May woos US firms to invest in UK

HELEN CAHILL
AND SHRUTI TRIPATHI
@HelCahill @shrutitripathi6

THERESA May wooed top US investors yesterday as she sought to rally business interest in the UK in the run-up to Brexit.

At a roundtable event in New York, the Prime Minister hosted high-level executives from firms including Amazon, General Electric and Merck.

May pledged to maintain the “deepest and broadest possible” trading arrangements with Europe to ensure the UK continues to attract US investors.

Shared-office provider WeWork’s boss Adam Neumann, who attended the roundtable, said the billion-dollar US startup remains committed to “continued growth in the UK” telling City A.M. “in 2014, we chose London as our first international location. Today, our UK community is 23,000 members strong and growing, and we have recently announced WeWork Waterloo, the largest community of creators in the world with more than 6,500 members, in London”.

May’s meeting comes ahead of a key Brexit speech she will deliver in Florence on Friday, in which she will outline the government’s position on a transitional arrangement with the EU and its future relationship with the bloc.

WAR FOR TALENT BOOSTS BONUSES

EMMA HASLETT AND SHRUTI TRIPATHI
@emmahaslett @shrutitripathi6

THE GROWING war for talent pushed up bonuses in the financial services sector by 9.7 per cent to £15bn in the last financial year, according to the latest figures published by the Office for National Statistics.

However, the total is still well below the 2008 peak of £18.4bn for the industry. The average payout in the sector, which included financial and insurance activities, hit nearly £14,900 in the year to the end of March, a £1,600 rise from the year before. The figure was up 9.1 per cent from the average £7,620 payment in 2001. March this year, the peak of bonus season, was the biggest month in at least five years for City bonus payouts, with £5.2bn paid to finance workers compared to £4.6bn paid in the same month the year before.

“A jump in bonus payments received in high-growth industries including financial services, reflects the war for talent in which we’re currently engulfed,” said Phil Sheridan, senior managing director at recruiter Robert Half. “Skilled professionals are in growing demand but in short supply, and thus bonuses are being used to reward existing staff and acquire new talent,” Sheridan added.

Bonus payments made up 24.2 per cent of City workers’ total pay during the year, the highest figure since the financial year ending 2014. That is almost four times the share in the job market as a whole, where bonuses made up 6.2 per cent of total pay. Bonus paid by the financial services and insurance sector accounted for just under a third of the £14bn paid out in the UK economy last year. Including financial services, the payouts made up 7.4 per cent of total pay in the private sector.

Employers are competing to secure the talent they need and that clearly includes offering bumper bonuses to attract new people and to retain talent in their organisations. This is becoming even more important in the context of Brexit. Financial firms will be mindful of the need to avoid losing talent to Frankfurt and other European financial centres,” said REC boss Kevin Green.

Meanwhile, recruitment firm Robert Walters’ latest jobs index found that employers are facing a skills shortage, with 1.9 jobs available per candidate. Robert Walters’ Chris Hickey said: “City firms are continuing to struggle to secure top talent, with demand significantly outstripping supply. Regulatory pressure continues to shape recruitment strategies, with compliance and risk specialists being highly sought after.”
Business cannot face a second referendum

Vince Cable could be the next Prime Minister, or so we were told on day one of the Liberal Democrat party conference in Bournemouth. Yesterday, Sir Vince took to the podium once more, to declare an agenda of “hope and realism” to fill the political vacuum at the centre of British politics. The 74-year-old leader has traded heavily on his experience as business secretary in the coalition government. And after the Conservatives released their alarmingly interventionist manifesto in the General Election, he leapt to label the Lib Dems the true “party of business”, with an open, globalist agenda for 21st century Britain. He was beating the “pro-business” drum again in his keynote conference speech. The trouble is, the Lib Dems’ flagship policy at the moment is the exact opposite of what British business seems to want – namely, a second EU referendum, and a drawn-out battle to delay or derail Brexit. Of course the business community has valid concerns about the process of leaving the EU, some of which we hope will be addressed by Theresa May in her speech in Florence on Friday. Access to the Single Market, regulatory barriers, skills shortages, and the precarious status of EU citizens currently working here are all major issues. However, regardless of how business leaders campaigned or voted 14 months ago, the result is now settled. The UK is leaving the EU, and Britain’s entrepreneurs have already spent a year planning for what comes next. What is needed now more than ever is certainty: over regulations, trade tariffs, visas, and law. The business community cannot afford for these crucial decisions to be delayed or muddled while politicians rehash the arguments of 2016. The chief executive of EEF, the manufacturers’ organisation, was even more blunt in his response to Cable’s speech. “The debate is over,” he said, “and it is now about the ‘how’ and not ‘if’ as far as business is concerned. The last thing companies need to see is the possibility of any further uncertainty caused by calls for another referendum.” Vince Cable can be a leader for the Remainers, spending his political capital on waging a long and risky war for a second referendum, however fruitless that may be. Or he can be a leader for business, listening to the community and developing a new industrial strategy and smart, practical approaches to nurture innovation and entrepreneurship. One is blind hope, the other is much-needed realism. He and his party should not attempt to pursue both.

DONALD Trump yesterday said America would fight back against North Korea if it is attacked by Kim Jong-un’s regime. “Rocket man is on a suicide mission for himself and for his regime,” Trump said, adding that the US is “ready, willing and able but hopefully this will not be necessary”. The President’s speech also touched on international terrorism, migration and Iran.

Business groups baulk at another EU vote proposal

HELEN CAHILL
@HelenCahill
Vince Cable’s calls for a second referendum on Brexit missed the mark with the business community yesterday, as key trade bodies stressed that the UK must prioritise forging a new relationship with the European Union. Speaking at the party’s conference in Bournemouth, the Liberal Democrat leader said the British people should be given a “first referendum on the facts”, and that another vote would not be a return of last year’s. “We know that our call will, of course, be resisted by the Brexit fundamentalists”, Cable said. However, the suggestion has also been rejected by influential trade bodies. Terry Scudery, chief executive of the manufacturers’ organisation EEF, said “the debate has moved on”. “The last thing companies need to see is the possibility of any further uncertainty caused by calls for another referendum,” he said. “Tackling the UK’s longstanding productivity problem, in addition to an economy which has huge regional imbalances and inequalities, has to be a priority.” Scudery added.

MULLER TO INVEST £100M IN NUCLEAR RESCUE DEAL

Mueller is defying worries about Brexit’s impact by revealing plans for £100m of investment in its UK Business. Over the next three years it will plough money into new and current products.

MASSACHUSETTS HITS EQUIFAX WITH HACK SUIT

Massachusetts attorney general Maura Healey filed a lawsuit against Equifax yesterday over the company’s failure to protect consumers’ personal information, the first official enforcement action brought against the hacked credit reporting company.

FORD TRIMS PRODUCTION AT FIVE PLANTS

Ford Motor Co. said yesterday it will temporarily idle production lines at five North American plants, including three in the US, the latest in a series of moves by U.S. auto makers to cope with slowing vehicle sales and rising industrial capacity.
KPMG cleared of wrongdoing in 2007 HBOS audit

EMMA HASLETT

KPMG was yesterday absolved of responsibility by the accounting watchdog over its auditing of HBOS in the run-up to the bank’s collapse in 2008, saying at the time there was no evidence market conditions would take such a dramatic turn.

The Financial Reporting Council (FRC) said after a detailed investigation, it had decided it was unlikely a tribunal would find against KPMG for its 2007 audit of the lender, which concluded it was a going concern.

“The firm’s work did not fall significantly short of the standards reasonably to be expected of the audit, the test that a tribunal would apply,” the FRC said. The accounting watchdog said it had considered the “appropriateness” of KPMG’s use of the going concern assumption in the preparation of its financial statements in 2007.

It concluded: “The evidence of market conditions at that time did not show [its] decision of HBOS or the auditor’s assessment of it to be unreasonable at the time... The extreme funding conditions which arose in October 2008 were not anticipated.”

However, Treasury Select Committee chair Nicky Morgan said: "When it publishes its detailed report next month, the Committee will expect the FRC to provide a full explanation of its decision not to take further action against KPMG. It may take further evidence in due course.”

British Airways proposes new pension scheme for employees

JASPER JOLLY

BRITISH Airways has proposed moving all of its employees onto a new pension plan, after it closed its gold-plated scheme in an effort to stop a massive black hole growing further.

The British flag-carrier, owned by International Airlines Group, yesterday said the move represents a “significant upgrade for more than half the airline’s employees”, referring to employees under its defined contribution scheme.

However, the airline announced a fortnight ago it would close its more generous defined benefit scheme, after the deficit rose as high as £13.7bn in March. Consultations with unions and employees are underway.

Britain stays top European location for M&A despite slower demand from US

LUCY WHITE AND JASPER JOLLY

THE UK remained the top location for mergers and acquisitions (M&A) in Europe at the start of the year, despite a slowdown in inbound deals from the US, new data published today has revealed.

There were 780 M&A deals in the UK during the first half of 2017, according to corporate finance firm Livingstone. Foreign buyers accounted for half of the UK’s mergers and acquisitions.

Of this number, around 40 per cent were European buyers, while 41 per cent were from the US.

Notable deals in the first half included the £10.7bn (£9.3bn) sale of UK-based warehousing giant Logicor by US investor Blackstone to the China Investment Corporation, and a “whole raft” of deals between £2bn and £4bn including the £3.8bn merger of Aberdeen Asset Management and Standard Life.

Yet the research showed US buyers made 15 per cent fewer deals by number in the first half of 2017 than in the same period a year prior.

The decline comes “despite a favourable dollar to sterling exchange rate” and “may be indicative of a softening in the appetite for UK targets among overseas acquirers generally in the second half,” said Livingstone partner Jeremy Furniss.

Minister gives thumbs up to new takeover proposals

WILLIAM TURVILL

WILLIAM TURVILL

BNY MELLON’S European chairman is set to leave the investment management giant after more than 30 years.

Michael Cole-Fontayn, who also currently sits on the government’s European Financial Services Chairmen’s Advisory Committee, will step down in December.

Hani Kablawi, chief executive of investment bank BNY Mellon since 1994 when he worked as a credit and risk analyst. He is also currently a board member of the Association of Financial Markets in Europe.
Green finance set to be core to capital markets

WILLIAM TURVILL
@wturvill

GREEN finance is set to be the new emerging markets for investors, according to a report out today forecasting it will become “a core element of global capital markets”.

TheCityUK and Imperial College Business School report also suggests that London is “well-placed to play a leading role” in the market. The UK already has $61.8bn (£45.7bn) of green bonds in issuance, a nine per cent share of the global market.

“Green finance is not charity and it’s not about hand-outs or subsidies,” said Anjalika Bardalai, chief economist and head of research at TheCityUK. “What it does is use the age-old premise of risk and return in the private sector to solve some of the world’s most pressing challenges.

“Just as emerging markets have entered the mainstream of investing over the past two decades, green finance is destined to become a core element of global capital markets in the coming years. The UK is well-placed to play a leading role in driving this forward because of its well-developed financial and related professional services ecosystem and clusters of environmental expertise.”

As well as highlighting the UK’s strong position in the green bond market, the report also drew attention to the work of the Green Investment Bank. Now the Green Investment Group, it has invested in more than 100 green infrastructure projects totalling £1.4bn.

In addition, the report seeks to define green finance. “We define green finance as: ‘Funding for new capital and operating expenditures that generate measurable progress towards the achievement of a well-recognised environmental goal’. It’s the explicit link to an environmental target that drives market integrity,” said Imperial’s Charles Donovan.

Bayer with us: German pushes back deal date

WILLIAM TURVILL
@wturvill

GERMAN chemicals giant Bayer has pushed back its expected completion date for its takeover of US rival Monsanto.

Bayer announced to shareholders yesterday that it expects to complete the $66bn (£49bn) deal in “early 2018”.

Previously, the firm had guided that it would tie up the transaction by the end of this year.

Bayer also yesterday said that it had asked for an extension of the European Commission’s review into the deal.

The commission initiated an in-depth investigation on 22 August. On Monday this week, Bayer requested that the probe be extended by 10 working days until 22 January next year.

Liam Condon, a management board member and president of its crop science division, said: “In view of this, an anticipated closing of the deal in early 2018 is now more likely than end of 2017.”

Bayer agreed its takeover deal for US seeds firm Monsanto in September last year after two other formal offers were rejected.

Take a weekend stroll in the country.

London City to Prague

Europe’s more local when you can check in 20 mins before you fly.

Book now at ba.com/londoncity
French Connection has been trying to turn a corner and aims to “refresh” the brand with Waitrose.

The third quarter “as we continue to acquire and retain customers”. The average order value had slipped slightly to £106.25, but the number of orders were up 16 per cent to 254,000. Despite this, Ocado’s share price fell almost seven per cent in early trading, as investors got cold feet over the business’s growth plans. Its shares later closed 1.95 per cent down at 296.1p. Chief executive Tim Steiner said Ocado was “scaling up our capacity in our revolutionary new customer fulfilment centre (CFC) in Andover” while “preparing our fourth, and biggest, CFC to date in Erith, set to open in 2018”. “These investments, while increasing some costs in the short term, will allow us to meet the rapidly growing demand for our services from UK consumers,” Steiner added. Analysts said investors may have been disappointed that no new tie-ups were announced.

French Connection starts to shrink losses

LUCY WHITE
@LucyGWhite

STRUGGLING fashion retailer French Connection has begun to close its operating loss as it attempts to push back towards profitability, but its revenues were still slipping in yesterday’s first-half results.

French Connection’s operating loss managed to shrink to £5.7m, down from £7.9m. Wholesale revenues grew by 7.2 per cent, or 2.6 per cent at constant currency, while the licensing sector also returned to growth with income up 8.3 per cent in the six-month period ending 31 July.

Meanwhile, in retail operating losses were reduced by 38.3 per cent. UK and Europe like-for-like retail sales were broadly flat, with an improved margin rate due to fewer promotions. However, the group revenue slipped by 1.6 per cent – or 4.2 per cent at constant currency – to £68.1m.

“We have definitely seen momentum build in the first half of the new financial year with improvements across all the divisions despite difficult trading conditions,” said CEO and chair Stephen Marks.

Ocado stock hit despite strong sales

LUCY WHITE
@LucyGWhite

SHARES in online supermarket Ocado dipped yesterday, despite the group releasing a fairly positive trading statement.

Retail revenue increased by 13.1 per cent in the 13 weeks ending 27 August, to £312.7m. The business also noted stronger growth in average orders per week in the third quarter “as we continue to acquire and retain customers”.

The average order value had slipped slightly to £106.25, but the number of orders were up 16 per cent to 254,000. Despite this, Ocado’s share price fell almost seven per cent in early trading, as investors got cold feet over the business’s growth plans. Its shares later closed 1.95 per cent down at 296.1p. Chief executive Tim Steiner said Ocado was “scaling up our capacity in our revolutionary new customer fulfilment centre (CFC) in Andover” while “preparing our fourth, and biggest, CFC to date in Erith, set to open in 2018”. “These investments, while increasing some costs in the short term, will allow us to meet the rapidly growing demand for our services from UK consumers,” Steiner added. Analysts said investors may have been disappointed that no new tie-ups were announced.

Lidl sales now neck and neck with Waitrose

EMMA HASLETT
@emmahaslett

LIDL has sustained its climb up the supermarket ladder, growing its market share by more than 19 per cent to land neck and neck with Waitrose.

