stated that it was the latter. Has the Trump Organization ever discussed the Menie estate development with any First Ministers at any time in the past?

George Sorial: Again, I think that you are asking me to go into an area in which I can only make speculations based on what I have read. If you are referring to prior meetings with Mr McConnell, I did not work for the Trump Organization at the time. I simply do not have any first-hand knowledge and would prefer not to comment on that. We all know that the meetings occurred and that they were widely reported. Beyond what I have read, I have no further knowledge.

The Convener: It is a matter of public record that the former First Minister, Mr McConnell, met Donald Trump in 2005.

George Sorial: Why are you asking me that then?

The Convener: I did not ask it. I am offering you clarification.

George Sorial: Okay. I do not dispute what is out there.

Kenneth Gibson: I was asking whether there were any meetings about the Menie estate development, not whether the meeting was with Mr Trump.

George Sorial: I cannot answer that question. I suggest that you talk to Mr McConnell.

Kenneth Gibson: A week ago today, the Confederation of British Industry Scotland raised concerns about the impact of the situation on Scotland's public image overseas, and I have expressed my concerns about that at two previous committee meetings. From the perspective of an American businessman, how do you think Scotland's image has been affected, adversely or otherwise, by the process in the past two or three months?

George Sorial: I would rather not comment. Your press has done a more than exceptional job

of reporting the spectrum of views out there. As someone who is sitting with a live application, I do not feel that it would be appropriate for me to make such a comment.

Kenneth Gibson: I realise that the Trump Organization has other options, so is it still fully committed to going ahead with this £1 billion development, provided that it can be done within a reasonable timeframe? What do you consider to be a reasonable timeframe?

George Sorial: Our commitment is unwavering. As evidence of that, we have purchased more than 1,400 acres with Mr Trump's personal money, with no financing, and we have carried all the associated costs, again out of Mr Trump's personal expenses. We have done extensive geotechnical and other testing. Just last week, we closed on the multimillion-dollar acquisition of the Menie estate—that took place last Thursday. I think that those examples give a clear answer about our commitment. Of course we are committed to the project.

However, in any business environment, a deal that was once good can go south. I do not know what the processes are or what is going to happen. For now, our commitment is unwavering, although we always have options.

The Convener: With Alasdair Allan's permission, I will allow in Bob Doris, who I think has a question.

Bob Doris (Glasgow) (SNP): I have a point of clarification in relation to Mr McLetchie's comments about cabinet secretary John Swinney making his call-in based on two five-minute conversations. I have checked the *Official Report* of the committee meeting of 23 January 2008 and Mr Swinney said that he became directly involved with the planning application on 25 October 2007 and that he had "ample opportunity" to follow the situation. Mr McLetchie's point is clearly not true. The *Official Report* of our evidence session shows that the cabinet secretary, John Swinney, did not base the call-in decision on two five-minute telephone calls. It is important to make that point.

The Convener: I do not want an outbreak of a discussion about who said what.

Bob Doris: That is the evidence.

The Convener: We will have an opportunity to discuss the evidence when we compile our draft report. You will be able to make your point then.

Alasdair Allan: Mr Sorial, you described the planning system as operated by Aberdeenshire Council as being "chaotic". It is fair to say that Aberdeenshire Council operates a system for planning applications that is fairly unique within Scotland. What were the primary problems that you experienced with the system?

George Sorial: I will clarify that statement. The council's planners did an exceptional job—we had a complicated application and the process was lengthy. We have a good working relationship with the planners. The flaws rested with the elected officials. Based on the reaction of their constituents, outrage was expressed for days. I point to that as evidence of my statement. I have no further comment beyond that.

Alasdair Allan: You mentioned the emergency session of the full council that was convened. Did that lead to a problem because of a lack of clarity about the council's position on your application?

George Sorial: The position was fairly clear after that vote. My recollection is that the full council's decision to endorse our project, in its capacity as an advisory consultee, was uncontested—the result was 66 to 0. Those are strong numbers.

Alasdair Allan: So when you talked about chaos, you were referring to the question mark over whether the full council or the infrastructure services committee spoke for the council.

George Sorial: I am not sure that I understand the question.

Alasdair Allan: You described the process as "chaotic". Did the apparent contradiction between the delegated committee's view and that of the whole council create a problem for all parties?

George Sorial: It created a problem for the people of Aberdeenshire.

The Convener: To follow on from Kenny Gibson's point, your evidence could be helpful by giving us an outside view of the planning process. To generalise, the timeline is that the previous Scottish Executive became involved at the end of 2005, the planning application to Aberdeenshire Council was made in 2006 and the decision was made at the end of 2007. I know that there are problems with the planning process in Scotland and that some planning applications go on for years, but the process for your application does not seem to have been very slow. Given your remarks about how helpful the planners were, is it the process that you are concerned about, or is it the political decision? Is there an overall problem with the planning process in Scotland? That is a serious question. Your answers could inform our debate about the future of the planning process.

