TORIES DRAW BATTLE LINES OVER BREXIT

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THE CONSERVATIVE party’s final two contenders for prime minister bolstered their plans for a showdown with Brussels over the weekend, while frontrunner Boris Johnson also sought to talk up his pro-business credentials.

Confronted about an incident last year in which Johnson said "I’m fine" business during one of the most difficult times, and indeed I can’t think of anybody who has gone through thick and thin.

“I can’t think of anybody [else] in my party or any party that has stuck up for business through thick and thin.”

Johnson has long been a fan of ambitious infrastructure projects. He oversaw the failed Garden Bridge project during his tenure as mayor of London, which cost £53.5m. As mayor, he also built on an artificial island in the Thames estuary – dubbed “Boris island”. The plan was rejected by the airports commission in 2014.

Meanwhile yesterday, Johnson also talked up the fiscal headroom available to an incoming Prime Minister, insisting that “there is cash available” to finance his ambitious spending plans and saying he is prepared to see borrowing increase “to finance certain great objectives”.

“If it’s borrowing to finance great infrastructure projects and there is an opportunity to borrow at low rates and do things for the long term benefit of the country then we should do them,” he said.

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A new PM has a chance to reanimate Brexit

Since the first parliamentary defeat of Theresa May’s Brexit deal, the country has been in the grip of deadlock and defeatism. Political energy was sapped away with every subsequent defeat and consequential delay to the UK’s exit date. More than three years on from the vote to leave the EU, attention now turns to the two men determined to succeed where May failed. The outgoing PM, arriving at her last EU summit in Brussels last night, said she still thinks the deal she negotiated was a good one, but that her successor will now have to deliver on the referendum result. There isn’t much between the two contenders’ plans: both have committed to the new 31 October exit date. In Boris Johnson’s case, our departure on Halloween is “come what may... do or die”. Hunt has taken a slightly more diplomatic approach and insisted that if a deal is in sight, but not over the line, by the end of October he would seek another delay in order to secure an orderly exit. This seems entirely reasonable and few in Westminster believe Johnson would really walk away if negotiations were at a viable stage. Whoever is chosen by Tory party members to lead the country will face an almighty task to reanimate the Brexit process. EU leaders talking to the media at last night’s summit held to the line that there can be no fresh negotiations, but their position will be tested by a new PM talking tough on a no-deal exit. Such a scenario would hit Ireland particularly hard, and it can be avoided. Johnson and Hunt have both lined up new negotiating teams, while bringing the former Canadian prime minister on board is a coup for Hunt. Though it is impossible to forecast the diplomatic weather, it is at least interesting – and potentially encouraging – to note that both Johnson and Hunt seem committed to revivifying the UK’s approach to Brexit. They have energised Westminster with talk of radical pre-Brexit Budgets, tax cuts and political reform. While the intoxicating atmosphere of a leadership race has, regrettably, encouraged both men to play fast and loose with fiscal discipline, the experience has also forced them to talk about Brexit – and life after Brexit – with an enthusiasm and energy that was depressingly absent from May’s ill-fated efforts to get her unpopular deal over the line. Of course, the challenges that dogged May’s government (and new ones on the horizon) will still confront whoever takes over from her, but there is at least a chance that new ideas and fresh faces could count for something come October.

Low growth predicted as EU exit uncertainty bites

Last night’s meeting of European politicians passed without fanfare as leaders failed to choose who will take over as European Commission president. State heads met in Brussels to decide who should get the EU’s top jobs, including a successor to current boss Jean-Claude Juncker (above). Council head Donald Tusk will now hold meetings with leaders ahead of Wednesday’s deadline.

The CBI said private sector activity in the three months to June had contracted at the quickest pace since September 2012, with the balance of firms reporting growth at minus 13 per cent. Rrain Newton-Smith, CBI chief economist, said: “There are some temporary factors pushing down activity at the moment, such as companies adjusting their stocks following the Brexit extension, interruptions to car production and poor weather. But underlying activity and confidence is clearly subdued.”

Suren Thiru, head of economics at the BCC, said today’s new figures “indicate that underlying economic conditions in the UK remain decidedly downbeat, with intensifying uncertainty over Brexit, the rising costs of doing business in the UK and a sluggish global economy combining to suppress key drivers of growth.”