After a surprise rise last month, figures by Kantar Worldpanel released yesterday showed both Lidl and Waitrose had a 5.3 per cent share of the market in the 12 weeks to 10 September, making them tied for seventh place in the UK’s grocery sector.

Aldi also showed a double-digit rise in market share, with sales climbing 15.6 per cent, giving it a 6.9 per cent slice of the market. Between them, Aldi and Lidl now account for £1 in £25 a decade ago. Meanwhile, Tesco’s share of the market declined to 27.8 per cent, up from £1 in £25 a decade ago.

Across the sector as a whole, supermarket sales increased 3.6 per cent over the quarter, the sixth consecutive month in which sales were up from £1 in £25 a decade ago.

In contrast, Sainsbury’s share of the market declined to 15.7 per cent, down 0.3 percentage points from the same time last year, while Sainsbury’s fell to 15.7 per cent, down 0.2 percentage points.

The company added that since he took over as chairman “investors have enjoyed a total shareholder return of 823 per cent, compared with 207 per cent for the FTSE 100 as a whole, while over the same period employee numbers have doubled to more than 40,000”.

RB, which owns the Durex and Cillit Bang brands, among others, recently warned sales had taken a hit after the Petya ransomware attack in June. The firm has also recently shaken up its top team, with four senior executives on the way out as RB attempts to remedy its sales problem.

“It is a privilege to have served as chairman of this great company and to have worked with many exceptional people to create so much value for shareholders, employees and the communities where we operate,” Bellamy said.

RB’s senior independent director, Andre Lacroix, said: “The process to identify a successor to the chairman began some time ago, with an external search firm engaged to recommend appointments to the board who also had the potential to become the next chairman. I am delighted that this process has now culminated with the appointment of an exceptional leader to carry on Adrian Bellamy’s work.”

Reckitt chair to step down at AGM next year

CAITLIN MORRISON
@cyphert

RECKITT Benckiser Group (RB) yesterday announced its chairman Adrian Bellamy will step down from the board at next year’s annual general meeting.

He will be replaced by fellow board member Christopher Sinclair.

The consumer goods group said yesterday that during Bellamy’s tenure as chair, RB has “undergone a transformation from a household cleaning company into the global leader in consumer health and hygiene”.

The company added that since he took over as chairman “investors have enjoyed a total shareholder return of 823 per cent, compared with 207 per cent for the FTSE 100 as a whole, while over the same period employee numbers have doubled to more than 40,000”.

RB, which owns the Durex and Cillit Bang brands, among others, recently warned sales had taken a hit after the Petya ransomware attack in June. The firm has also recently shaken up its top team, with four senior executives on the way out as RB attempts to remedy its sales problem.

“It is a privilege to have served as chairman of this great company and to have worked with many exceptional people to create so much value for shareholders, employees and the communities where we operate,” Bellamy said.

RB’s senior independent director, Andre Lacroix, said: “The process to identify a successor to the chairman began some time ago, with an external search firm engaged to recommend appointments to the board who also had the potential to become the next chairman. I am delighted that this process has now culminated with the appointment of an exceptional leader to carry on Adrian Bellamy’s work.”

French Connection starts to shrink losses

LUCY WHITE
@LucyGWhite

STRUGGLING fashion retailer French Connection has begun to close its operating loss as it attempts to push back towards profitability, but its revenues were still slipping in yesterday’s first-half results.

French Connection’s operating loss managed to shrink to £5.7m, down from £7.9m. Wholesale revenues grew by 7.2 per cent, or 2.6 per cent at constant currency, while the licensing sector also returned to growth with income up 8.3 per cent in the six-month period ending 31 July.

Meanwhile, in retail operating losses were reduced by 38.3 per cent. UK and Europe like-for-like retail sales were broadly flat, with an improved margin rate due to fewer promotions. However, the group revenue slipped by 1.6 per cent – or 4.2 per cent at constant currency – to £68.1m.

“We have definitely seen momentum build in the first half of the new financial year with improvements across all the divisions despite difficult trading conditions,” said CEO and chair Stephen Marks.

Analysts also said Ocado’s shareholders may be wary of more investment
Octopus leads $26m series C round for cyber group Digital Shadows

EXCLUSIVE

LYNSEY BARBER
@lynseybarber

A HIGH-FLYING cyber security startup has attracted fresh funding from venture capital investors to fuel global expansion amid the growing threat of cyber crime.

Digital Shadows, which emerged from fintech hub Level39 in Canary Wharf and boasts the Bank of England among its client list, has raised £16m (€19.2m) in a series C round led by the backers of Zoopla and Swiftkey, Octopus Ventures, alongside World Innovation Lab and Industry Ventures.

The startup provides intelligence to companies on cyber security risks.

“This funding event is a huge milestone for Digital Shadows so we can expand our lead to offer the best digital risk management service in the industry,” said co-founder and chief executive Alastair Paterson.

“The Fed has given clear signals it will start to wind down its $4.5 trillion balance sheet, in what would be a symbolic moment for the central bank after almost a decade of unconventional monetary policy.

“The interest rate-setting Federal Open Market Committee (FOMC) will announce its decision today at 7pm UK time, along with its latest economic forecasts. FOMC chair Janet Yellen will then address reporters at a press conference at 7:30pm.

“While many investors expect the Fed to announce the start date for allowing securities to roll off the balance sheet (by stopping reinvestment of money earned from maturing securities), Jeremy Spain, bond analyst at wealth manager Charles Stanley, predicted the central bank will keep Balance sheet on agenda for Fed

JASPER JOLLY
@jjpjolly

THE FEDERAL Reserve began a two-day meeting yesterday with analysts split over whether policymakers will formally announce its next step in the so-called normalisation of US monetary policy.

The Fed has given clear signals it will start to wind down its $4.5 trillion balance sheet, in what would be a symbolic moment for the central bank after almost a decade of unconventional monetary policy.

The interest rate-setting Federal Open Market Committee (FOMC) will announce its decision today at 7pm UK time, along with its latest economic forecasts. FOMC chair Janet Yellen will then address reporters at a press conference at 7:30pm.

While many investors expect the Fed to announce the start date for allowing securities to roll off the balance sheet (by stopping reinvestment of money earned from maturing securities), Jeremy Spain, bond analyst at wealth manager Charles Stanley, predicted the central bank will keep investors waiting. He said: “We would not be surprised to see them give further details on this policy, but we do not expect then to give a firm date on when this will happen.”

The assets on the balance sheet – comprising mortgage-backed securitites, government bonds and other securities – were accumulated since 2008, as central banks around the world struggled to limit the damage from the financial crisis.

Investors will also be eyeing policymakers’ plans for interest rates, scrutinising the “dot plot” of FOMC members’ expectations of future rate rises.

Weak inflation data in the US has prompted investors to dial back their bets on future rate hikes, but the market may be underestimating the Federal Reserve, according to Nick Gartside, international chief investment officer of fixed income at JP Morgan Asset Management.

“There is a bit of a disconnect between the market and the Fed,” he said. “Our view is they will go in December and then at least a couple of times next year.”

Standard Chartered private bank names two new bosses in spree

WILLIAM TURVILL
@wturvill

STANDARD Chartered yesterday announced two senior hires as part of an expansion in its private bank.

Joining from UBS, Demir Avigdor will be managing director and market head for Standard Chartered Private Bank in Africa and Europe.

Avigdor will report to Ian Gibson, regional head for Africa, the Middle East and Europe. Gibson said: “Across our network we’re investing in our private banking business, and building our talent and expertise.

“Such is delighted to have Demir join the team. He brings with him a wealth of experience and will be key to building our franchise in Africa and Europe.”

The bank also yesterday announced the appointment of Michelle Ho as managing director for China and North Asia.

The appointments come after the private bank announced a series of job moves last week. The bank has made more than 50 private bank hires since the end of 2016.
It’s tiny, green, and could be the future of biofuels.

Algae is a renewable source of energy. ExxonMobil is researching its potential to produce a lower CO₂ emission alternative to today’s transport fuels. And because algae can grow in salt water and on land unsuitable for crops, a successful algae-based biofuel could provide the world with more energy without posing a challenge to global food and fresh water supplies. Learn more at EnergyFactor.com

Energy lives here®

ExxonMobil

Mobil® Esso® Mobil II®
BRITISH business confidence has fallen as political uncertainty continues to leave firms with no clear idea of future trading conditions, according to two separate surveys published today.

A third of employers believe the UK's economic conditions are worsening, reports the Recruitment and Employment Confederation (REC), despite “resilient” hiring patterns.

Meanwhile a survey by the Federation of Small Businesses (FSB) has revealed that optimism among small firms has fallen to its lowest level since the immediate aftermath of the EU referendum.

Mike Cherry, FSB national chairman, said: “Rising inflationary pressure and a weakening domestic economy are the twin drivers of plummeting confidence among small firms and consumers alike. With conference season and the Autumn Budget approaching, policymakers have an opportunity to restore optimism.”

Inflation rose back to an annual rate of 2.9 per cent in August, outstripping wage growth at 2.1 per cent in the year to July, according to Office for National Statistics (ONS) data.

However, the surveys present a mixed picture of the response of business as confidence falls. The FSB survey shows one in eight small businesses expect to downsize or even close in the coming months, the highest level on record for the survey.

Yet employment has continued to fall to 4.3 per cent, a level not seen since 1975, according to the ONS’s latest figures.

Kevin Green, REC chief executive, said: “Employers are showing a great deal of resilience as they continue to hire despite a growing number losing faith in the direction the economy is heading.”

London’s hotels are set to remain resilient next year despite challenges to the UK’s hospitality market, according to a report released today.

The weaker pound will continue to drive growth in bookings and revenues across the capital and the UK as a whole, according to PwC’s latest Hotels Forecast.

But a supply spike in London means growth will be slower than the industry has experienced so far this year, with 7,000 new rooms expected to be added in the city next year.

Revenue per available room (revparr), the hotel industry’s measure of profitability, is expected to grow six per cent in London this year to £120.

Growth is set to slow to 2.4 per cent in 2018, but revparr is still set to hit £123.

Occupancy will also continue to grow, climbing a predicted 0.2 per cent in 2018.

This follows a spike of 2.3 per cent this year in London, compared to average growth of 0.2 per cent elsewhere in the UK.
Speedy Hire profit to top forecasts

REBECCA SMITH
@BexKSmith

TOOL rental firm Speedy Hire posted an optimistic trading update yesterday, saying profit for the year is expected to be ahead of board expectations.

In an update ahead of publishing half-year results for the period to the end of September, Speedy Hire said group revenues for the period to 31 August, excluding disposals, were around 7.5 per cent ahead of the year before, predominantly due to booming service revenues.

Net debt at the half-year mark is also expected to have been trimmed back from £85.4m the same time last year, to below £70m.

All this positive news has meant the firm said yesterday that adjusted profit before tax for the full year is on track to be “well ahead” of the year before, and could surpass the board’s expectations too.

It marks the firm’s turnaround over the past year, after profit warnings, the departure of former chief executive Mark Rogerson in July 2016, and an activist shareholder revolt last summer.

Speedy Hire said: “Adjusted profit before tax is expected to be well ahead of the prior year and slightly ahead of the board’s previous expectations.”

Filipino fast food offer for Pret underdone

ALYS KEY
@alys_key

PRET a Manger intends to push ahead with its plans for a possible float on the New York Stock Exchange despite speculation a $8bn (£5.7bn) Filipino business is eying a takeover bid for the coffee chain.

City A.M. understands that Jollibee and Pret have not been in contact with each other on the potential takeover bid.

The offer, first reported by Reuters, would have given Pret a value of $1bn. But it is widely understood that Jollibee, known as “the McDonald’s of the Philippines” is reported to be looking at opportunities for overseas expansion. It has been in talks with advisers about opportunities, including the possible Pret deal, according to Reuters.

Any potential tie-up would combine two very different food companies. Jollibee is famous in South Asian markets for fast food dishes including burgers and sweet noodles, while Pret a Manger’s range of health-focused salads and sandwiches cater to a different market.

Bridgepoint and Pret a Manger said today that they do not comment on market speculation, while Jollibee could not be reached for comment.

Last year Pret a Manger made £83m in core earnings, bringing in revenue across over 600 stores.

This follows reports that the sandwich chain is gearing up to float on the New York Stock Exchange.

In May, Bridgepoint hired JP Morgan and Jefferies to explore a possible flotation in America.

Labour dispute dents Petra’s share price

COURTNEY GOLDSMITH
@courtneynoelg

PETRA Diamonds’ woes continued yesterday as the miner revealed it was hit by labour disruption in South Africa, sending shares down nearly six per cent.

The company said it was assessing the impact of labour disruption at its Finnish mine and its Kimberley Ekupu Mining joint venture operations.

Members of South Africa’s National Union of Mine workers were on strike over pay, according to regional secretary Cornelius Manhe.

In its half-year results on Monday, Petra had warned that there could be labour unrest as it finalized a new wage agreement for its operations in South Africa.

Yesterday it said underground and surface mining were affected by the strike, but plant treatment was continuing at near normal capacity.

Normal operations were continuing at its Cullinan and Koffiefontein mines.

“The company is in ongoing discussions with the National Union of Mine workers in order to resolve the situation and is closely managing the situation to ensure the least possible impact on group production. Petra will update the market as the situation unfolds,” the company said.

The diamond miner’s shares dropped earlier this week after the firm warned it could breach its debt covenants if it failed to resolve a dispute with the government on Tanzania.

Operations resumed at its Williamson mine after the company had been forced into a four-day stoppage earlier this month amid a government probe of the country’s diamond sector. It is still in talks with the government over a parcel of 71,654 carats of diamonds it seized.

The company’s share price has fallen around 30 per cent so far this year.

Import block sours sweetener maker’s profits

LUCY WHITE
@LucyGWhite

STEVA sweetener maker PureCircle yesterday announced a bitter set of headline figures after its North American imports were temporarily blocked, although it has reported strong growth outside the region.

Out of context, PureCircle’s results look to have slipped drastically. Sales were down by $19.7m (£14.6m) to $118.9m, as operating profit shrank by $15.6m and net profit more than halved from $14.6m to $7.2m.

However, these figures disguise the fact that PureCircle has seen eight per cent growth outside North America over the past year. It took a hit when it was revealed early this year that US authorities had banned its products from entering the country.

According to PureCircle, this meant the company was “denied access to a market that represented a third of its revenues”.

Authorities dropped the allegation that PureCircle was using convicts as slave labour after an “extensive investigation”, but PureCircle has said “it will take some time to rebuild the previous momentum in this region”.

Speedy Hire rose on the upbeat update, closing up 0.98 per cent.
Pre-order the latest phone,
and get your next upgrade on us.

Join our Yearly Upgrade Programme.

Only at o2.co.uk/OnUs
or any O2 shop
Oops

Get a free screen replacement when you buy the latest phones

more for you O₂
Lyndsey Barber
@lynseybarber

The new boss of a UK startup that once claimed to be worth more than $1bn, but this year had to be rescued from administration, has spoken out for the first time about its turnaround and said it will soon make a profit, just six months on from being on the brink of collapse.

Morten Tonnesen was appointed as chief exec of advertising technology firm Ve Interactive – now renamed Ve Global – by a group of shareholders who forced out its disgraced founder and led a management buyout, after creditors pushed it close to bankruptcy in April.

“We’re moving into a phase of stability,” Tonnesen told City A.M., with sales of its software that helps turn internet browsers into buyers up 20 per cent year-on-year in August. He forecasts that will increase to 50 per cent for the year and that it will be turning a profit by November, the first time in several years.