George Sorial: I appreciate the question and I am flattered that you ask me it, but I repeat that I represent an organisation that has a live planning application.

I do not have any issues—the process is the process and we have done everything to abide by it. When we were asked for information we provided it. This is the fifth hearing that I have had

to sit through on the subject, although I do so willingly and I know that there will be more in the future.

I do not have much to say about the Scottish planning process, but I will say that, as an applicant, it is not helpful to hear elected officials use words such as “sleaze” in connection with the application. I am surprised that the person who used that word is not at today’s meeting, because I would have liked to have heard him and spoken to him to get some kind of an explanation. We have done nothing sleazy and we are offended by the insinuation. Furthermore, I am here at Holyrood for the first time and my reception has been very different from the one that I received just last week at Stormont. That is all that I have to say about the Scottish planning process.

The Convener: That could have been more helpful than it was.

10:45

Bob Doris: Good morning, gentlemen, and thank you for coming along. I would like to follow up on the point about the perception of sleaze that has been perpetuated in the newspapers. There is a feeling by some that that perception exists only because certain politicians have put it into the media, for party-political gain. Would you agree with that?

George Sorial: I thought that the word “sleaze” was used in a parliamentary session. That is my recollection. I do not think that the media had anything to do with it. That is the word that the politician used.

Bob Doris: And the media would latch on to that word, and a public perception would be created in Scotland because of an individual politician’s tactic.

George Sorial: The press did what they always do: they reported objectively. That is their obligation and part of a democracy. It is a grossly inappropriate word to use, especially as, in six weeks, I have not seen one iota of evidence demonstrating that there was any sort of sleaze in connection with the meetings. It has created a reputational issue for us, and we do not like that. We have never been accused of that. Every other Government in the world opens its doors to us willingly; here we have an elected official accusing us of sleaze. That is not something that we take lightly.

Bob Doris: I reassure you that the committee’s remit, in my understanding, is to examine the planning process in relation to the specific application, not the business strategy or tactics of the Trump Organization, which is a completely separate issue.

It seems that the tactic of some politicians has been to say, “There’s no smoke without fire.” I would like to find out whether there actually is a fire. I will ask two short questions, which cut to the chase.

First, when the First Minister met representatives of the Trump Organization, did he make it clear that he was meeting you as a constituency MSP? Secondly, the First Minister went on record to say that, had the infrastructure services committee taken the reverse decision, and approved the application, and had RSPB Scotland approached him as the constituency MSP and asked him to meet the chief planner, he would have facilitated such a meeting. Do you think that you got any special treatment?

Based on your two answers, I think that we can cut to the chase.

George Sorial: I appreciate that. I will try to answer your questions. If I do not, please break them down into smaller parts. We are all aware of, and have always been aware of and respectful of, the dual nature of Mr Salmond—I am aware that he is the First Minister and also our constituency MSP. Those distinctions were always known, and we have always respected them. I make it clear that, in any dealings that we had with him in connection with the meeting on 3 December, we were well aware that he was acting in his capacity as an MSP. We understand the distinction, and we have always respected it.

On the point about RSPB Scotland, I do not have much of a frame of reference for how such applicants work. I certainly do not think that the process has been made any easier for us. This is the fifth time that I have appeared in front of a public body to answer questions. On the contrary, I think that the process has been made fairly difficult for us, but that is fine—it is a complicated project, and a lot of real issues are at stake. We are very willing to go through whatever the process might be.

Bob Doris: To clarify, there has been no special treatment for the Trump Organization.

George Sorial: No.

Patricia Ferguson (Glasgow Maryhill) (Lab): Good morning, gentlemen. I apologise in advance if I take you back over ground that you might already have covered this morning, but I perhaps have a different way of looking at things. The original decision by the Aberdeenshire Council area committee was to endorse your application but, I understand, with some 72 conditions attached. If it had then gone to the infrastructure services committee and, as you might have expected, been approved with those conditions still attached, what attitude would the Trump Organization have taken?

George Sorial: If, as you suggest, the project had been approved, how would we not have been pleased with that?

Patricia Ferguson: And you would have been happy to accept the conditions that would have been put on the development.

George Sorial: We have always accepted the conditions, and we have already cured the majority of them, so the work is on-going.

Patricia Ferguson: I must admit that I was a little confused by some of the earlier evidence, but I understood from you and Mr Hobday that there was a meeting with Mr Mackinnon, the chief planner, in January 2006. Is that correct?

Neil Hobday *indicated agreement.*

Patricia Ferguson: Yes, so given that that contact had been made, why did you feel it necessary to meet Mr Salmond in December if the purpose of your conversation with him was to facilitate a meeting with the chief planner?

George Sorial: It was not absolutely necessary, but it was important. We had good advice and excellent counsel, and we are lucky enough to have great planners, but we are in the business of making decisions based on as much information as we can get. It is a matter of routine to speak to public officials and to try to glean information on some of the practical aspects—the mechanics of how an appeal might work, for example. A lawyer can give a lot of insight, but it never hurts to hear from someone in government and have them explain practically what to expect.