What the other papers say this morning

**China’s technology companies via a new stock exchange modelled on the US Nasdaq, as the sector grapples with slowing venture capital funding and a trade war with the US.**

**Russia’s airline, Aeroflot, is going ahead with plans to buy scores of new Sukhoi Superjets despite concerns over the safety of the aircraft. Forty-one people died when a Superjet exploded as it made an emergency landing at Sheremetyevo airport on 5 May. The jets have also been involved in five non-deadly incidents in the past year.**

**The Church of England draws up online rules**

The Church of England is to issue its first set of digital commandments to combat “cybermarch and abuse” on social media. They will be outlined today by the Archbishop of Canterbury.

**British trucks could be turned away in no-deal**

British trucks will not be able to board ships in Dover in a no-deal Brexit if they do not have the correct customs paperwork, following a deal between the Port of Calais and Channel shipping lines, the head of the Road Haulage Association has told the Telegraph.

**Farage unveils 100 new prospective MPs**

 Nigel Farage faced questions as he unveiled 100 new prospective MPs for the Brexit Party but refused to name any of the candidates. A selected group of the party’s newest prospective parliamentary candidates attended a political rally at Birmingham’s NEC.

**Purdue Pharma slumps as opioid lawsuits mount**

Oxycontin maker Purdue Pharma is struggling with slumping sales, a shrinking workforce and restructuring challenges as it battles lawsuits related to the opioid crisis, according to people familiar with the company.

**Walmart turns to VR to pick middle managers**

Walmart, the US’s largest private employer, is using a virtual reality (VR) skills assessment as part of the selection process to find new middle managers, watching how workers respond in VR to an angry shopper, a messy aisle or an underperforming worker.

**EU leaders summit fails to reach consensus on the appointment of the next European Commission president**

EU leaders summit fails to reach consensus on the appointment of the next European Commission president. State heads met in Brussels to decide who should get the EU’s top jobs, including a successor to current boss Jean-Claude Juncker (above). Council head Donald Tusk will now hold meetings with leaders ahead of Wednesday’s deadline.

**EU-based traders caught in Swiss equivalence mess**

EU-based banks and fund managers face the threat of imprisonment in Switzerland from today if they flout a ban on trading hundreds of Swiss stocks following the breakdown of talks between Brussels and Bern. Swiss regulators have imposed a ban on trading Swiss equities on exchanges in the EU after the European Commission let the “equivalence” status granted to Switzerland and its stock exchange expire.

China Eyes $168bn Boost for Tech Sector

Beijing is gearing up to channel billions of dollars’ worth of domestic savings to
MIKE Ashley’s Sports Direct has escalated its war of words with Goals Soccer Centres days after confronting one of the firm’s directors at a tense investor showdown.

The sportswear firm launched a bombastic attack on a senior figure at the five-a-side football operator last night, having made a failed attempt to oust its directors at an annual general meeting (AGM) last week.

A spokesperson for Sports Direct, the largest shareholder in Goals, has branded non-executive director Chris Mills as “arrogant” and “belittling” after Mills reportedly told a Sports Direct representative to “f*** off” at the AGM.

Mills, the second largest Goals shareholder, allegedly swore in response to calls from Sports Direct’s head of strategic investments for directors to take a lie detector test over a £12m accountancy error.

“Maybe when he [Mills] climbs down from his ivory tower and opens his eyes and ears he will realise this whole episode is a catastrophe for the company, its shareholders and indeed all its stakeholders... Chris Mills and the rest of the board needs to explain itself with extreme urgency,” the Sports Direct spokesperson said yesterday.

The row centres on a financial blunder discovered in March that forced Goals to suspend trading. Sports Direct has demanded an investigator of its choice to probe the error, but Goals said it has already hired a division of BDO.

Shadow chancellor John McDonnell said a lifetime tax would create fairer system

JESS CLARK
@jclarkjourno

A LABOUR government would consider introducing a lifetime tax on all gifts from parents to their children over a certain amount. Shadow chancellor John McDonnell confirmed that Labour is looking into plans to launch a lifetime tax on gifts above £125,000. He added he wants to replace the existing capitalist economy with a socialist system.