Tonnesen, a former head of marketing and customer experience at Pokerstars, also revealed it has not lost any major clients, despite the high-profile reports of founder and former boss David Brown burning through investor cash and bringing the startup to its knees.

Tonnesen will now focus on landing more “tier one” clients – large and publicly listed firms – as well as creating an easy to use self-service platform aimed at smaller clients.
Domino’s gets bigger bite of Russia

ALYS KEY

TOYS ‘R’ Us got court permission yesterday to borrow more than $2bn (£1.48bn) to start paying suppliers so it can stock up on items like Lego building blocks and Barbie dolls for the holiday season, a day after it filed for bankruptcy.

The Chapter 11 filing by the biggest US toy store chain, to restructure $5bn of long-term debt, is among the largest ever by a specialty retailer and casts doubt over the future of the company’s 64,000 employees and nearly 1,600 stores, which remain open.

The collapse came swiftly.

News reports this month that the company hired a law firm that specializes in corporate restructuring and was seeking a bankruptcy loan set off “a dangerous game of dominoes”, David Brandon, the company’s chief executive and chairman, said in a court filing.

Ten days later, nearly all the company’s vendors refused to ship products without cash in advance, forcing Toys ‘R’ Us to scramble to raise $1bn for its suppliers, according to court filings.

The timing could not be worse. Toys ‘R’ Us is building inventory for the holiday season and fourth quarter, which accounts for 40 per cent of net sales. The company said it received a commitment for up to $1.3bn in debtor-in-possession financing from lenders including a JP Morgan-led bank syndicate and certain existing lenders.

The Wayne, New Jersey-based company, which also operates the Babies ‘R’ Us chain, can return to court to seek approval to borrow the entire loan commitment.

Brandon said in the court filings that he hoped Chapter 11 would enable the company to address the financial constraints that “have held us back” in a “lasting and effective way.”

Ryanair costs may hit €53m

REBECCA SMITH

THE FINANCIAL hit from Ryanair’s flight cancellation chaos could be greater than the €25m (£18.5m) forecast, experts have said.

The Irish carrier said over the weekend it will have to cancel 40-50 flights every day for the next six weeks, after messing up the planning of pilots’ holidays. It said on Monday it faced a €25m bill for the troubles, but analysts think it could be higher.

Goodbody Stockbrokers estimated it would cost the airline €34.5m while flight claim firm Skykop said yesterday it could cost them “around €53m”.

The airline has offered affected passengers alternative flights or a full refund and compensation.

Aramco figures coming in 2018

RON BOUSSO

SAUDI Aramco will be able to release its audited financial accounts in early 2018 if the government decides on a venue for listing the oil giant’s IPO and finalizes several reforms this year, the sources said.

It will be the first public earnings disclosure for Aramco and one of the most important internal milestones in preparing for the float, which is expected to raise as much as $100bn (£74bn).

Releasing the 2015-2017 accounts in the first quarter would be a major step toward sticking to the 2018 goal although the IPO’s timing depends on several external factors, the sources said. The Saudi government wants to sell five per cent of Aramco.

Keywords revenue rises 50pc but stock dips

LUCY WHITE

LUCY@LUCY@WHITE

KEYWORDS Studios, a business which provides technical services to the video gaming industry, released a strong set of half-year results yesterday, but saw its share price slide.

Revenue increased by 50 per cent to €63.8m (£56.6m), which included a 17 per cent rise in like-for-like revenues. Adjusted profit before tax was up 60 per cent to €9.6m while adjusted earnings per share hit 13.2 cents, up 55 per cent.

Keywords announced a 10 per cent rise in the interim dividend to 0.48p per share.

The group said it had made a £6.9m net cash outlay on acquisitions, after completing the buyouts of Spow, XLOC and Gamesim.

broker FinnCap said it had “long-term confidence in the business”, but downgraded its recommendation from “buy” to “hold”, “in view of the stock’s exceptionally strong run.”

It added that, since Keywords already supplies 25 of the top 25 leading games companies across the world, its main growth opportunity is to sell them additional services.

Toys ‘R’ Us to borrow $2bn in extra cash

TOM HALS

TOYS ‘R’ Us got court permission yesterday to borrow more than $2bn (£1.48bn) to start paying suppliers so it can stock up on items like Lego building blocks and Barbie dolls for the holiday season and fourth quarter according to court filings.

The timing could not be worse. Toys ‘R’ Us is building inventory for the holiday season and fourth quarter, which accounts for 40 per cent of net sales. The company said it received a commitment for up to $1.3bn in debtor-in-possession financing from lenders including a JP Morgan-led bank syndicate and certain existing lenders.

The Wayne, New Jersey-based company, which also operates the Babies ‘R’ Us chain, can return to court to seek approval to borrow the entire loan commitment.

Brandon said in the court filings that he hoped Chapter 11 would enable the company to address the financial constraints that “have held us back” in a “lasting and effective way.”

Domino’s gets bigger bite of Russia

ALYS KEY

SHARES in one of the biggest franchisees of Domino’s Pizza rose yesterday after it said it had tripled its sales in Russia during the first half of the year.

London-listed DP Eurasia, master franchisee of Domino’s in Russia and Turkey, revealed an overall increase in profit and revenue for the period yesterday, sending shares up 2.9 per cent to 186.25p.

Group sales were up 29 per cent for the period ended 30 June, with a 200 per cent increase in Russian sales.

But Turkey is still the group’s biggest market, notching up a 16 per cent increase during the period to sales of 304.1m Turkish lira (£655m). Revenue was up 38.5 per cent to 289.8m lira, while underlying earnings grew 26.4 per cent to 39.4m lira.

Although Turkey and Russia might be considered volatile markets, chief executive Aslan Sarangil told City A.M. yesterday that the business stands up to social and political change.

“Our like-for-like sales growth has been always strong,” he said.

“We are in a highly penetrated market of the young population. We know this market; we are selling tasty affordable pizza. In Turkey you can get a pizza for three dollars.”

Keywords’ share price dropped 4.72 per cent to 1,272p
Wealth manager Netwealth rakes in £10m in second funding round

COURTNEY GOLDSMITH
@courtneynoolg

ONLINE discretionary wealth manager Netwealth Investments yesterday said it raised £10.02m of new capital in a second funding round. Thirteen new investors joined the 28 angels who provided the company its initial capital of £6.57m before the firm launched in May 2016, making total funds raised to date £16.6m. New investors include Dame Alison Carnwath, chair of Land Securities; Julian Mash, founder and chief executive of Vision Capital; David Peacock and John Weiss, coheads of corporate credit at Cheyne Capital; and Sir Alan Parker, founder and chairman of Brunswick.

“Our growth over the past 18 months is a clear signal that cash-rich, time poor professionals are often either underinvested or unhappily invested with traditional providers,” said Charlotte Ransom, chief executive and co-founder.

“We believe the time is now to provide the right financing environment for these companies to thrive,” said Sweeting.

City A.M. understands the firm will make its first investments within weeks and hopes to have three to four under its belt by the end of the year.

V7 is looking to take advantage of market movements such as digital transformation, demographic changes and shifting “psychographics”.

The firm will invest in companies with revenues of between £3m and £15m, providing a growth capital investment of between £2m and £10m.

Hermes report urges balance in active and passive investing

LUCY WHITE
@LucyGWhite

ACTIVE investment strategies may not always perform better than their passive counterparts, but they are probably still worth keeping, according to new research from Hermes Investment Management.

This is because the performance of active funds is cyclical, according to Hermes, and the value may be higher at times of “market inflection”.

The active versus passive debate in investment management has been hotly debated, with some market players accusing active fund managers – who allocate capital to various asset classes and sectors in line with their own strategy rather than tracking an index – of charging investors more without really offering any added value.

But Hermes maintains “a balanced allocation to both passive and active approaches” is a more “prudent strategy” than making wholesale movements between passive and more complex strategies, as their cyclicity can be “challenging,”.
Thyssenkrupp works council says asset merger with Tata Steel a ‘possibility’

COURTNEY GOLDSMITH
@courtneynoelg

THYSSENKRUPP’S works council will consider a merger of the German group’s European steel operations with Tata Steel, softening its stance on a potential tie-up with the Indian group.

“Negotiations will be difficult,” Wilhelm Segerath, head of Thyssenkrupp’s works council and member of the group’s supervisory board, told reporters yesterday.

“We will examine it and if in the end our conditions are fulfilled and the whole unit is debt-free then it’s a possibility,” he added.

Talks of the merger had stalled as the possible merger would cost thousands of jobs. Labour leaders have called for job and plant guarantees as well as investment pledges.

Heinrich Hiesinger has said a joint venture would be the best way to take overcapacity out of the market. He said the whole unit is debt-free then it’s a possibility.

Gold falls to two-week low ahead of US Fed meeting

COURTNEY GOLDSMITH
@courtneynoelg

GOLD prices fell to a two-week low late on Monday as safe haven assets retreated.

The yellow metal dropped to $1,307 an ounce as the US dollar lifted. In trading yesterday prices lifted somewhat with gold trading around $1,312 per ounce.

“Gold was under intense selling pressure on Monday, as the risk-on mood encouraged investors to offload safe-haven assets,” said Lukman Otunuga, research analyst at FXTM.

“Tug of war between bulls and bears seems to be coming to an end, with a break below $1,300 simply handing control over to sellers.”

Investors are now looking to the US where the Federal Reserve’s Federal Open Market Committee is meeting. A hawkish Fed reaction, which is expected, could send the price of gold below the $1,300 mark while a dovish surprise could attract buyers, said Ipek Ozkardeskaya, analyst at IG.

Flowgroup boss triples stake as losses widen

COURTNEY GOLDSMITH
@courtneynoelg

AIM-LISTED energy provider Flowgroup’s chief executive tripled his shareholding in the company yesterday after it revealed its loss widened in the first half of the year.

The firm, which provides residential gas and electricity supply and other energy services, said its boss Tony Stiff had purchased 11,233,131 ordinary shares of 0.1p each at an average price of 0.8676p per share.

That took Stiff’s shareholding to 1.184 per cent of the company’s issued ordinary share capital.

The firm’s stock closed up 3.55 per cent at 0.88p.

Flowgroup, which currently supplies around 295,000 customer fuel accounts, said revenue increased 71.6 per cent to £71.8m in the six months to the end of June. The company’s loss before tax widened to £13.6m from a loss of £8m the previous year.

“We believe that we have created a firm foundation from which to drive growth and acquire customers moving into the winter period,” Stiff said.
Ryanair’s reputation may be grounded by cancellations

Number of luxury newly built homes plummets by 55 per cent

“Against this backdrop, new build speculators have pulled back in the face of uncertain or negative returns and the disadvantages of over supplied and commoditised stock. “A favourite of Chinese investors, capital controls may also be contributing to falling transactions in this sector. LCP have undertaken no purchases for Chinese buyers this year, while Knight Frank reported an 80 per cent withdrawal at JN’s Real Estate Roundtable this month.”

The research by LCP suggested sales of homes valued between £15m and £10m had risen 23 per cent in the second quarter, as buyers took advantage of sterling’s falling value.

The figures also showed prospective landlords were being put off: the number of buy-to-let homes sold in the second quarter fell by a third.

London house price fall drags on national market

Prices in the capital grew by only 0.7 per cent in the year to August, as the average price dropped by 1.4 per cent during the month in Greater London, according to estate agency group LSL Property Services and Adzuki.

The decline in London dragged down the average price across the whole of England and Wales, which dipped by 0.8 per cent for the fifth consecutive month.

The index, based on Land Registry figures combined with various sources of house price data, shows the annual price fall has risen year-on-year, by 2.1 per cent, down from a high of 9.1 per cent in February 2016.
NUMBER of people on controversial zero hours contracts peaked in 2016, before falling to a three-year low in the first half of this year, official figures have shown.

Some 1.4m people in the UK were on contracts which do not guarantee a set number of hours in May this year, according to data published yesterday by the Office for National Statistics (ONS), down from 1.7m the year before.

However, the figure still comprised five per cent of the UK’s employees.

The ONS said on average, people on zero-hours contracts worked 26 hours a week, with just over a quarter saying they wanted more hours. Most of those said they wanted more hours in their current job, rather than hoping for a new job which provided more hours.

Women made up a 58 per cent share of those on the contracts, while those aged between 16 and 24 were disproportionately likely to use them: 34 per cent of those without guaranteed hours were in that age range, compared with 11.4 per cent of non-zero hours employees.

Some 18 per cent were in full-time education, while more than 23 per cent of those using the contracts worked in health and social services.

“An issue of growing concern is the extent to which a number of long-standing employment law principles may no longer sufficiently reflect modern ways of working,” said Roger Bull, head of the employment team at the Burges Salmon law firm.

“The pace of change has been ferocious.”

He cited the Taylor Review into the employment practices of gig economy companies such as Deliveroo and Uber, published earlier this year, as an example of how the government must adapt employment law.

Rebecca David, deputy executive director at the Resolution Foundation, said the change was driven by two factors.

Firstly, she said, the economic downturn had seen people increasingly turn to zero hours contracts to bolster their income.

Secondly, she said, the rise of gig economy companies had changed the nature of work.

“Society is changing,” she said.

Ends.
Southern Water sinks as sector’s worst provider

COURTNEY GOLDSMITH
@courtneynoell

SOUTHERN Water remained the worst performing water utility for the fifth year in a row despite reducing complaints, the water industry watchdog will reveal today.

The Consumer Council for Water’s (CCWater) annual figures found written complaints to Southern Water dropped by almost 43 per cent in 2016/17 following pressure from the regulator to improve its performance. However, the company was still named the worst performing water company in England and Wales for the fifth successive year as it reported a 54 per cent increase in cases where its customers had to pick up the phone to resolve an issue, or so-called unwanted contacts.

Sir Tony Redmond, London and south east chair for CCWater, said Southern still had “a lot more work to be done”.

CCWater will also put pressure on Thames Water after a number of major incidents over the past year contributed to a 22.5 per cent rise in written complaints to the company and a 2.5 per cent rise in unwanted contacts.

The firm landed an £8.55m fine for failing to meet leakage targets as well as a record £20m for polluting the River Thames.

Another company that stood out for all the wrong reasons was Cambridge Water, which reported a stunning 130 per cent increase in written complaints and a 37 per cent increase in unwanted contacts.

The company has been asked to report back to the watchdog by the end of October to explain what steps it is taking to improve its service.

South East Water was one of the better performers in the industry, with a 10 per cent reduction in written complaints and nearly 19 per cent drop in unwanted contacts.

Elliott boosts stake in Japan’s Hitachi Kokusai to more than six per cent

JUNKO FUJITA

US HEDGE fund Elliott Management has raised its stake in Hitachi Kokusai to just over six per cent, a government filing showed, piling up pressure on KKR, which has been trying to buy out the Japanese firm.

Elliott, a $33bn (£24.42bn) multi-strategy hedge fund with an aggressive activist shareholder arm, is known for buying stakes in companies that are in the middle of a takeover and forcing a better deal for shareholders.

Only last week, it said it had a more than five per cent stake in Hitachi Kokusai. According to the latest filing, Elliott now owns 6.1 per cent.

Over the summer Elliott increased its stake in mining giant BHP Billiton, trying to push through changes in strategy and boardroom make-up.

American buyout firm KKR agreed in April to buy the chip-making equipment and video solutions business from Hitachi in a deal valuing the unit at about $2.3bn.