It would be irresponsible and we would be remiss in our duties if, in such a project, we did not cover every conceivable angle. We are talking about a £1 billion investment. We are not putting up a home or two; it is a substantial project for us, and it is our first move into Europe. We get as much information as possible on any decision that we make. We are very careful before we move.

Patricia Ferguson: So the meeting with Mr Salmond was not just to facilitate a meeting with the chief planner but to discuss other issues.

George Sorial: I thought that we had been over why we requested the meeting, although I do not mind repeating it. We wanted some clarity on procedural aspects of the appeal and some insight into the process of the special hearing and what was going on at council level. We were not getting any answers from the council. Mr Hobday and I met the council's lawyer, but we were given no advice, just the answer, "We don't know." To me, that was an unacceptable answer, so I felt that I had no choice.

Patricia Ferguson: Was Mr Salmond helpful in being able to explain the process?

George Sorial: Yes.

Patricia Ferguson: What advice did he give you?

George Sorial: I do not feel the need to go over it again. The discussion was strictly about procedure. I do not feel the need to go into details about what the procedures are. We all know—you better than me—the rules on appeals. I do not know what you want me to explain.

Patricia Ferguson: I just wondered whether you wanted to illuminate which areas Mr Salmond was able to help you with and at what point it was decided that a conversation had to take place with the chief planner to augment what Mr Salmond could tell you.

George Sorial: We discussed the procedural aspects—that is really all that I can say. I requested a meeting with the chief planner because I wanted more information. I was advised that it was fully within my rights to do so, so why would I not take advantage of a situation like that?

Patricia Ferguson: My original question was: given that a channel of communication had already been opened up with the chief planner, why did you not just avail yourself of the opportunity to perhaps telephone him directly?

George Sorial: I think that it was just a matter of circumstances. We were all in the room when the request was made. Perhaps you are right that I could have done that, but you have to put yourself in the situation. At the time, a lot was going on—I had been in literally dozens of meetings. It is easy to sit here months later and reflect, but at the time the situation was difficult. I do not know why I did not think of calling the chief planner myself. I do not think that it really matters.

Patricia Ferguson: Can I ask you how long that meeting lasted?

George Sorial: Which meeting?

Patricia Ferguson: The meeting with Mr Salmond.

George Sorial: Approximately 45 minutes.

Patricia Ferguson: Forty-five minutes?

George Sorial: Something like that—45 minutes to an hour, from my memory of it.

Patricia Ferguson: Okay, so it was a fairly thorough meeting—a fairly thorough discussion.

George Sorial: It was a 45-minute discussion. You be the judge of whether or not it was thorough.

Patricia Ferguson: I was not present, so I am not in a position to be able to judge that, but I am presuming, as it lasted that length of time, that

there were matters of substance to be discussed and that it was handled in a thorough fashion.

George Sorial: Yes. It was a good use of our time.

Patricia Ferguson: I was interested in the conversation that you had with David McLetchie earlier today, in which you mentioned that you thought that this committee's actions were delaying the process. Mr McLetchie emphasised that that is not the case. What led you to have that belief in the first instance?

George Sorial: I am not a fool, okay? That is a subject that I do not want to keep rehashing. We all know that this committee is delaying our application. I hope that I am wrong, but it is being widely reported in the Scottish press that it is—I did not just formulate that opinion off the top of my head.

The Convener: I think that we all concur with Mr McLetchie's remarks earlier that this committee has no role to play in considering the merits of your planning application. The Executive—or the Government—has been free to bring forward its decisions and suggestions on that at any time in the past six weeks. It does you no favours at all to continue to repeat something that is simply not true.

George Sorial: Well, do not keep asking me about it. With all due respect, we have all made our opinions clear—we just disagree.

The Convener: It is not true—you are misinformed.

Patricia Ferguson: Since the planning application was called in 64 days ago—or whatever the actual number of days is—have you, your representatives or your advisers had any conversations with MSPs, ministers or officials?

George Sorial: You have to be more specific than that. Who, specifically, are you asking about?

Patricia Ferguson: I am asking if you have had any conversations or meetings with any MSPs, ministers or Government officials since the date of the call-in.

George Sorial: We have had routine discussions with the planners at Aberdeenshire Council, because we are still moving forward. The work does not stop just because all of this is going on. I might have received emails of support from certain MSPs—I cannot recall who they are off the top of my head. However, to the best of my knowledge, I do not think that there has been anything of a substantive nature.

Patricia Ferguson: So neither you, your representatives nor your advisers have had any substantive conversations or correspondence with

any MSPs, ministers or planning officials since the date of the call-in?

George Sorial: If you are asking about me personally, then the answer is no; but our advisers are, of course, having routine discussions—as you would expect—about things such as the ramifications of the call-in and this committee hearing. If you can be more specific, I can give you a more specific answer.