But the deal was put on hold last month after a third-party committee said the terms could be disadvantageous to minority shareholders.

Hitachi Kokusai shares closed at ¥2,974 last night, 18.8 per cent higher than KKR’s offer price of ¥2,503.

The company said the investment will help it expand its B2B offering committing to invest $10m as the lead investor in the fundraising round.

Victor said the funding will allow it to expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

The company said the investment will help it expand its B2B offering committing to invest $10m as the lead investor in the fundraising round.

Victor said the funding will allow it to expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

Private jet firm Victor lands £15m funding led by BP investing arm

REBECCA SMITH
@BeckySmith

PRIVATE jet charter firm Victor has closed a $20m (£15m) series B investment round led by BP’s investment arm.

The company said the investment will help it expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

Private jet firm Victor lands £15m funding led by BP investing arm

REBECCA SMITH
@BeckySmith

PRIVATE jet charter firm Victor has closed a $20m (£15m) series B investment round led by BP’s investment arm.

The company said the investment will help it expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

Private jet firm Victor lands £15m funding led by BP investing arm

REBECCA SMITH
@BeckySmith

PRIVATE jet charter firm Victor has closed a $20m (£15m) series B investment round led by BP’s investment arm.

The company said the investment will help it expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

Private jet firm Victor lands £15m funding led by BP investing arm

REBECCA SMITH
@BeckySmith

PRIVATE jet charter firm Victor has closed a $20m (£15m) series B investment round led by BP’s investment arm.

The company said the investment will help it expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

Private jet firm Victor lands £15m funding led by BP investing arm

REBECCA SMITH
@BeckySmith

PRIVATE jet charter firm Victor has closed a $20m (£15m) series B investment round led by BP’s investment arm.

The company said the investment will help it expand its B2B offering, connecting suppliers and brokers, as well as other service providers.

The London-based jet charter marketplace has signed a strategic investment agreement with BP Ventures, with the oil giant

RMT sets rail walkout on same day as Tube strike

REBECCA SMITH
@BeckySmith

WORKERS on Southern rail, Merseyrail, Arriva Rail North and Greater Anglia are set to strike on two days in October in disputes over the role of guards, the Rail, Maritime and Transport (RMT) union announced yesterday.

Strikes will be held between 00:01 and 23:59 on Tuesday 3 October and Thursday 5 October.

The latter date also happens to be the day a Tube strike is planned in the capital, with members of Aslef staging a walkout in a dispute over working conditions.

The RMT said its members will take two days of action over the potential extension of so-called driver-only operation after it accused Southern rail of failing to guarantee the role of the guard.

The strike will be the second in a long-running row over the issue.

Apple’s pay via message will now be delayed

LYNSEY BARBER

FINTECH startups can breathe a sigh of relief – for now at least. Apple’s latest move into the world of finance has been delayed.

A new feature for the iPhone that lets you transfer money via text message was set to be introduced with the latest operating system update, iOS 11, which is out now. But Apple has quietly pushed back what analysts have called a big deal and the “800lb gorilla in the peer-to-peer payments pool”, saying it will now come in a later update to iOS 11 and its watch later in the autumn.

“Coming this fall with an update to iOS 11 and watchOS 4, Apple Pay users will be able to send and receive money from friends and family quickly, easily and securely,” it said in the latest information published about the update.

“Pay and get paid right in messages, or tell Siri to pay someone, using the credit and debit cards they have in Wallet. When users get paid, they receive the money in their new Apple Pay Cash card in Apple Wallet and can use the money instantly.”
The gold standard in bitcoin trading

Speculate on the price movements of cryptocurrencies with a world leader in CFDs and spread betting.

▶ Go long or short
▶ No exchange account required
▶ Limit your risk with guaranteed stops*

IG.com
Setting the bar higher

Losses can exceed your deposits. Your losses, as well as profits, are magnified when using leverage.

*There is a fee if your stop is triggered.

BITCOIN | ETHER | BITCOIN CASH
Tech and arts key for London after Brexit

Two-thirds of business leaders believe technology and the creative industries are crucial to London’s success after Brexit, according to a new survey.

The sector was selected as prime areas for London businesses to grow over the next five years by respondents to the latest CBI/CBRE London Business Survey.

The next most valued sector, financial services, had only 49 per cent support compared to the 65 per cent backing tech and the arts. Next on the list was fintech, receiving a 47 per cent rating.

Even though 88 per cent of London businesses were found to employ workers from countries in the European Union, nine in 10 remained positive about the UK’s future relationship with the EU.

But Brexit remains the top concern for London’s firms, as almost three in four (73 per cent) list it as their top concern while 69 per cent admit to making a contingency plan for after the withdrawal.

“Despite the political uncertainty in the air, London continues to enjoy sound economic health and strong business fundamentals,” said Eddie Curzon, London director of the CBI. “Nine in 10 firms say our city is a great place to do business, while investment, expansion and hiring plans are all running high.”

Rajesh Agrawal, deputy mayor of London for business, affirmed a commitment to supporting the industry most valued in the capital.

He said: “London’s thriving tech and creative sectors make a massive contribution to the economy, so it’s no surprise they are so highly prized when it comes to assessing London’s future prospects. The mayor and I are committed to doing all we can to help these sectors grow.”

City of London clinic takes new approach to Back Pain

A state-of-the-art solution to a problem that affects millions worldwide

Kerryn Ramm reports...

According to recent NHS research, back pain is the single largest cause of disability in the UK.

With 3 branches in London, ProBack Clinics aims to use the most up-to-date technologies to treat a growing problem.

Law student and ProBack patient, Gabriela Dempsey, thought back surgery was her only option after suffering with daily, agonising back pain. Her injuries were mistaken for muscle spasms due to her age, but an MRI later revealed 2 herniated and bulging discs. “I was taking strong painkillers every day, but nothing was enough to control the pain – it prevented me from doing everything.”

Sadly, Gabriela’s case is not unique, in 2015 over 31 million workdays were lost due to back, neck and muscle problems1 - making spinal issues more prevalent than the common cold. ProBack Clinics’ shockwave and spinal decompression therapies were recommended for Gabriela.

For those suffering with the symptoms of slipped or bulging discs, spinal decompression therapy offers a non-surgical approach to relief, with latest research showing a success rate of up to 88.9%2. “I never thought it would get better... when they introduced the decompression therapy my results just got better each time - it was amazing!”

Exams available now. Was £220. Now only £60, including X-rays (if req’d) and results. Call ProBack Victoria on 020 7976 6648, London city on 020 3940 1969 or Surbiton on 020 8335 5445.

Choose ProBack today for back, neck or leg pain

3. “The ‘SPACE Travellers’ watch made by George Daniels has sold at auction for nearly three times the previous record for the sale of a timepiece, which was set by the same item in 2012 when it was bought for £1.3m. Yesterday, it went for £3.2m.

LSE pledges to support armed service veterans

Francesca Wanstell

The London Stock Exchange (LSE) will today sign a covenant pledging its commitment to supporting the armed forces and veteran employment.

By signing, the LSE will commit to upholding the key principles of the government’s Armed Forces Covenant, pledging to support reservists and create career pathways through a Ministry of Defence (MoD) scheme.

A number of FTSE 100 companies such as BAE Systems and Vodafone have signed the pledge.

“The armed forces through serving members, veterans and their families play a key role in the defence of our country and, as an organisation,” said LSE chief executive Xavier Rolet.

“It is important for businesses, both large and small, to recognise the value of their contribution to the wider society and to ensure that members of the armed forces community do not face discrimination in the workplace.”

Minister Tobias Ellwood will co-sign the agreement and open trading on the exchange today.

Back, Neck or Leg Pain?

If you or a loved-one suffer from:

- BACK & NECK PAIN
- SCIATICA LEG PAIN
- DISC BULGE
- SPINAL STENOSIS

PROBACK CLINICS offer a safe and gentle approach with no injections and no surgery. Recent research using MRI studies reveals up to 88.9% reduction in disc bulges.

Within a week there was a significant difference in the amount of pain. When they introduced decompression therapy, my results just got better each time – it was amazing!” Gabriela Dempsey

Discover more at www.proback.com

Hurry Limited Availability ~ Book Now ~ EXAMINATION ~ INCLUDING ~ X-RAYS & RESULTS!

£220 Only £60

Exams available now. Was £220. Now only £60, including X-rays (if req’d) and results.

Call ProBack Victoria on 020 7976 6648, London city on 020 3940 1969 or Surbiton on 020 8335 5445.

Choose ProBack today for back, neck or leg pain

PROBACK CLINICS’ aim is to use the most up-to-date technologies to treat some of the most challenging cases of back pain.

Hurry Limited Availability ~ Book Now ~ EXAMINATION ~ INCLUDING ~ X-RAYS & RESULTS!

£220 Only £60

Exams available now. Was £220. Now only £60, including X-rays (if req’d) and results.

Call ProBack Victoria on 020 7976 6648, London city on 020 3940 1969 or Surbiton on 020 8335 5445.

Discover more at www.proback.com
<table>
<thead>
<tr>
<th>THE NOMINEES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MOSAIC</strong></td>
</tr>
<tr>
<td>Founded by former Deutsche Bank trader Matt Hodgson, Mosaic brings together vast amounts of data from fixed income, currencies and commodities markets (known as ficc), helping users to improve sales performance and cope with new reporting regulations. Hailed as one of the best financial services tech innovations in recent times, Mosaic allows banks to see how their entire ficc business is performing in real time, and can also help traders identify much-needed liquidity in ficc markets.</td>
</tr>
</tbody>
</table>

| **CUVVA** |
| Do Londoners subsidise car-owners in less urban parts of the country? Cuvva believes so, and has a solution. The pay-as-you-go insurance app targets city-dwelling car-owners who use their vehicles far less than the UK average yet still pay over odds for their insurance. The company has raised a total of £2.2m in seed capital from LocalGlobe to drive its expansion and is also backed by Hutnet founder Nick Hungerford. Since launching, Cuvva has covered 3m hours of driving. |

| **SEEDRS** |
| The first equity crowdfunding platform to be fully authorised and regulated by the City’s watchdog, Seedrs has continued to break new ground this year with the launch of a secondary market, aiming to bring much-needed liquidity to the sector. The Neil Woodford-backed firm is targeting further growth and innovation and has shaken up its top team, with Jeff Kelisky – formerly of Microsoft and Picsolve – joining the company in January, before taking over as CEO from co-founder Jeff Lynn this summer. |

| **REVOLUT** |
| Payments app Revolut continues to smash its fundraising targets as investors, including British tennis champ Andy Murray, race to back the firm. A crowdfunding round on Seedrs this summer saw 40,000 people pledge an eye-watering £17m, more than four times the amount sought. Revolut is opening new offices across Europe while plotting its arrival in the US. The app’s slick financial services have attracted nearly 850,000 customers to date and they’ve processed over £5bn in transactions. |

| **TRUSSLE** |
| Zoopla-backed online mortgage broker Trussle is set on shaking up the housing market. This summer the company published a “white paper” demanding a new set of industry standards to prevent homeowners overpaying on their mortgages. Founder Ishan Malhi has taken the proposals all the way to the top, speaking to City watchdog the Financial Conduct Authority. Trussle, which uses artificial intelligence to match users with their best options, raised £4.5m earlier in the year. |

---

**CATEGORY**

**FINTECH COMPANY OF THE YEAR**

**Leading the world in financial tech**

London has secured its status as the fintech capital of the world with its winning recipe of finance powerhouse and tech breeding ground, combining the best of the City’s old and new. This category recognises some of the most innovative British fintech successes, spanning sectors such as crowdfunding, mortgages, and car insurance.

**LOOK OUT FOR THE NEXT CATEGORY: DEALMAKER OF THE YEAR**

**SECURE YOUR TABLE NOW**

9 November Grange St Paul’s Hotel
Contact: Ruth Chute-Manning on 020 3201 8948
Email: awards@cityam.com
B RITISH share indexes advanced yesterday as retail stocks gained and cyclical stocks also helped, with investors awaiting further signs of the direction of monetary policy.

Britain’s FTSE 100 ended the session up 0.3 per cent at 7,275.25 points after a volatile start to trading as investors hesitated ahead of the Fed’s two-day meeting starting later in the day.

Supermarkets Sainsbury’s, Morrisons, Tesco and Marks & Spencer, whose bricks-and-mortar business models have been squeezed by online delivery services like Ocado, were among top FTSE 100 gainers.

Sales data from Kantar showed inflation helped boost sales growth for the top supermarkets. Online grocer Ocado tumbled two per cent, however, after its third-quarter results revealed higher ship costs due to a ramp-up in capacity at its Andover distribution centre and investment in a new centre in Erith near London.

Energy stocks added the most points to the index.

---

**CITY MOVES**

**WHO’S SWITCHING JOBS**

MACQUARIE

Macquarie’s Commodities and Global Markets group (CMG) has strengthened its European research capability with the appointment of four top-tier analysts. Grant Sporre (pictured) has been appointed head of European metals and mining research. Grant brings over sixteen years of experience covering the metals and mining industry, most recently as the founder of metals research and commodity strategy at Deutsche Bank. Serafino Caporrelli has joined the commodities research team as an analyst covering bulk commodities. Previously, Serafino was head of iron ore research, covering all aspects of the iron ore, metallurgical coal and manganese ore markets at specialist consultancy CRU. In addition, Domenico Santoro has been appointed head of the European banks research team and Robert Sage re-joins the Macquarie team as senior UK banks analyst. Domenico arrives from specialist research provider Autonomous, where he was a senior partner covering Italian and Greek banks, and also previously held roles at KDB, Nomura and Exane BNP Paribas. Robert is the large cap UK banking sector, including coverage of Lloyds and Standard Chartered. He joined Natio, where he was a director covering UK banks.

Domenico Santoro has been appointed Head of the Global Markets group (CMG) at specialist consultancy CRU. In addition, Domenico Santoro has been appointed head of the European banks research team and Robert Sage re-joins the Macquarie team as senior UK banks analyst. Domenico arrives from Autonomous, where he was a senior partner covering Italian and Greek banks, and also previously held roles at KDB, Nomura and Exane BNP Paribas. Robert is the large cap UK banking sector, including coverage of Lloyds and Standard Chartered. He joined Natio, where he was a director covering UK banks.

---

**NEWS**

**Norway’s $1 trillion wealth fund backs Linde Group-Praxair deal**

TERJE SOLSVIK

THE PROPOSED $74bn (£54.7bn) tie-up of Germany’s industrial gases group Linde and US peer Praxair got a boost yesterday when the world’s biggest sovereign wealth fund said it was backing the deal.

The Norwegian fund, which also said the deal had topped its $1 trillion, will vote in favor of four key resolutions proposed by Praxair’s management at a 27 September meeting of shareholders, it said.

“We support the strategic rationale for the merger ... the proposed business combination is in the best long-term interest of Linde AG shareholders,” Norges Banks Investment Management (NBIM), which manages the fund, said in a statement.

NBIM, which only discloses the size of its individual holdings once per year, owned 4.76 per cent of Linde’s shares at the start of 2017, worth $1.46bn, and one per cent of Praxair, valued at $335.6m.

“Linde’s years of experience in the global industrial gases sector, combined with Praxair’s strong balance sheet, will make this a good fit,” NBIM said.