Patricia Ferguson: I would prefer to be general.

The Convener: Mr Hobday, can you assist Mr Sorial in this matter?

Neil Hobday: My colleague has been clear about his position and I was going to come in and answer Patricia Ferguson's question. I have had two phone calls that I can remember with our MSP, Mr Salmond. The first call took place during the extensive media coverage about the sleaze issue. In the early period of that media coverage, we had adopted a policy of saying "No comment"—we would make no comment on the issues and we would stand back as it was nothing to do with us.

Nicol Stephen's continued allegations that "It smells of sleaze", et cetera, brought us to a point at which we felt that we had to issue a statement to the media to clarify our position, our meetings with the chief planner and Mr Salmond at the Marcliffe hotel—which we have been talking about today—and our views on the allegations of sleaze. That statement was prepared by George Sorial and me, and issued. I decided, along with George, that I would telephone Mr Salmond as a matter of courtesy to say that we were issuing the statement. That was all that happened.

Patricia Ferguson: So Mr Sorial knew that you had had a conversation.

Neil Hobday: He knew afterwards, when I informed him.

Patricia Ferguson: But he was aware that that had happened. It might have been helpful if Mr Sorial had volunteered that information.

George Sorial: You asked me a very general question. I have hundreds of people working for me all over the world and you ask me, "Has anybody had any conversations?" If you ask specific questions, I will be glad to answer them. I am not trying to be evasive; you simply cannot ask me such a general question. Of course, my lawyer Ann Faulds is in regular communication with people in government. Are you asking me about communication at that level? I am not trying to be evasive; if you want to go through it piece by piece, I am more than willing to answer every question that you have.

11:00

Patricia Ferguson: I am asking whether you or any of your representatives or advisers have had a conversation—I will narrow it down for you—about the planning application with any MSP, minister or official since the date of the call-in. With due respect, Mr Sorial, you told me that you had not had such a conversation but Mr Hobday then said that you had, and then your defence was that I had asked too general a question, because you work with people all over the world. I understand that, but you could have couched your response differently and said, “I understand that Mr Hobday had a conversation; he might want to respond, but I cannot speak for everyone in my organisation.” That would have been understandable.

George Sorial: Okay. I apologise—

Patricia Ferguson: I really would like to know whether there are any other people in your organisation or people who offer advice to your organisation or act on your behalf who have had conversations, meetings or telephone calls with MSPs, ministers or Government officials since the date of the call-in? I am not interested in representatives of Aberdeenshire Council.

George Sorial: Aside from the circumstances that Mr Hobday addressed, which I was aware of and do not deny—if I misspoke or misled you in any way I apologise; I think that it is clear that my intention is to be honest and open—and what I would characterise as routine and necessary contacts from my lawyers and our planners, to my knowledge, the answer is no.

Patricia Ferguson: What exactly do you mean by “routine”?

George Sorial: Whatever is required procedurally to advance a call-in—I am trying to think of an example. For example, in connection with today, obviously there were discussions between Dundas & Wilson and people in government. That is all that I am trying to say. The clerk of this committee—

The Convener: Can you expand on that? You said that “obviously” there were discussions with the Government in respect of today’s hearing.

George Sorial: I think that I have answered the question. I do not—

The Convener: With due respect, you said that “obviously” there were discussions with the Government in respect of today’s hearing. What discussions and with whom?

George Sorial: There were discussions between our legal counsel and the clerk, for example—I think that his name is Mr Verity.

The Convener: They are not members of the Government.

George Sorial: I apologise, I was not aware. We are splitting hairs.

The Convener: You are now stating quite clearly that there were no discussions with MSPs, ministers or other parts of Government in preparation for this hearing.

George Sorial: Certainly not.

David McLetchie: I want to clarify a couple of points about your meeting with Mr Salmond and subsequent meeting with Mr Mackinnon. In answer to a question, you said that the discussions focused on procedural aspects. In either meeting, did you discuss the procedural issue to do with the possibility that the application might be called in?

George Sorial: We were not even aware that call-in was an option until 4 December, so on 3 December there was no discussion about a call-in. The focus of that discussion was on what we as an organisation wanted at the time—what we thought would be the best possible result for us—which was, somehow, a hearing in front of the full council to reverse the decision of the infrastructure services committee. At the time, that seemed like a much more attractive alternative for us. We were not fully aware of the option—I do not even want to use the word “option”—or rather the possibility of a call-in until we had a meeting on 4 December with Ann Faulds, our planning attorney. The matter was not discussed on 3 December.

David McLetchie: So none of your advisers, who had considered all the processes and options—nobody on your side, from your perspective as applicant—knew or dreamt that it would be possible for the application to be called in during the interval between the decision being made by the committee and the signing of the decision letter. You were not aware of that possibility until 4 December. Is that correct?