---

**INTERACTIVE INVESTOR**

INTERACTIVE INVESTOR

Interactive Investor is pleased to announce the appointment of John Baines as a non-executive director. John has over 30 years of experience in the financial services industry, at both executive and board level, and brings with him a wealth of institutional, governance and regulatory knowledge. He currently sits on the boards of the State Bank of India (UK) and Distribution Finance Capital, and has been an executive director at Coutts & Co (UK), Coutts Bank Von Ernst (Switzerland), Adam and Company, and non-executive chairman of RBS International (Jersey). John’s prior roles include CFO of Coutts Group, CFO of Aldermore Bank and CFO of the Co-operative Bank.

---

**SALESFORCE TO LAUNCH $50M FUND FOR AI FIRMS**

SAUL RODRIGUEZ

THE VENTURE wing of Salesforce.com is launching a $50m ($67m) fund to invest in start-ups employing artificial intelligence, the cloud computing firm told Reuters yesterday.

Salesforce, whose software helps businesses sell, market and track customer activity, has been increasing its use of AI since launching its ‘Einstein’ technology a year ago, which uses automation and data-driven features.

“There’s a tremendous surge in companies who are providing unique AI innovations,” said John Somorjai, executive vice president of Salesforce Ventures. “We want more of those companies to do these innovations on Salesforce’s platform.”

Salesforce revenues and income have grown rapidly in recent quarters, and it has boosted spending on research and development in the face of tough competition from rivals such as Amazon, Google and Microsoft.

Venture capital investment in AI start-ups is rising quickly. For 2017, global financing for AI start-ups is projected to surpass $10.8bn – nearly double the $5.6bn spent in 2016, according to research firm CB Insights.

---

**NORWAY’S $1 TRILLION WEALTH FUND BACKS LINDE GROUP-PRAXAIR DEAL**

THE PROPOSED $74bn (£54.7bn) tie-up of Germany’s industrial gases group Linde and US peer Praxair got a boost yesterday when the world’s biggest sovereign wealth fund said it was backing the deal.

The Norwegian fund, which also said the deal had topped its $1 trillion, will vote in favor of four key resolutions proposed by Praxair’s management at a 27 September meeting of shareholders, it said.

“We support the strategic rationale for the merger ... the proposed business combination is in the best long-term interest of Linde AG shareholders,” Norges Banks Investment Management (NBIM), which manages the fund, said in a statement.

NBIM, which only discloses the size of its individual holdings once per year, owned 4.76 per cent of Linde’s shares at the start of 2017, worth $1.46bn, and one per cent of Praxair, valued at $335.6m.

“Linde’s years of experience in the global industrial gases sector, combined with Praxair’s strong balance sheet, will make this a good fit,” NBIM said.

---

**INTERACTIVE INVESTOR**

INTERACTIVE INVESTOR

Interactive Investor is pleased to announce the appointment of John Baines as a non-executive director. John has over 30 years of experience in the financial services industry, at both executive and board level, and brings with him a wealth of institutional, governance and regulatory knowledge. He currently sits on the boards of the State Bank of India (UK) and Distribution Finance Capital, and has been an executive director at Coutts & Co (UK), Coutts Bank Von Ernst (Switzerland), Adam and Company, and non-executive chairman of RBS International (Jersey). John’s prior roles include CFO of Coutts Group, CFO of Aldermore Bank and CFO of the Co-operative Bank.

---

**SALESFORCE TO LAUNCH $50M FUND FOR AI FIRMS**

SAUL RODRIGUEZ

THE VENTURE wing of Salesforce.com is launching a $50m ($67m) fund to invest in start-ups employing artificial intelligence, the cloud computing firm told Reuters yesterday.

Salesforce, whose software helps businesses sell, market and track customer activity, has been increasing its use of AI since launching its ‘Einstein’ technology a year ago, which uses automation and data-driven features.

“There’s a tremendous surge in companies who are providing unique AI innovations,” said John Somorjai, executive vice president of Salesforce Ventures. “We want more of those companies to do these innovations on Salesforce’s platform.”

Salesforce revenues and income have grown rapidly in recent quarters, and it has boosted spending on research and development in the face of tough competition from rivals such as Amazon, Google and Microsoft.

Venture capital investment in AI start-ups is rising quickly. For 2017, global financing for AI start-ups is projected to surpass $10.8bn – nearly double the $5.6bn spent in 2016, according to research firm CB Insights.
THE CURRENT legacy system is so steeped in tradition that it’s preventing people from engaging with it altogether. This was recently highlighted by the Law Commission, which has called for an overhaul of the laws around wills.

According to research from Unbiased, 60 per cent of adults in the UK have not written a will. Meanwhile, figures from the Office for National Statistics showed that inheritance tax receipts had jumped by four per cent over the past year, hitting £4.8bn.

The fact is, the existing process is outdated and relies heavily on individuals continually revisiting their legal documentation. This is a complex and time-consuming process. Rules around inheritance tax and wills change frequently and plans can depend on a host of factors – from family fall-outs, re-marriage, moving house, or a financial windfall.

Assets may therefore be diverted away from the intended beneficiaries, leaving wishes not fulfilled. In the digital age, allowing exchange of this information via emails, apps and web portals is increasingly important.

Although still in its infancy, the introduction of technology into this antiquated industry as a whole is having a profound effect, making for a quicker, easier and more streamlined process when planning your legacy.

While digitalisation continues to develop, for those unsure of how to even begin legacy planning, here are some key things to consider.

ENSURE LEGACY WISHES ARE LAID OUT CLEARLY
You don’t want there to be any room for misinterpretation, whether from friends and relatives going through your personal requests, or when it comes to unpicking the finer financial details.

You may think something is clear enough, but it’s worth asking someone trusted, or an adviser, to look over your plans.

This will ensure plans are properly scrutinised, and mistakes or possible loopholes can be identified. If you want to ensure your goals are seen through, or the correct beneficiaries receive your assets, this is the best method.

MAKE A LIST
Document your key possessions, bank accounts, savings and pension details.

This doesn’t have to be extensive; the point is that it will give you an overall view of what you have and will help you assess what needs to be amended, as well as how you want them to be distributed.

For example, perhaps you would prefer to derisk your investment portfolio or add another person onto your life insurance policy.

NOTIFY LOVED ONES OF YOUR PLANS
The majority of families don’t know where their close relatives keep critical documents outlining legacy plans, including deeds to property, insurance policies, and even the will itself.

This could mean old versions of plans and wishes are the only ones calculated. Therefore make sure key parties are aware of the latest plans.

ORGANISE A LASTING POWER OF ATTORNEY
At a time when life expectancy is increasing, organising a lasting power of attorney is possibly even more important than a will.

If you already have a power of attorney, make sure that “successors” are nominated in case the first person passed away, or if that person is unable to make decisions for themselves.

A court may have to step in if this doesn’t happen – and clearly that’s a situation best avoided.

A FINANCIAL PLAN
It’s one thing to ensure that all your assets are in order, and quite another to make sure your relatives won’t face unexpected costs or debt.

Ensuring family and friends are not left with worries about paying for the funeral is one of the big reasons most people decided to buy a prepaid financial plan, according to our research.

Planning ahead will help shield you from rising inflation and ease the strain further down the line.

Ultimately, planning really is essential – whatever form this takes. For those who are neglecting to make a plan because of the sheer amount of time needed, it’s important for the industry to turn itself around to accommodate.

A legacy not only provides financial security for loved ones, but ensures all assets are taken care of – ultimately giving you peace of mind.

Paul Wilson is chief executive of funeral planning service Avalon, which has now launched the LifeLocker app.
OLED screens and dubious FaceID? The iPhone X smells like Marmite

WHEN I was asked whether I thought the iPhone X was innovative, naturally I went out and did what I do best: research. This, as it happens, is an ecosystem of entrepreneurs and inventors, and asked.

For a brand as much-loved as such Apple, the reaction was inconsistent and polarised. It is clear to me that the iPhone X is, as the old trope says, generating a “Marmite” reaction. You either love it or you hate it.

When looking at general consumer needs, its a contrarian marriage. Features such as FaceID, an OLED exterior, and improvements in software come with a very punchy price point.

But as always, its all about the brand. Apple has long had the reputation for under-aiding its con-sumer and building the best-looking products and services and applications. I’m actually a relatively recent iPhone owner (2014), having been embedded in other mobile ecosys-tems over the years. But when I first finished my phone, for the first time I had early adopter access to all the cool new applications and devices.

Consequently, I was better able to see the needs of the start-ups I was advising.

First, I am thinking of the app store in any territory was a core metric and an indicator of early success for so many of these app-backed startups.

But that was then. Fast forward to September 2017, and with the advent of innovation from the likes of Samsung and Huawei and the increasing market share of Google’s Android, Apple cer-tainly has its work cut out.

“As someone who uses both the iPhone X and Android, my company develops software for both,” I moved from iPhone to Samsung when I bought my Galaxy S7 Edge and I left,” says Daniel Murray, co-founder of shopping app Grabble.

“As my chief technology officer colleague commented that said during the unveiling, “Wow, the iPhone Galaxy S7 Edge looks great, but hasn’t Samsung already brought out the 8?”

Is there a fair? When I think about what I need as a consumer of mobile devices, I want the ability to navigate my world, and personal life. I want to be able to make calls, hail, taxi, pay for goods and services, and travel from A to B to the retailer, to look at my work emails and calendar appointments, take photos, post on my social media platforms, and gen-erally stay connected.

Finding what is most importantly – I want the battery to last all day. This is where the iPhone X features are important, but is Apple really listen-ing to consumer needs?

Or are mobile app engineers forcing their visions of innovation on unwill-ing consumers?

“I have not stopped listening to their customers after iPhone 6,” says Matt Lerner, partner at London-based venture capital firm, “Most people mainly want a longer battery life, faster processor, better cameras, simple UX and a won’t-break-if-you-drop-it phone. Apple thinks we want an OLED screen, face recognition and a flatter handset.

FaceID is one of the most polar-ising features. Yes, cyber security spe-cialists know that facial recognition will secure the vast amount of personal data and best deals, but it has a simple user perspective. I am trying as hard as any of you to envision a sce-nario at rush hour on the Tube.

Imagine stopping among the com-mon meter me at the ticket gates, tak-ing your phone out, using FaceID to unlock the device, and touching your phone on the oyster card reader. Can you imagine standing on a platform.

Aaron Ross is the managing direc-tor of Vix Technology, which manages more than five billion annual (and global) passenger journeys on rail, bus and trams across the globe. He disagrees.

“FaceID will be a real game changer. Facial recognition has been around for a while, but as anyone who has used the ePassport gates at Heathrow knows its viability has been question-able. If Apple delivers on the promises in their keynote, facial authentication will become mainstream. Apple has done what it does best, take a nascent technology and reinvent it to take it to critical mass.”

What is the look of the feel of the iPhone X? The edge-to-edge OLED display certainly invokes scopicism. It will only be a matter of time before we start hearing stories of device screen breakages – both front and back – increasing the cost of ownership.

Some critics, such as Seth Godin, have been forthright. “Apple launched a $1,000 phone. The engi-neers, managers and designers had unlimited time (10 years since the first one), unlimited resources, unlimited mar-ket power. And, yet, all they could build was an animated emoji machine,” he said at the launch.

But despite the variety of views, I believe consumers will continue to find value in the new high price point.

As Vitaly Golomb, partner at HP Tech Ventures in Silicon Valley, points out, “Apple has a lock on its customer base and it is more than likely than not that their user base will stay loyal.”

As for me, it’s a good thing I’m a Marmite fan! I’ll probably take out my mobile insurance and bravely try to explain why mobile insurance and bravely try to explain why Apple doesn’t listen. But with my mobile insurance and bravely try to explain why Apple doesn’t listen.

Moving pallets of bottled water around the world on a recurring basis is not sustainable in terms of standard. This is why the World Economic Forum voted “Air to Water” technology within their top 10 enterprises in 2017 

This technology simply harvests water from humidity rich atmospheres, then cleans and mineralizes the water on a more commercially viable scale without any logistical tail supporting both disaster relief situations and first to third world drinking water requirements.

This sustainable “point of use” solution to the provision of clean mineralised water mitigates the supply and price challenges of plastic bottled water.

We look forward to governments and aid agencies embracing this new technology as a permanent solution to the provision of clean water, removing the provision of plastic bottled water from both price and supply and demand.

David Painter, chairman, Veragon Water Solutions

Muddying the waters

LETTERS TO THE EDITOR

Mudying the waters

[Re: Why retailers should increase water prices after hurricanes]

It was interesting to read Ryan Boume’s article regarding prices related to bottled water and other products.

While I applaud his point relating to supply and demand and the optimisation of the prices of scarce commodities or services, perhaps the wrong equivalence has been drawn between “nice to have” and essential commodities that sustain life, such as clean water.

Clearly, outside market driven economics, it is a fundamental responsibility of governments and disaster relief organizations to quickly provide the basic essentials to support life (water, power, food, communications, medical services), without the need to maximising profits from national disasters.

Exposing devastated communities to highly priced commodities compounds the survival problem, and drives the development of palm oil agriculture with dirty water and subsequent water-borne diseases, creating health issues and requiring further expensive interventions.

Moving pallets of bottled water around the world on a recurring basis is not sustainable in terms of standard. This is why the World Economic Forum voted “Air to Water” technology within their top 10 enterprises in 2017. This technology simply harvests water from humidity rich atmospheres, then cleans and mineralizes the water on a more commercially viable scale without any logistical tail supporting both disaster relief situations and first to third world drinking water requirements.

This sustainable “point of use” solution to the provision of clean mineralised water mitigates the supply and price challenges of plastic bottled water.

We look forward to governments and aid agencies embracing this new technology as a permanent solution to the provision of clean water, removing the provision of plastic bottled water from both price and supply and demand.

David Painter, chairman, Veragon Water Solutions

BEST OF TWITTER

@twitmericks

A senior Brit statistician

Rebuked a UK politician

Whose lie about Brexit

Falls down when one checks it

But funded his own blind ambition.

@twitmericks

Age of Con/Lab/LD leaders in 01: 40/48/4

Age of Con/Lab/LD leaders in 17: 60/68/74

Runs contrary to politicians are “get rid of Brexit”

@danielhamilton

The last 5 trading days have been the most peaceful days in the history of markets. 0.24% avg intraday range.

SP50

@charliebilello

NB “Brexit CVEH CAN’T BE ANNOYING but fools in govt ruined it” only works as an excuse if it was impossible to foresee govt might contain fools

@rubyshilliff

A Senior Brit statistician

Rebuked a UK politician

Whose lie about Brexit

Falls down when one checks it

But funded his own blind ambition.
What May will say in Florence: Don’t expect the unexpected

HERESA May will not be altering what she intended to say when she gives her speech in Florence on Friday. The febrile speculation is that Boris Johnson’s intervention in the Brexit debate has changed the situation, but in fact it tells us nothing we did not already know.

Much of what Boris said in his 4,000 word Telegraph opus is a welcome corrective to the months of negative coverage about Brexit. This was generated by the noisy lobbying from the big protected city interests and some larger manufacturers. They are entitled to their views, but wrong to assume that they have diverted the government from the Lancaster House agenda.

This is because of some basic facts of the negotiations.

Those who want the UK to leave the EU but “stay in the Single Market” will likely say that the real “have your cake and eat it” brigade. They are asking for the one thing that the EU has made clear that they cannot concede.

It is far more likely that we leave the EU without any deal whatsoever if we insist on such a big ask: to have the UK without any deal whatsoever if we insist on such a big ask: to have the UK remain in the Single Market. They are entitled to their views, but wrong to assume that they have diverted the government from the Lancaster House agenda.