George Sorial: I am sure that I was perhaps aware of it but, at the time, we were really focused on what was going on in Aberdeenshire. It was not really until the Monday morning, when we walked out of the office after our meeting with Aberdeenshire Council, that we as an organisation lost faith in what was going on at the council level. We were in somewhat of a crisis. We had made a decision not to appeal and we were looking at every available option. A lot of things were going on at once.

David McLetchie: So when you met Mr Salmond, were you or were you not aware that the application was still capable of being called in?

George Sorial: It had not really occurred to me. It was not something that we had focused on at that point. We were really focused on whether procedurally it would be possible for the full

council to overrule the infrastructure services committee. That was taking up all our attention.

David McLetchie: I understand that that was the position at the time of your meeting with Mr Salmond. I will move forward to your meeting with Mr Mackinnon. At the time of that meeting, were you aware that it was still possible for the Scottish Government to call in the application?

George Sorial: By that point, Dundas & Wilson had fully explained the call-in procedure to us.

David McLetchie: So at that point—at the time of your meeting with Mr Mackinnon—you were aware that it was still possible for the Scottish Government to call in the application.

George Sorial: Yes.

David McLetchie: That was one of the options.

George Sorial: Yes.

David McLetchie: Right. In your discussion with Mr Mackinnon on processes, procedures and options, was that option discussed, as opposed to the appellate route or others?

George Sorial: The way in which you are characterising call-in as an option is misleading. The inference is that we could sit there and choose.

David McLetchie: No, I am suggesting not that it was an option for you, but that it was one of the options that you might have followed. I am not at all suggesting that you had the choice in the matter—clearly, you did not.

George Sorial: Mr Mackinnon explained in detail the appellate route and the call-in route, and we left.

David McLetchie: I am grateful for that clarification. I am not entirely sure that we got it quite so clearly from Mr Mackinnon, but we will have an opportunity to reflect on that when we look at all the evidence.

Kenneth Gibson: Mr Sorial, you are obviously angry and upset at the comments that Liberal Democrat leader Nicol Stephen made in the Parliament and the media. Would you like him to apologise publicly for associating the Trump Organization with the word “sleaze”?

George Sorial: I think that we have gone on the record publicly and asked for that. I have nothing further to add. An apology would be appropriate, unless there is a smoking gun, which I am confident that there is not. The claims were unsubstantiated and unfair. I do not see how you can treat an applicant that is looking to inject £1 billion into your country with such disrespect.

Kenneth Gibson: And, as yet, you have had no response.

George Sorial: I have had none. He has not contacted us or anyone in our organisation.

Johann Lamont: I am interested in your meeting with Alex Salmond. I understand that, from your point of view, you had to get something done. You felt that there was a crisis. You had a development and you felt that the local authority had decided unreasonably against you. You could have contacted the chief planner—you had an individual relationship with him, and you had advisers—but you sought a meeting with the one person who could not do anything to help you. I assume that, when he met you, Mr Salmond told you that there was nothing that he could do to help.

George Sorial: He was always clear. We were not looking for him to help us in the way that you suggest; we were looking for an explanation of the process. I completely understand what is appropriate and what is not and we would never cross that barrier. This is not the only project that we are working on. We have a global reputation and nothing that we are doing here matters enough for us to compromise it.

Johann Lamont: But Mr Salmond was the one person who probably could not help you with the process. He would have told you at the beginning that he was not engaged in the planning process and did not have the detail of it. The chief planner could have given you information about the process. Mr Salmond's contribution seems to have been to hand over the phone to you when you could have made the call yourself. What could he bring to the table that made it worth while for your organisation to meet him, given that, as I think you accept—and obviously did accept, because you did not initially want to make public the fact that the meeting had taken place—there was a difficulty for him in his dual role? Everybody recognises that difficulty. You sought a meeting with him and he had to be clear that he was the constituency member. However, because you had laid a charge that Scotland was not open for business, the meeting was difficult for him. What did you think that he could bring to that meeting that could make a difference?

George Sorial: Well, he is our constituency MSP. I understand that that creates a difficulty for him. If it is so difficult, perhaps legislation should do something about it but, right now, the nature of being First Minister is that one has one's own constituency. It was my right to meet him and I reiterate that I was not looking for any help. I do not know what he thinks of the application. Obviously, we hope that he supports it—I would like to think that, ultimately, anybody would support it—but it is conceivable that he is against it. I do not know. I never had such a discussion

with him, because I know that it would be grossly inappropriate.

I reiterate that whatever we are doing here, however much it means to us and however important it is to us, it pales in comparison to our global reputation, so nobody in our organisation will take any risks by moving into an area like that in which we have little to gain but a lot to lose. I was not looking for any help. Mr Salmond was our constituency MSP and another person to whom I could speak and from whom I could gather information. I do not see why someone in my position would not take advantage of such a meeting.

Johann Lamont: He also had a direct line to the chief planner. That is what happened at the meeting, so that would have been useful, I suppose.