The government has not been diverted from the Lancaster House agenda

We should not expect the withdrawal agreement to include the final trade deal. The Article 50 agreement cannot become a “mixed agreement” mixing EU-exclusive competences with those shared with the member states), or it would need to be ratified by all the member state parliaments, like a trade agreement. It could then risk being held up by a single country, as the Canada deal was by Belgium.

However, we are entitled to expect a clear and detailed declaration of intent to conclude such an agreement. For a start, it would help if the EU and the UK were now to agree jointly to notify the WTO of our intention to conclude a free trade agreement.

This would make it clear that we intend to maintain zero for zero tariffs during the interim period, and set the tone for the rest of the negotiations.

It may help if we make clear that we will maintain regulatory parity during the interim period. We should also recognise that there are political and diplomatic reasons for us to consider some interim help to fill the financial gap our departure leaves in the EU’s finances. The EU will then be able to say “sufficient progress” has been made to allow negotiations on the big issues to make progress.

We should not expect the withdrawal agreement to include the final trade deal. The Article 50 agreement cannot become a “mixed agreement” mixing EU-exclusive competences with those shared with the member states), or it would need to be ratified by all the member state parliaments, like a trade agreement. It could then risk being held up by a single country, as the Canada deal was by Belgium.

The talk of higher rates has been based on hints that the Bank of England would soon have to act to stem the recent rise in inflation. But price increases have come mainly from the drop in the value of the pound, following the referendum, rather than an upick in the economy - which in the first six months of 2017 registered the slowest first half year growth in five years. Yes there are skills shortages emerging in some areas, particularly in manufacturing, but this has hardly been evident in overall which have been slow to respond to rising employment levels.

The expectation is that inflation will stabilise and start falling soon. And most economic forecasts predict slower growth in 2018 than whatever may turn out to be the case in 2017. Any increase in rates, however small, would send wrong signals to both consumers and business, and could stop whatever nascent recovery one may have hoped for in its tracks.

The threat of the global economy is also likely to support UK growth, so the economy can comfortably absorb gradually rising interest rates.

The strength of the global economy is also likely to support UK growth, so the economy can comfortably absorb gradually rising interest rates. A rise in UK interest rates is long overdue, and the MPC now appear to be recognising that, albeit belatedly. Let’s hope they haven’t left it too late.

Bernard Jenkin is Conservative MP for Gillingham and North Essex. He chairs the European Research Group Steering Committee and the European Research Group’s Brexit Working Group.
Make your business fly

PERFORMANCE IMPROVEMENT
How to play the part of a business superhero – without losing your integrity...
Learning the performance

The first step in assuming a new leadership role is to earn people’s trust. Keil Hubert and You Tube film critic Brad Jones discuss how faithfully emulating an established archetype helps create trust and goodwill with your audience.

YOU CAN’T imitate good leadership if you’ve never seen experienced leadership. I hammer this idea into my students when I teach leadership development: becoming an effective leader involves performance art – imitating a known part so your followers understand how to relate to you while you grow into the position. If you’ve never seen a good leader perform, you lack a viable reference model. This is why so many of our leaders fail: their “on-stage” personality doesn’t match their audience’s expectations, so their message gets scrambled, eroding their trust and credibility.

It doesn’t matter if you’re a boy scout trying to become a patrol leader or an MBA trying to become an executive – stepping into leadership demands a measure of impersonation while you master your craft. You can’t bring your non-work persona to the office and expect to be taken seriously. You have to perform your role well enough for your audience to accept you.

When I was in the US military, senior officers would teach cadets and lieutenants the concepts and tactics behind “performing” our assigned roles from Sir John Keegan’s classic military textbook The Mask Of Command. They drove home the idea that soldiers need to understand their officers – not as individual people, but as essential components of the unit structure. To achieve this, we had to confront to standardised officer archetypes – wear the required mask, so to speak, and perform for our audience.

I taught those lessons as a US Air Force unit commander – it took a little translation and cultural adjustment, but my airmen understood and plugged the essentials. But when I tried using those lessons in the commercial space, it all fell flat – the ideas don’t work nearly as well when translated into corporate jargon, even though the meaning is 100 per cent transferable, businesspeople tend to reject lessons from the military. I get why, but I’m not about to let this mindset stop me from presenting the idea.

So, if military examples are unpalatable, fine. We can teach these concepts entirely with commercial celebrity examples. Ladies and gentlemen, may I introduce you to the Internet’s own Brad Jones.

Jones is a professional entertainer who specialises in comedic analysis (and biting parody) of popular culture, especially films, particularly in his web series The Cinema Snob, a caricature of highbrow film critics and snooty cinephiles.

As Jones explains, the idea came about from the Siskel & Ebert reviews of Friday The 13th: The Final Chapter and Silent Night Deadly Night. “Not so much from a pretentious taste, but more so because they were so angry about these slasher films. The character look and attitude came from a person who was in the audience during a QA session with [horror director] George Romero, plus some of the snooty local film people that I’ve known over the years.”

Jones has written, shot, and published over 400 episodes of The Cinema Snob, featuring the snarky, petty, sometimes vicious, and always pretentious Snob character. I believe the series’ success can be largely attributed to how well Jones’ audience reacted to the character’s design. Viewers recognise the archetype he parodies, and enjoy how his exaggeration of the archetype’s expected behaviour helps to land wickedly funny quips.

If you start watching with one of his most recent episodes, you’ll see a highly optimised character benefitting from ten years of gradual optimisation. That’s to be expected – performers naturally start rough and get better with practice as they learn their role. As Jones put it: “The series really started out as just a lark. I was working on some movie projects at the time, and I had enough free time to give a YouTube show a shot – it was just something I began because I liked the idea and wanted to try something different. Since I didn’t actually expect it to take off, there wasn’t a whole lot of planning that went into it.”

The modus and self-effacing entertainer isn’t giving himself nearly enough credit for having nailed the essential core of the archetype he was skewering, though. It’s clear from watching that he knew his target very well from the outset.

That’s a crucial lesson to remember: just as Jones imitated a known character design to make the Cinema Snob, so too do new leaders imitate existing characters when they take on a new role. Leaders base their public persona on an impersonation of a preceding successful leader. They may emulate how a previous manager carried themselves or spoke in staff meetings. What matters is that it’s normal to mimic the mannerisms of other leaders in order to seem credible in the part.

People naturally imitate socially acceptable behaviours and suppress unacceptable behaviours in order to fit in – it’s an unconscious process of enculturation. Social science shows that passive exposure to others changes how people art and what they believe. As a side effect, the better a person imitates successful peers – conforming to expectations – the more positively they get treated by the rest of their community.

Since Jones understood the character archetype he was mocking extremely well and matched his viewers’ expectations equally well, he amassed a loyal following of viewers who were comfortable giving him space to evolve and change his character over time. “At the beginning, [the Snob] mainly just filled the role of a snooty art critic who is forced to talk about old exploitation films.” Jones explained. “Little changes were simply introduced to the series over time which makes transitions easier and more organic.”

Little changes over time work – sudden drastic ones often don’t. Employees expect a new boss to conform to certain behaviours, particularly during meetings. These behaviours may vary – do you have to wear a tie, is swearing during meetings acceptable? Exacerbating matters, larger companies often don’t have a single reference model for a good leader, but an amalgamated ideal based on many different instances of “good leaders” across the company. Employees associate certain common characteristics as good, and certain idiosyncrasies as either good or bad depending on the context, region, and shared history.

That’s why an essential part of starting a new leadership position involves carefully observing the culture to learn what employers’ expectations are, then figuring out how best to conform to enough of these expectations to be generally accepted.

It works that way in entertainment, too. Jones had a core “pretensions movie critic” character design to work from, but most of the character’s minor attributes were fluid, and open to experimentation. “The character has always had the black suit and the big glasses. Other designs just happened because they had to. I grew a goatee because of a movie I was in at the time, and I ended up liking it a lot so I just kept it. I also shaved my head for a movie role too, but again, I liked it, so I kept it. The sets have changed over the years, simply because I moved a few times.”

Business leaders go through a similar trial-and-error process. Once they demonstrate that they can play the expected role, they’re then free to introduce minor changes to their character and watch how each change is received. This can range from changing arrival times to make the itinerary of team meetings. If the affected employees don’t mind a change, it might be adopted as the “new normal.” Sometimes external changes – like an office relocation or organisational restructuring – facilitate behaviour changes as well. Since these changes are imposed on the leader from the outside, employees tend to be much more accommodating of them.

As behaviour and performance changes shift over time, new audience members (employees) have to judge what “normal” means.
the art of leadership

their leadership archetype by observing how the existing audience reacts. If the main body of affected people accept or ignore a change, newcomers are likely to accept it so as to not draw attention to themselves. As Jones says: “[Fans] react to [the character changes] very well, largely because the show has always evolved to bring in different types of movies and different types of character personas to fit the videos. Nothing was ever really a drastic immediate change.”

Finally, there’s the issue of defining who the main character is and what he or she truly stands for. The heart of any believable character is defined by his or her beliefs, ethics, and motivations. Those principles that the character stands for in times of adversity – the real person that comes out when he or she is placed under stress. People react to this element of a performance more strongly than they do to ephemeral characteristics like appearance. In Jones’ case, he was deliberately portraying a comedic caricature. “It took me a while to really nail the voice,” he said.

Success in a leadership role starts with imitation because it’s the fastest route to securing compliance. If your people don’t accept you, then they won’t obey you, and there’s nothing wrong with conforming with employee expectations to a degree.

That said, playing a known part helps people accept you so you can focus on executing the core of the role: leading people ethically. This is where far too many managers, directors, and executives completely miss the point: they may accurately mimic the appearance and mannerisms of the ideal “boss”, but their performance is nothing more than a costume. They never develop the ethics required to win true loyalty. They don’t become the required character because their mimicry ends at the surface.

Often, the “boss” is because until leaders have no idea what a viable “leader” character represents. In order to succeed as a leader, a person must act with integrity for the best interests of both the organisation and the people. Somehow this lesson often gets lost or corrupted, resulting in a hollow shell who seems to fit the role, but is both morally and professionally unfit to lead.

I expect Mr Jones didn’t imagine he’d be held up as a reference model for business school leadership studies when he started making funny internet videos. That said, I submit that his Cinema Snob helps get my points across almost as well as examples from The Mask Of Command. Even better, when I teach using one of his caustic movie reviews, my students always laugh, which helps cement key ideas in their memory.

Be warned, though: this concept falls apart if you have no good role models to emulate. Taking a leadership role in a dysfunctional organisation that has no decent leaders to imitate seems like a career death sentence, particularly if you limit yourself to emulating those poor examples. In situations like this, the best thing you can do is shut your eyes to leadership by example from outside – pick a prior mentor or hero if you can; if not, a decent leader from popular culture – real or imagined – and model yourself after theirs.

And remember, the mask you don’t define your character – it’s just to help prepare your audience to receive your message. The integrity of the message itself is what ultimately defines a leader as someone worth following.

COMPLIMENTARY COMPLIANCE AUDIT

We are offering a complimentary compliance audit (without any strings attached), where one of our experienced staff will assess your building and its legal requirements. Are you up to date? Save yourself the worry and get in touch today.

WHAT DOES IT COVER?

Fire Systems
Water Hygiene
Electrical
Health & Safety
& more...

Oracle™

FREephone 0800 988 6008
www.oraclems.com
info@oraclems.com

OUR CLIENTS

DHL
TATA
BAUER
CBRE
technospace
FRESH

OFFICIALLY
AMAZING

MEDIA GROUP
Trendspotting: how data analysis leads to smoother customer experiences

Joanne Frearson speaks to Booking.com CEO Gillian Tans about how the website’s digital innovations keep its travellers happy

FROM SMALL beginnings in Amsterdam in 1996, travel booking website Booking.com is now one of the world largest e-commerce sites, covering 117,216 destinations across 225 countries and territories worldwide. Every day more than 1,500,000 nights are reserved on the site's platform, from apartments, family-run B&Bs and five-star luxury resorts to treehouses and even igloos.

CEO of Booking.com Gillian Tans tells me the site's success comes down to the culture of the company and its ability to evolve and innovate as customers and technology change. Ever since the travel retail firm's inception its philosophy has been to constantly look at ways to improve processes for customers and build products which work for the cross-border market.

"Everything you see in Booking.com has gone through an experiment, otherwise it would not be live in our product," says Tans. "Everything we do we test. We have been extremely focused on data and customers – from the beginnings of Booking.com we have been learning about what customers want and doing a lot of experimentation over what the customer likes.

"We have a very entrepreneurial culture. The idea is to improve the experience for customers and use data in decision making. We want to be globally scalable and locally relevant. We went cross-border early on and learned from other cultures. We learned how to deal with languages, with currencies."

To help understand how customers from different parts of the world think, the e-commerce site has been using machine learning to analyse their behaviour through data. "Machine learning is throughout our business," says Tans. "Anything we do will have an element of it."

For example, data on what customers liked about certain destinations is collected. Machine learning will then study patterns in this data to give an overall picture of what people enjoy about certain place. "We can feed that back to customers and help them make a better choice with their holiday," Tans says. When a new customer looks at a certain destination on the site, the idea is, they can then build up a picture of where to go shopping, where to find good food and what are the best cultural experiences at a destination from the data.

By doing so Booking.com has not only been able to offer customers a more bespoke experience at each destination, but has also been able to use the information to get ahead of the competition by being able to spot trends early on. Even before companies such as Airbnb had arrived on the scene, Tans says, a consistent level of support is offered at any time during the day or night, regardless of where the customer is from or what language they speak.

In order to improve this experience for users, the company has also been looking into using artificial intelligence (AI) to help customer service. Says Tans: "If someone says they want to go to a weekend in Paris, as we already know a lot about our customers we can suggest the best choice (for that customer) in terms of what to do, where to go and how to travel there. But we think AI can really help in improving that for customers."

The travel retail giant is currently testing AI on a selection of customers to better understand its potential and how it might improve its own procedures. The technology is currently trialled in answering customer enquiries, but it is only at its beta stages and not yet live for all customers.

"Artificial intelligence is something we are learning a lot about and are testing a lot," she says. "We are constantly thinking about how to get these answers quicker to customers to really help them.

"Today customers face a lot of friction – they often spend longer planning the holiday than the holiday itself! That is something that we can really solve for customers to make sure it becomes a lot easier and information is easily accessible. That is where AI can play a big role in the future."

Booking.com is also looking at developing and investing in hybrid business/pleasure – or "Bleasure" – products for businesspeople who frequently also want holiday experiences when they book work trips. And the plan is to continue experimenting and building cross-border products which give people better choices. "The whole end-to-end experience is where we are investing a lot," says Tans.
Looking beyond Brexit

After the dust settles, good project management will help plant the seeds for the transformation of the UK economy

“Brexit is arguably the greatest project the UK has embarked on in the post-war period”

It is difficult to look at the future of the economy and the skills challenge facing the UK without mentioning Brexit. Financial services, and the City in particular, are investing considerable time and resources into planning for various scenarios – not least the skills challenge. Brexit is arguably the greatest project the UK has embarked on in the post-war period.

As the Chartered body for project professionals, we are only too aware that the prospects for the skills for project managers will be increasingly prized to help transform both the public and private sector to a post-Brexit world.