George Sorial: I do not find it so unusual. What else is a chief planner there for if not to meet at short notice in an emergent situation with a highly unusual application? We must acknowledge that the situation is different. If a chief planner is not ready at a moment's notice when they might lose a £1 billion investment for their country, what are they doing occupying that position? That is what they are there for. I do not find any of that to be unusual.

Johann Lamont: The chief planner's role is clearly to ensure that the planning process is maintained. Regardless of the size of the application, the process must have its own integrity, as I am sure you agree.

George Sorial: I honestly do not think that it was unusual.

Johann Lamont: I respect your reputation as the developers. You want to drive a development and are frustrated. You have a huge development and can see all the good in it. Is it unreasonable that you are expected to submit to the planning process in the same way as everyone else?

George Sorial: No. That is a very unfair characterisation. We have been patient, we have observed every possible step and our application has been detailed. I have heard from many people that our environmental impact assessment is one of the most thorough ever presented in the history of United Kingdom planning. Everything that we have been asked to do, we have done and beyond. We have not looked for any breaks or made any unreasonable demands. We have observed the process.

Johann Lamont: But, with respect, Mr Sorial, the one thing that you did not do—and which from where we sit would not have been regarded as out of the ordinary—was exercise your right to appeal to Government ministers to take into consideration

the process at a local level and balance that against interests to do with a certain level of investment. I am sure that Mr Mackinnon must have said that to appeal was the norm and that it was a straightforward process, but that was the one thing that you chose not to do.

11:15

George Sorial: Since you have raised the issue again, I will repeat what I said previously. We had set aside £1 billion, which was earmarked and ready for this project. We are lucky because, unlike many developers, we have a lot of options. I will try to give you a simple analogy to explain myself. Say I have a car to sell and 20 people want to buy it on my terms: if one person is not interested, we will go somewhere else. I say that with all due respect; it is not a position of arrogance.

We are lucky because we have the luxury of not having to do a project in Scotland. We would love to do one here—we are 100 per cent committed to doing one and going forward with it—but if things do not work out and it starts to become economically unviable, we will go build somewhere else where we are welcome, and we will still make money. It has nothing to do with contempt for the process; it is just simply that we have many opportunities elsewhere.

So a good project—this is a great project that could potentially be one of our greatest—can become one that is not so attractive when you have a time factor and the time becomes unreasonable. It is just simple dollars and cents: we are losing money every day, so at some point the scales get tipped and this becomes just a bad investment—it is that simple.

Robert Brown (Glasgow) (LD): First, I want to deal with one or two matters surrounding the position on the time of the meeting with Alex Salmond on Monday 3 December. I take it that there was only one meeting and that you did not meet him later in the evening or on the following morning.

George Sorial: We had one meeting.

Robert Brown: Just one meeting—right. At that time, there was the confusion surrounding Aberdeenshire Council. We heard in evidence that Aberdeenshire Council, through its chief executive, took its own legal advice at that time, which became available to the council in verbal form on 4 December and in written form on 5 December. I am not entirely clear about the speed of the matter from your point of view. Accepting that, from everybody's point of view at that point, there was a temporary position of some uncertainty, was it not manifest that the question whether Aberdeenshire Council as a whole could

intervene further in the decision was going to sort itself out in the course of a few days and that the matter would be clear thereafter?

George Sorial: We had other matters going on simultaneously, and we are not an organisation that is going to sit around and let a local planning committee sort itself out. We drive the process and make our own decisions; that is why we are who we are.

Robert Brown: Time was of the essence is really what you have been saying. However, do you accept that, given the evidence that we have heard and given the advice that I presume you have received, the process that would have taken place and the options that would have been available to the Government on an appeal being made to it are pretty identical to the process that is available to the Government from the call-in that we now face? There can be a public inquiry and other methods of dealing with the matter, but the process and the timescales are, in essence, identical. Do you now accept that to be the position?

George Sorial: This goes back to the fact that we did not ask for the application to be called in—it just happened to us. An appeal and a call-in are completely different circumstances—they are not parallel. The appeal is something that we would have exercised as a right, but the call-in just occurred. I had no choice but to accept it.

My counsel, on whom I rely, has advised me that the call-in process is more streamlined, but I do not think that we need to go into a debate here about it. That is the advice of my local attorneys. I rely on what they tell me and I have complete trust in them.

Robert Brown: For the avoidance of doubt, at the time of the meeting with Mr Salmond on 3 December, was he aware, either because you told him or because it was in the public domain at that time, that you were not going to appeal? It was not a matter of being minded not to appeal; a decision was taken not to appeal, was it not?

George Sorial: I think that I had gone on the BBC at noon and announced that we would not appeal, which had been widely reported by the time we met Mr Salmond.

Robert Brown: As far as the call-in is concerned, we have heard that there was an element of non-knowledge—which I think most of us shared at the time—about the possibility of a call-in after the refusal decision. You said that that became known to you because of your discussions with Dundas & Wilson, which was your adviser on the matter. I assume that you discussed it with Ann Faulds in particular. At the meeting with the chief planner, who raised a possible call-in as one of the opportunities that

were jointly available to you to take the matter forward?

George Sorial: Again, it was not “raised”. I went in there and asked a specific question: “What can happen? Explain to me the ramifications of each and the process of each.”

Robert Brown: The chief planner did that?

George Sorial: I asked that question and he explained. Naturally, I advised him that I had just finished the meeting with Ann Faulds and I said that I wanted to hear his explanation of the procedural aspects of a call-in. It was—

Robert Brown: So—

George Sorial: Go ahead.

Robert Brown: I beg your pardon. Just to be clear, at that meeting, whoever had been thinking about the call-in beforehand, you specifically raised it with the chief planner.

George Sorial: Yes. I had requested the meeting and I was the one asking questions.

Robert Brown: What was the context of the telephone call to Ann Faulds that took place during that meeting? How did it come about?

George Sorial: I honestly do not recall. I just do not know. I do not want to mislead you.

Robert Brown: What was the purpose of that telephone call, given that you were there to get procedural information from the chief planner?

George Sorial: I honestly do not remember.

Robert Brown: Do you know who suggested the telephone call to her?

George Sorial: I remember that a phone call was made, but I cannot give you any specifics on what was discussed. I simply do not remember.

Robert Brown: Do you recall what information came back from that telephone call?

George Sorial: I do not remember. I might have been taking notes or doing something with my BlackBerry. If I could answer the question I would do so. I just do not remember.

Robert Brown: Okay.

You will recall that there was some publicity about information that had gone to the BBC from the Government about whether your people were present at the meeting and whether you were present when the telephone call was made to Aberdeenshire Council’s chief executive. Initially, as I think you are aware, there was a denial from the Government that the Trump people were present at the time.

George Sorial: I am not aware of that. You would have to ask the Government about that.

Robert Brown: I am asking you whether you were aware. You were keeping a close watch on the media at that time and you were telling us through the airwaves a number of things about your attitudes to the application. Were you aware of the dispute about whether you were present at the time of the telephone call to Aberdeenshire Council?

George Sorial: Is your specific question whether I was present when a phone call came in? Is that what you are asking?

Robert Brown: No, I am asking whether you were aware of the Government's denial that you were present during the telephone call to Aberdeenshire Council.

George Sorial: I was not aware of that. I follow the press, but I do not follow it that closely. I do not know what you are getting at.

Robert Brown: You have media advisers, I take it, among your other—

George Sorial: You are asking me whether I was aware that the Government denied that the phone call took place.

Robert Brown: Yes.

George Sorial: No, I was not aware of that. I am hearing about it for the first time.

Robert Brown: Was Mr Hobday aware?

Neil Hobday: I concur. I do not recall that.

Robert Brown: It was not something of which you were aware.

Neil Hobday: No.

George Sorial: How does that have a bearing on—

Robert Brown: What I am trying to get at is that, given that it was quite a significant subject in the media at the time and that you were watching what was going on and were closely concerned, it seems odd that you were not aware of it.

George Sorial: What are you suggesting? I can answer questions only about our—the Trump Organization's—actions. It is not fair to expect me to comment on whether I was aware of what the Government had allegedly done. I do not know the purpose of your question.

Robert Brown: You are saying that you were not aware. Is that correct?

George Sorial: I was not aware.

Robert Brown: And you did not know—

George Sorial: I am learning about it now for the first time.

Robert Brown: Okay.

I have some final questions on the general perception of the planning rules. I return to the fact that many of us feel mystified by your early decision that, whatever happened, you would not appeal. In some senses, that led to the call-in and so forth. You would accept, would you not, that the planning rules are designed to strike a balance between economic, environmental and planning issues of various kinds in the interests of the local community and the national economy?

George Sorial: That is a fair characterisation. We have great respect for the process and have abided by it 100 per cent.

Robert Brown: Is there any sense that the rules for the big boys are different from the rules that apply to the ordinary citizen?

George Sorial: That is an unfair characterisation. The same rules that apply to everyone have been applied to us. We have asked for no special favours and have been extended no special courtesies. The process has been rigorous. This is the fifth time that I have sat before a government committee answering questions. How many more times must I do that? I am sitting here with a witness label around my neck. I do not see how anyone could say that we have not been respectful of the process. I resent the accusations that the Trump Organization does not want to appeal because that is for the little people. That is ridiculous—it is nonsense. We have done everything that we have been asked to do and more. We do not seek any special treatment.

Robert Brown: I accept that you had not yet had the opportunity to decide whether to appeal, because the Aberdeenshire Council process had not come to an end and the decision letter had not yet been issued. However, when you met Mr Salmond and the chief planner, had the Trump Organization made a final decision not to appeal?