Brexit represents a major challenge to central government, other public bodies and most companies and organisations, and the planning for this is made trickier by the fact that the negotiations have only just begun and that flexibility will need to be built into decision-making.

Project management is all about adapting to change, so as a profession we will increasingly be involved in anticipating the risks and making the most of emerging opportunities over the next decade. As project management matures and gains increasing recognition that it practice benefits business as a whole, we will need to have a skilled workforce capable of successfully managing future projects.

There is considerable research into the crucial conditions for project success – which is worth setting against the context of Brexit: competent project teams, effective governance and clear goals and objectives. If Brexit is to succeed, these conditions will have to be addressed by policymakers and built into the flexibility that will be required for implementation.

Beyond Brexit: the future of projects

But Brexit is only part of the picture for the immediate challenges of the future. The PwC World In 2050 report projects that the world economy could more than double in size and that emerging markets will continue to be the growth engine.

We need to look at the trends and drivers in society, technology, economics, environment and politics that will have global impacts on the way we deliver change through projects.

APM, Arup and the Bartlett Facility of the Built Environment at UCL published the Future of Project Management report which explores the role of project management on the UK economy and how it will adapt, as follows:

Digital revolution

Work will be transformed as artificial intelligence and robotics grow more sophisticated. Human-machine collaboration will open the way to virtual and network-based companies as everything shifts online, and project management will be needed to ensure a consistent approach is taken across the disparate digital platforms.

Changing corporate culture

By 2020, half of the global workforce will be millennials. Multi-generational workforces will bring new challenges to balance their different skills and experience. Continuous learning will be an important factor, both for people and business, and well-managed projects can drive this to be the cultural norm.

Brave new world

The core elements of project management will still require human input, to provide leadership, ethical behaviour and the integration of specialists. Stakeholder management and remaining agile and responsive to change will be crucial to the success of projects in the future, to ensure customer satisfaction as well as cost and time savings. As the new Chartered body for the project profession, we believe that well-executed project management can make a vital difference to economic success.
Punching above your weight

Progress in cloud technology has enabled one small data analytics company to compete with multi-billion dollar Silicon Valley rivals

Manchester-based company Matillion has been disrupting the data analytics market and giving Silicon Valley companies a run for their money, as it wins business from some of the biggest global brands such as Airbus, Bose, HSBC, GE and Siemens.

“The world is changing in terms of a business’s ability to innovate and improve through the use of data and cloud technology,” says Matthew Scullion, CEO of Matillion. “Businesses are using data to compete, improve existing product offerings and disrupt the marketplace in new and sophisticated ways.”

For example, by analysing customer data, explains Scullion, companies can gain a far better understanding of their behaviour. “You will have data about how customers are visiting your website and what products they are looking at,” he says. “You will have data about how they have transacted with you, what they have bought, whether they liked it and what kind of experience they had in customer service.”

By looking at these different data points, firms can get a 360-degree understanding of their customers. The data helps them understand what services to target to them and develop products that fulfil their needs accordingly.

The company, which Scullion co-founded in 2011, has been building software products which help firms both big and small gain a competitive edge through the use of data analytics.

For example, industrial giant Siemens is using Matillion’s software to analyse data in its power generation division. “They are now putting sensors in turbines and capturing the data that the sensors kick out,” he explains. “They are then providing digital products and services to their clients on the back of what the data tells them.”

“This lets them change the value relationship with those clients, and add value beyond the turbines themselves, lowering operational and maintenance costs, reducing failure rates and delivering greater return on investment.”

“It is allowing these large industrial customers to fundamentally change what they are as a business – from equipment manufacturers to digital software companies.”

While most of Matillion’s business is export, firms closer to home – such as JustEat, UCAS, ITV and fashion brand Superdry – have all signed up to use Matillion’s products. But it’s not just the bigger companies that Matillion’s technology can help. Its software is also helping smaller firms analyse their data to become more competitive.

“One of our clients is a company called Twist Bioscience (based in Silicon Valley), for whom our technology is helping to reduce the cost of manufacturing DNA molecules,” he says. “It’s using data to improve efficiency in its production processes, reducing the cost and time it takes to synthesise new types of DNA to be used in fields such as cancer research, green energy and material science.”

Scullion explains that Matillion’s products are designed to allow customers to integrate their data from wherever it is – whether in cloud applications, on-premise legacy systems, inside Amazon Web Services (AWS), Google Cloud or Microsoft Azure, or websites such as Facebook, Google and Twitter. “Our software can pull all the data together, steward it into the cloud and get it into an appropriate state ready to unlock value for their business,” he says.

Until recently, Scullion explains, it wasn’t easy for a company to analyse data in volume and from so many different sources, and involved putting expensive systems in place. “They required teams of people to look after them,” he says. “These people were rare and expensive. For an analytical database you would be talking an entry-level price of $1 million.”

But today, using cloud computing, it is possible to commission hugely scalable infrastructure without the expense of setting up a traditional data warehouse.

“It is making companies bolder in terms of their propensity to experiment and use data to improve their businesses,” Scullion says. “You can think something up in the morning and have the technical infrastructure to try it out by the afternoon.”

This enables companies to innovate quickly, set up a new project fast and process billions of rows of data to gain insight quickly, without having to spend huge amounts of money on complex systems. For example, Scullion explains, one of Matillion’s clients, GE, was able to deliver a working proof of concept in a matter of weeks for less than $100. GE is now one of Matillion’s largest clients.

The cloud has not only enabled companies to innovate quickly and cheaply, and scale up and down as required, it has also allowed Matillion – which employs 40 people – to be able to compete with bigger companies operating from Silicon Valley. “It is what’s going on with cloud that is allowing that to happen,” Scullion explains. “It would not have been possible for us to do this 10 years ago because the route to market and the cost of entry would have been too high.”

The firm has expanded rapidly, and now has more than 50 per cent of its client base in North America, as well as an office in New York. It also has customers in more than 20 other countries around the world.

Says Scullion: “The cloud is giving us the ability to scale and compete successfully on a global basis, and work with some of the world’s most interesting companies. That is a really compelling proposition for the UK economy. If you look at Manchester, for instance, we have three great universities. This means we have an on-tap pool of tech talent, but that talent is lower in cost than what you would find in Silicon Valley, and it’s not unusual for graduates to be starting out with $200,000 salaries.”

By taking advantage of the cloud, Matillion has managed to successfully take on Silicon Valley; it now has some of the world’s biggest companies, such as GE and Siemens, on its books. The firm has expanded rapidly, tripling the size of its development team over the past 12 months.

“Businesses are using data to compete, improve existing product offerings and disrupt the marketplace in new and sophisticated ways”

– Matthew Scullion, Matillion
The £0 marketing solution

Koozai CEO Ben Norman tells you how to conduct a marketing campaign without an actual budget...

We all know how important marketing is when it comes to any business. But how and where do you market your business with no budget or funding?

It’s certainly not as easy as if you had a truckload of money to throw at it, but neither is it impossible. If you have no budget, things such as paid search and social media will obviously be out. SEO would also be off the table – unless you had a pretty rare skillset and knew SEO yourself.

So what do you do? Where do you start? In the first instance I would recommend trying to build a community around what you do, or the area in which you do it, and help people. From there you can build relationships and influence in your market and communicate to them.

There are many platforms you can use for this, but the ones I am going to discuss are Medium, Instagram, YouTube and Snapchat. I’ll also talk about using Mailchimp to set up free email marketing lists so you always have a way to contact people that you want to target.

Medium
Medium is a blogging platform that has become very popular, and taps into the credibility and authority of the site to help increase the reach of your content. This can really help you to build a regular stream of content that people can both engage with and follow.

Instagram
One of my personal favourites for creating a personal brand and following. Instagram uses images as the main pull, and as long as they stay relevant and look high quality, they tend to do well.

A few things you need to remember with Instagram: post high-quality pictures, use hashtags (only in the main post, though, otherwise it doesn’t count), add value with the text and engage with the people that like and comment on your posts. Blue filters such as “Hudson” work really well in my experience.

You can also use Instagram Stories to build more of a personal relationship with your network in a similar way to Snapchat (see below).

YouTube
If you’re good with a camera and have the means to record and edit (most smartphones these days have basic video and editing functionality), you should do so. Not only can you tap into the power and reach of YouTube but you can also leverage video to promote your brand and message. Many multi-million pound companies were launched using a clever viral video.

Snapchat
As a micro-video platform, Snapchat has been instrumental in helping people build personal brands that forge a strong relationship with their follower base. The other benefit of Snapchat is that the content only stays live for 24 hours and then it’s gone, so it’s great for using the power of video without having to worry about editing too much.

I mentioned Mailchimp earlier for email marketing and what is important is that you try to gain the contact details from your community but also their permission to contact them.

You must remember that, although you are able to use social networks, they can change their policies, go bust or even terminate or downgrade your visibility at their discretion. Although this is rare, it can happen, so you always want to ensure you keep a way back to your most valuable connections.

Email is fantastic for this and it’s relatively easy to get people to sign up for if you are prepared to give them something – for example, a free report or guide on something that will add value to them or what they do. Just remember that it needs to be on topic.
IT outsourcing for the SME

Outsourcing IT services is increasingly popular among small businesses – but make sure you heed the dangers and do your due diligence before making the leap

On Monday morning in early August, staff at a front-line public sector department in the London area arrived at work to discover their computers misbehaving. Over the course of the next two days the problems continued. Files were taking minutes to load and save, computers would freeze – apparently at random – for prolonged periods, and work was nearly lost as a result. There was a significant and demonstrable drop in productivity throughout the building. The outsourced IT service was called, a ticket was raised and staff, with a shrug of their shoulders, went back to battling with the technology knowing that they might get a response within the next two days.

Meanwhile, in the City of London, the director of a professional services company had a major problem with his laptop. His outsourced IT company raised a ticket too. Then, within the guaranteed response time, an engineer diagnosed the fault, dispatched a colleague to collect the faulty device and set in motion a chain of service that resulted in the director having his laptop returned 24 hours later, completely rebuilt and with an upgraded drive installed to replace the faulty part.

Both of these examples are entirely factual but they serve to demonstrate how outsourcing your IT support can have very different consequences depending on the organisation.

IT outsourcing, at its most basic, is attractive from a financial perspective. With newly qualified IT support engineers in the London area easily commanding a monthly starting salary of £1,500 and upwards, hiring your own engineer with practical experience in the modern workplace will require a budget of £2,250 per month at a minimum. Your engineer will, of course, also take annual leave, a few days off sick and, in smaller organisations, will be working alone and unsupervised. Yet for £1,500 per month, an external IT support company that employs a team of professional IT specialists should easily be able to provide comprehensive support for around 30 computers. That company’s own internal resilience will have to provide for staff absences, and the terms and conditions of its service should define the hours of operation to be adhered to.

However, we have seen that simply engaging an IT company does not necessarily result in heightened efficiency. So what practical steps can you take to make sure the engineering team can deliver the level of service that the sales team describes?

Firstly, do not buy on price alone. A reputable company should set out in detail the service levels that its various packages offer. A headline price that looks cheap is almost certainly not going to deliver value or a well-staffed, knowledgeable technical team. Value is the key word here. In this industry, an “all inclusive” package might seem more expensive initially, but the company that offers one is probably going to be more focused on service than sales. Examine the various packages thoroughly and try to get an understanding of how much value one offers over the other.

Also, look carefully at the contract that you are being asked to sign – if any. Enterprise-level deals are, of course, going to require a detailed contract to be drawn up, but there is an argument that there should be no need for a contract for SMEs. An IT company in London some years ago was known to accept that it would lose a very high percentage of its customers every year, so bad was its service. The firm’s sales team was simply tasked to sell more new contracts than they lost. That model would be unsustainable if the client was not locked into a contract. Certainly, never even entertain signing a rolling contract (that automatically renews after a certain date) for this type of service. They are considered unethical in consumer law, but still persist in business-to-business sales.

On a technical note, there are some easy “due diligence” tasks that you can conduct to verify a potential provider’s competence. Ask to see an example of the service provider’s documentation for one of their clients (suitably redacted of course). A competent outsourcing operation will keep comprehensive records about their clients’ hardware, software and infrastructure and should be able to share this with the data owner if asked.

You could also ask to see a resume of qualifications and experience of key staff. Here, focus on practical experience rather than paper qualifications, which may not indicate an ability to think laterally and apply knowledge in a field role.

Look also at a list of existing clients. A broad range of industries will indicate an ability to apply knowledge in a field role. A good service provider will make these recommendations using the principle of “best advice”, and will understand that it is in the provider’s own best interests to forge long-standing partnerships with clients. A partnership is what you should ultimately be looking for in a good outsourcing arrangement. If you find a company prepared to enter into one, the results can give your business a significant boost in an area that requires more and more specialist knowledge by the day.

David Henderson-Begg is CEO of Labyrinth Technology Ltd
020 3790 7500
Enquiries@labyrinthit.com
WAS 17 years old when a family tragedy struck and triggered a series of poor life choices on my part that led to me being expelled from school. At that point in my life, I could easily have ended up down a very different path to where I find myself today.

Luckily, rugby gave me an outlet to focus my energy and taught me to channel my emotions.

DISCIPLINE, TEAMWORK, AND RESPECT

This is the motivation behind my charity RugbyWorks, which works with teenagers who have fallen out of mainstream education. I have seen some of the most disruptive kids dramatically improve their behaviour, work ethic, and ambitions in life after working with us.

While all sport can be an outlet for negative emotions, rugby in particular teaches values of discipline, teamwork, and respect – traits that are just as valuable in the workplace as they are on the playing field, for both men and women.

COMMUNITY BUILDING

With traditional community institutions such as the local bank, post office, pubs and libraries rapidly disappearing, sports clubs are increasingly becoming hubs of communities.

Sport is a great leveler and a unifying force regardless of people’s religion, race, age or background. It brings together people who might never otherwise mix. Not only is that good for general social cohesion, but it also presents a unique opportunity for companies to engage with a highly diverse audience at a very local level.

Barriers to playing sports such as football and rugby are low. You don’t need a stack of expensive equipment or one-on-one lessons. If a pitch is provided, all you need is a ball and boots to play.

Investing in sporting facilities is therefore a way for companies to build a lasting presence in communities for the good of society, whether through bringing young people together, or getting our increasingly technology obsessed youth away from their phones and computers to do some exercise.

ARTIFICIAL GRASS PITCHES

It is for this reason that I am supporting the RFU’s Rugby365 campaign to build 100 community artificial grass pitches in communities across the country.

These artificial grass pitches will increase capacity in some areas and introduce rugby in others – with the aim of making the game more accessible to all, with dedicated pitch time for schools and local community groups, as well as rugby clubs.

Artificial pitches are the future. With space increasingly at a premium in our cities, they can be used all year round, in almost all weather.

Through providing these facilities, we expect to see more people from all walks of life take up rugby.

GET INVOLVED

And this is where businesses can get involved. We are looking for companies to come on board and sponsor 40 of our community pitches.

This is an investment that will pay dividends, as these pitches become real community assets, bringing communities together, getting people active, and introducing a whole new generation to the values of rugby.

So if your company is looking to attract a diverse range of talent, give something back to the community, and ensure that the next cohort of young employees have the skills required for the modern workplace, investing in sport is the place to start.

Lawrence Dallaglio is former England rugby captain. To find out more about the RFU’s Artificial Grass Pitches programme and how you can get involved, visit englandrugby.com/rugby365.
For a little town, Montreuil-sur-Mer, 40 minutes' drive from Calais, punches seriously above its weight. And if you’re watching your weight, be seriously afraid, because food-lovers return time and again for a gastronomic pilgrimage, door to door along Montreuil’s cobbled alleys.