George Sorial: The reason that we did not appeal was simple: it was a matter of time and money, compounded by the fact that we have options. Not exercising an option that we have is a cost—a lost opportunity cost. We are talking about a significant amount of money. We did not make our decision out of contempt for the system or because we did not go along with anything. We were advised that the appeal process would take a certain amount of time.

I hope that members appreciate my frankness—I am talking about privileged discussions that I had with my lawyers. I cannot believe that I have to sit here in public and talk about private discussions that I had with my counsel, but I am willing to do so. We did not appeal because that was an economic risk that we were unwilling to take. We have opportunities elsewhere. As I have said before, if we arrive at a point in the call-in process

where the application is not viable, we will go somewhere else. The call-in was thrust on us. Of course we were relieved that the matter was out of the council's hands, but we had no say in the process—it happened. We are now sitting back, watching and waiting for an insight into what will happen next.

Robert Brown: We share that experience, but you will understand that the planning process, both at council level and at Government level, following the call-in, is a quasi-judicial process in which there must be both independence of action and the perception of independence of action, not on your part but on the part of ministers and others who must make official decisions on these matters. That is the area in which concerns arise. Do you have any observation to make on the close coincidence in time between the meeting that you had with Mr Salmond on the Monday, the quick meeting that you had with the chief planner on the Tuesday, and the decision by the Government to call in the application within an hour of that meeting, at which you suggested that the application be called in?

George Sorial: You are asking me to offer an opinion on the actions of third parties. I have no insight into what they were thinking. I certainly do not know why they did what they did. You will have to ask them about that; I have no idea.

Robert Brown: I am grateful to you for your answers.

The Convener: I return to the issue of Mr Sorial's memory loss regarding the phone call to Ann Faulds. Mr Hobday, you were also present. Can you help Mr Brown by recollecting why the phone call was made?

Colin Boyd (Dundas & Wilson): Convener, can I come in here? We are talking about advice that is—

The Convener: I am sorry, Mr Boyd, but you cannot come in. You are not a witness and are not entitled to speak. Mr Hobday, can you attempt to answer the questions from Mr Brown that Mr Sorial was unable to answer? I ask the member to repeat his questions.

Robert Brown: I asked about the conversation with Ann Faulds that took place during the meeting with the chief planner. What was the purpose of the call? At whose suggestion was it made? What information came back from it?

11:30

Neil Hobday: The meeting took place some time ago. We had come from Dundas & Wilson's offices to a meeting with the chief planner with some information on options. As Mr Sorial said, Mr Sorial asked questions and a call was made,

perhaps to verify the information that we had received, but we did not participate in that call. That is all that I can say.

George Sorial: It is unfair to insinuate that I have memory loss. I do not remember—a lot of activity went on. I am not trying to be evasive. I wish that I could answer the question, but I cannot.

The Convener: Why not?

George Sorial: I just do not remember.

The Convener: And Mr Hobday does not remember either.

Neil Hobday: I said that I remember a call being made. I remember that Mr Sorial and I were probably talking while the call was taking place, so I did not really listen in to what was being discussed.

Patricia Ferguson: As neither of you remember the content of the conversation, will you confirm that you were not party to the conversation? Did the conversation take place between Jim Mackinnon and Ann Faulds?

George Sorial: I remember that there was a conversation. I might have had a word or two on it. Forgive me—I had a lot on my mind that day and I cannot explain the situation with clarity, although I would like to. I am not trying to be evasive; I simply do not remember. I would like the committee to respect the fact that such conversations are to a degree protected. Irrespective of my right not to answer such questions, I have readily and willingly answered them.

Patricia Ferguson: I understand that the only people who cannot talk about privileged matters in this context are your legal advisers. As the client, you may waive your privilege if you wish to do so.

George Sorial: I have waived it.

Patricia Ferguson: Thank you. I will pursue the point. I am just looking for confirmation that the conversation that took place in the telephone call that you may or may not have been involved in was between Jim Mackinnon, the chief planner, and Ann Faulds, of your legal advisers.

George Sorial: You know what—[*Interruption.*] Mr Boyd has just advised me that Ann Faulds has a different recollection. A call was made to confirm that our position would be not to appeal. She was at the dentist's office and the call was quick. I do remember the call, but sometimes—forgive me—you forget about things that you might have discussed. I hope that that answers your question.

Patricia Ferguson: Not really. I was asking whether the conversation took place between Jim Mackinnon and Ann Faulds.

George Sorial: I was on that call. I think that I have said ad nauseam that I do not exactly remember. Mr Boyd just advised me of Ann Faulds's memory of what happened. That is the best that I can do.

Patricia Ferguson: I find that quite hard to understand, given that we are talking about a £1 billion application. Something as basic as that—

George Sorial: You may find that hard to believe, but I have hundreds of phone calls every day—that is what I do for a living. I just do not remember some of them.

Patricia Ferguson: I am surprised by that.

The Convener: I thank Mr Sorial and Mr Hobday for attending the meeting. The session has been interesting.

George Sorial: Thank you.

11:34

Meeting continued in private until 12:15.

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