A medieval walled city, it was the setting for Victor Hugo’s Les Misérables, but nowadays the 18th and 19th-century shops, inns, bars, mansions and shuttered townhouses make up a jolly town, where people greet each other with a morning wave of an (award-winning) baguette.

With artisanal cheese, chocolates, pâté and patisserie at every turn, and duty-free wine by the caseload, you’ll be glad you brought the car.

THE FOOD

Where to start? Thankfully, a website has launched to take the legwork out of your long weekend: ladestinationgastro.com is a one-stop shop for restaurants, provisions, wine, walks and events. The name to look out for is local hotshot chef Alexandre Gauthier, French chef of the year 2016. His father gained a Michelin star for his bucolic inn, Le Grenouillère, in the 1980s, which a young Alexandre took over and which gained a second Michelin star this year, making it one of only two two-star French restaurants north of Paris.

Spreading his wings, Gauthier added a casual rotisserie to the town’s repertoire in 2007, Froggy’s, for spit-roasted lamb, rabbit and suckling pig, and, in 2015, the smart-casual restaurant, Anecdote, where locals feast on bowls of monkfish stew in a cream broth with crisp baby vegetables.

A Michelin star also belongs to Le Château de Montreuil and its chef Christian Germain (for a bit of posh). Mere minutes’ walk away are more wallet-friendly diners, such as Le Bistronome, with Francois’ Asian-inspired and classic French dishes; Le Clos des Capucins, where fish and offal are cooked to perfection; Le Patio, with its walled garden for intimate dinners; Le Pot du Clape, which serves simply soup… the list goes on.

THE WINE

Our very own British Wine Society had its only continental outpost in Montreuil, but it departed France post-referendum. La Cave swooped up the manager and is about to take over bigger premises on the town square for its brimming stock and forward-thinking friendly customer service.

There’s no night-spot in Montreuil, but locals love to kick off their evenings with an aperitif at Le Caveau (accompanied by a slice of Alsacian pizza), a pint at Le Douglas (young people!) and an after-dinner brandy in front of the fire at the 16th-century Les Hauts de Montreuil.

THE STAY

You can’t do better than the chic boutique chambre d’hôte Maison 76 in the centre of town, Montreuil’s former 18th-century pharmacy. Antiques, fine furnishings, a drawing room for guests to relax in with a pot of tea or a welcome drink and snacks, a lavender-filled walled garden with heated pool and a summerhouse, all wrapped up with the wit and charm – and interiors’ eye – of a British host and long-term resident. Tim will even cook you dinner with wine from his cellar, and knows everyone and everything about Montreuil. With only three doubles and one suite, booking, as they say, is essential.

AND AFTER THAT

A 20-minute drive and you are at Le Touquet, home to M and Mme Macron. It’s a honeypot for sandy beaches, a serious market (Thursdays and Saturdays) and local bars and restaurants (what, more?!). Otherwise, Montreuil is the gateway to the Somme.

NEED TO KNOW

On 9 and 10 December, Montreuil hosts its own fête de la gastronomie with events and wine-tastings in the citadel and the Hermitage, along with a Christmas market in the town square. Doubles at Maison 76 from €175 B&B (maison76.com). Take the car from Folkstone to Calais with Eurotunnel (eurotunnel.com).
always look forward to the text from Tix, one of the local fishermen in Lyme, at this time of year, to say that he’s brought home his first haul of local prawns. I fished for them as a kid and always savoured the post-prawning snack, even if it was just a couple of dozen prawns. In the restaurant we serve them very simply; either plain boiled with herb mayonnaise, raw in a ceviche, or like the recipe below, deep fried with lime leaves, chilli and almonds.

All three options show off the prawns without disguising their delicate flavour. These local prawns aren’t very big, but they look and taste the business compared to the ones you often see in fishmongers, which look like they’ve been in the freezer for a year. When we serve them steamed, we return the shells to the customer, deep fried so they are nice and crispy, scattered with Cornish sea salt – real prawn crackers.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a bowl, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a food processor. Add the butter and mix in short bursts until breadcrumb form. Add the eggs and continue mixing just until the dough comes together. Do not overmix! Shape the dough into a ball, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a food processor. Add the butter and mix in short bursts until breadcrumb form. Add the eggs and continue mixing just until the dough comes together. Do not overmix! Shape the dough into a ball, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a food processor. Add the butter and mix in short bursts until breadcrumb form. Add the eggs and continue mixing just until the dough comes together. Do not overmix! Shape the dough into a ball, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a food processor. Add the butter and mix in short bursts until breadcrumb form. Add the eggs and continue mixing just until the dough comes together. Do not overmix! Shape the dough into a ball, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.

BAKEWELL TART
For the Tart Case:
- 225g Plain Flour
- 90g Icing Sugar
- 30g Ground Almonds
- 120g Unsalted Butter
- 2 Whole Eggs
- 30g Self-Raising Flour

To make the pastry, sift the flour, ground almonds and desiccated coconut into a food processor. Add the butter and mix in short bursts until breadcrumb form. Add the eggs and continue mixing just until the dough comes together. Do not overmix! Shape the dough into a ball, wrap in clingfilm and chill for 30 minutes.

Meanwhile, preheat the oven to 180°C/Gas Mark 4. Use a lightly floured rolling pin to roll out the dough on a lightly floured surface until it is about 3mm thick. Use it to line a 25cm tart tin with a removable base that’s about 3cm deep. Trim the edge and prick the bottom of the pastry. Line the pastry with greaseproof paper and fill with baking beans or rice. Bake for 12 minutes, or until the pastry is just set.

Remove the paper and beans, then return to the oven and bake for a further 4 minutes, or until crisp. Leave to cool in the tin on a wire rack.

For the Frangipane:
- 160g Icing Sugar
- 165g Caster Sugar
- 300g Unsalted Butter
- 330g Ground Almonds
- 310g Plain Flour

Cream together the butter and sugar in a mixing bowl using a wooden spoon. Stir in the egg yolks, followed by the flour and ground almonds.

To Finish:
- Spread 100g of damson jam (or another jam of your choosing) on the base of the pastry
- Place your almond mix on top of the jam and bake for about 25 minutes until it’s golden on top
- Dust with icing sugar and serve with ice cream or custard or just enjoy on its own.
Relief as Eagles earn Hodgson first Palace win

ROSS McLEAN @rossmcleanRMAC

FORMER England boss Roy Hodgson earned his first win as a Palace manager as the Eagles dispatched fellow top-flight outfit Huddersfield 1-0 in last night’s third-round Carabao Cup clash.

Palace, marroned at the foot of the Premier League after five successive defeats, secured a potentially morale-boosting victory courtesy of Bakary Sako’s first-half header.

Sako’s effort was Palace’s first goal since 22 August and prevented the south-west Londoners and Hodgson with a degree of respite before a perilously-looking run of fixtures which includes showdowns with Manchester City, Manchester United and Chelsea.

Palace were joined in the fourth round by West Ham, themselves in need of a tonic following a turbulent week which includes showdowns with two Premier League title rivals.

Hammers cruised past Championship strugglers Bolton 3-0 at the London Stadium.

Tottenham, who were League Cup winners in 2008, edged past Barnsley, who are also falling down the table, to join the Premier clubs at the next stage.

Spurs endured a few scares but progressed into round four as Alli’s second-half strike, after a few scares but progressed into round four as Alli’s second-half strike, after

Klopp fumes as Liverpool fail to deliver

ROSS McLEAN @rossmcleanRMAC

LIVERPOOL boss Jurgen Klopp bemoaned the “naive” way his side stumbled against their rivals.

Palace were joined in the fourth round by West Ham, who progressed into round four as Alli’s second-half strike, after a few scares but progressed into round four as Alli’s second-half strike, after

killed five as both Stoke and Manchester United progressed into round four as Alli’s second-half strike, after a few scares but progressed into round four as Alli’s second-half strike, after

Battle of managers will sway two-horse title race

WILL know more in 10 games’ time but, as it stands, Manchester City and Manchester United look to be the only teams capable of sustaining a title challenge.

While rivals such as Chelsea, City and United have all shown their faults, City and United have stood out as powerhouses who look ready to deliver this year.

Intriguingly, it’s also set up for a battle of wits between City’s Pep Guardiola and Jose Mourinho, of whom much is expected in their second seasons with their new clubs.

City have gone to another level this term and, in matches such as Saturday’s 6-0 demolition of Wulford, have played flowing attacking football that makes you go ‘wow’.

United, who recorded their third 4-0 win already this campaign against Everton on Sunday, look full of belief. They have not yet reached the heights that City have, but it’s a fine line, and neither team has had a real test yet.

EASILY DISRUPTED

One look at the demeanour of the two managers tells you how much better both Manchester sides have been this season.

Last year United boss Mourinho looked agitated and irritated on the touchline; now his swagger has returned. You can see that he knows that he can win the Premier League again.

The two pacemakers are level at the top of the table on points, goal difference and goals scored, yet they have gone about it very differently.

While City are fluid, United are rugger. And if that makes City more attractive it may also make them more easily disrupted, as we saw last season when they won their first 10 matches in scintillating style only to falter in October.

On the other hand, the strength of United, embodied by the likes of Marouane Fellaini and Romelu Lukaku, could make them more robust when we get deep into winter and those qualities become more valuable.

I backed City to win the title before the season started and I wouldn’t go back on that now, but I am no more confident now because United have really impressed me. You look for little signs and, from a City point of view, I’ve been encouraged by Raheem Sterling’s improvement.

KEY ELEMENT

Once seen as a weak link, I think he now looks back to his Liverpool best and it reflects very well on the work manager Guardiola is doing with his squad.

One of United’s advantages is that, unlike Pep, Mourinho knows exactly what it takes to win the league in England, having done so three times in two spells with Chelsea.

His challenge will be to use his experience to keep the likes of Jesse Lingard and Anthony Martial, who came on the bench to make a goalscoring cameo against Everton, happy, as the impact of fringe players is always a key element in a title race.

Trevor Steven is a former England footballer who has played at two World Cups and two European Championships.

@TrevorStevens3
SADDLE SORE Brit Elinor Barker frustrated at finishing 19th in time trial at World Championships

CRICKET

Bairstow shows class with maiden one-day century as England thrash wayward Windies

ROSS MCLEAN @rossmcleanRMC
CENTURION Jonny Bairstow acknowledged the significance of his maiden white-ball ton after guiding England to a commanding seven-wicket victory over West Indies in the first one-day international at Old Trafford last night.

Opener Bairstow produced a calm and authoritative knock, finishing unbeaten on 100, as England cruised home with more than 11 overs to spare. He shared a 125-run partnership for the second wicket with Joe Root, who made 54.

In a match reduced to 42 overs per side following a delay due to a wet outfield, West Indies could only muster 204-9 from their allocation as skipper Jason Holder top scored with 41 not out from 33 deliveries.

Despite making his one-day bow for England in 2011, Bairstow has struggled to command a regular place in the side but appears set for an extended run in the team after being given the nod at the top of the order ahead of the series against the tourists.

West Indies, naturally a boundary-hitting side, failed to find their rhythm on Tuesday and despite a strongly-built partnership of 125 for the second wicket, were ultimately unable to set England a target.

Bairstow finished unbeaten on 100 as England beat West Indies

BOXING

Promoter Hennessy backs Rio Ferdinand’s surprise decision to embark on second career as a fighter

JOE HALL @josehallwords
BOXING promoter Mick Hennessy has welcomed former England and Manchester United defender Rio Ferdinand’s move into professional boxing.

The retired footballer is following in the footsteps of former Premier League players Curtis Woodhouse and Leon McKenzie who both took up boxing after retiring from football, as well as ex-England cricketer Freddie Flintoff who won in his first and only fight as a professional boxer.

Previous forays into the sport from novices such as Flintoff and most recently Connor McGregor have been critiqued by some boxing commentators. Yet Hennessy, who is promoting this weekend’s world heavyweight title fight between Hughie Fury and Joseph Parker, said Ferdinand deserved praise for taking the plunge.

“It’s interesting, it’s fun,” Hennessy told City A.M. “Anyone who’s a big name and shows an interest in boxing and wants to step through those ropes, we welcome it.

“Fair play to him, stepping through those ropes is a hard decision, he’ll ever do in his life and he’s to be commended.”

Ferdinand, who is yet to apply for a boxer’s licence from the British Boxing Board of Control, is to train with former WBC super-middleweight champion Richie Woodhall. The 38-year-old’s career change is being funded by bookmaker Betfair, who first previously backed Olympic cyclist Victoria Pendleton’s better-than-expected transition to a Cheltenham jockey.

“It’ll start off as a fun thing and who knows how good he can get?” said Hennessy.

“None of us know. But for now, we’ve got to take it for what it is. It’s entertaining and it’s interesting news.”

Ferdinand is still to apply for a licence

HEAVYWEIGHT FIGHT

CONTE READY TO UNLEASH HAZARD ON FOREST

FOOTBALL: Chelsea forward Eden Hazard is set to make his first start of the season in tonight’s Carabao Cup clash with Nottingham Forest. Hazard has been restricted to substitute appearances following ankle surgery and manager Antonio Conte said: “For Eden, now is the right moment to start the game and to try to play the whole game.”

Blues youngsters Charly Musonda and Kenedy are also set for outings against the Championship side.

UNITED CONSIDERING ACTION OVER LUKAKU SONG

FOOTBALL: Manchester United say they are “seeking advice” over how to deal with a supporter’s song for Romelu Lukaku deemed to include racist stereotypes by anti-discriminatory groups. Campaigners Kick It Out said: “The lyrics used in the chant are offensive and discriminatory. Racist stereotypes are never acceptable in football or wider society, irrespective of support for a player.”

United say they have a “zero tolerance” stance on discrimination.

HAYE URGES BELLEW TO SIGN REMATCH AGREEMENT

BOXING: Former heavyweight world champion David Haye says he has agreed terms for a rematch with fellow Briton Tony Bellew. WBC cruiserweight champion Bellew stopped Haye in the 11th round when the pair met in March. Reports have suggested the rematch could take place tomorrow at Trent Bridge.

But with the lightweight winner, the 36-year-old wrote on social media: “It’s taken months of negotiating but teams have finally agreed for Haye-Bellew 2. Will Bellew put pen to paper?”

INJURED WELBECK RULED OUT UNTIL MID-OCTOBER

FOOTBALL: Arsenal forward Danny Welbeck has been ruled out until after next month’s international break with a groin strain. Welbeck suffered the injury in Sunday’s 0-0 draw with Chelsea in the Premier League.

The Gunners host League One outfit Doncaster tonight in the Carabao Cup, with Olivier Giroud, Jack Wilshere and Calum Chambers likely to be handed starts. Playmaker Mesut Ozil remains sidelined with an inflamed knee.

CONTRAIR LOADING
ROLEX

THE GMT-MASTER II

Designed for airline pilots in 1955 to read the time in two time zones simultaneously, perfect for navigating a connected world in style.

It doesn’t just tell time. It tells history.

OYSTER PERPETUAL GMT-MASTER II

THE WATCH GALLERY.

INSTORE. ONLINE. MOBILE
WWW.THEWATCHGALLERY.COM

NEW STORE: ROYAL OPERA HOUSE ARCADE, COVENT GARDEN

WATCH FEATURED SUBJECT TO STOCK AVAILABILITY