“We’re looking into it,” McDonnell told Sky News yesterday. “I think it is interesting, we need to have a fairer system of how we can ensure that wealth is more fairly distributed. That is one idea.”

Jaguar to boost UK electric car manufacturing

ANNA MENIN
@annafmenin

JAGUAR Land Rover (JLR) will plough hundreds of millions of pounds into the British car industry by preparing one of its factories to build electric cars, in a much-needed boost for the sector.

JLR will modify its Castle Bromwich plant to build a series of all-electric models, starting with a new version of its Jaguar XJ saloon, expected to launch next year.

The plans, first reported in the Sunday Times, are set to be announced on Friday. The investment is a positive move by Britain’s biggest carmaker, which has struggled amid decreasing demand for diesel models.

JLR lost £3.6bn last year after a huge writedown, and is currently implementing a £2.5bn cost-cutting drive. The 2,500 workers at its Castle Bromwich plant recently agreed to move to a four-day working week.

Meanwhile, EU rules introduced yesterday require electric vehicles to include devices mimicking the sound of a traditional engine at low speeds, amid fears quiet electric engines pose a risk to pedestrians.
FTSE 100 to hit board gender target by 2020

JESS CLARK

@jclarkjourno

FTSE 100 firms are on track to achieve the target of 33 per cent of board positions going to women by 2020, though 14 companies in the FTSE 250 still only have one or no women on the board.

Figures published today show that 32.1 per cent of FTSE 100 board positions are held by women, up from 12.5 per cent in 2011.

The number of FTSE 250 board positions held by women has also increased from 24.9 per cent to 27.5 per cent, according to the Hampton-Alexander Review.

All-male boards in the FTSE 350 have fallen from 152 in 2011 down to four this year, the review said, as it named three boards with no women on.

Investment Association chief executive Chris Cummings said businesses must “up their game”.

Sir Philip Hampton, chair of the review, said: “The FTSE 250 is working hard to catch up but still too many boards have only one woman and remarkably today there are four all male boards in the FTSE 250.

“We are expecting to see good progress in the number of women appointed into senior leadership roles this year, with these companies having worked hard for several years exceeding the 33 per cent target and reaping the benefits.”

The figures were released today as the Hampton Alexander Review called on companies to submit their senior leadership gender representation data.

Firms have until 31 July to report the number of men and women on their executive committee and directly to the executive committee in the 12 months to 30 June.

Network Rail is hoping to land an outright purchase of British Steel but holds tight for an outright purchase

HARRY BANKS

NETWORK Rail confirmed yesterday it had made a bid for a portion of British Steel, which collapsed into liquidation last month and put 4,500 jobs at risk.

The government-backed rail infrastructure manager, which owns and operates 20,000 miles of British railway track, said it would only pursue its offer if another buyer was not found.

British Steel is one of Network Rail’s biggest suppliers, providing the rail manager with 97 per cent of the steel used on its tracks.

Bidders had until last night to tender offers for the embattled steel maker and its Scunthorpe site.

The government expects to recover the costs of underwriting British Steel while in liquidation through the rail manager with 97 per cent of the steel used on its tracks.

Samaratunga will head the new risk management board, appointing Marissa Thomas as head of its tax practice, with Ken Walsh replacing her to lead the deals business.

Hermione Hudson will lead the firm’s audit practice and Sam Samaratunga will head the new risk assurance practice, with responsibility for services such as internal audit and cybersecurity.

PwC boosts partner promotions as it shifts gears in management

JAMES BOOTH

@Jamesbooth1

The professional services firm has grown its UK partnership to 944

THE FORUM: P17

The firm has also shaken up its management board, appointing Marissa Thomas as head of its tax practice, with Ken Walsh replacing her to lead the deals business.

Hermione Hudson will lead the firm’s audit practice and Sam Samaratunga will lead the new risk assurance practice, with responsibility for services such as internal audit and cybersecurity.

Network Rail is hoping to land an outright purchase of British Steel

For the quarter ended 30 April, average fee income for the top 100 grew three per cent and was primarily achieved through a four per cent increase in fee earner headcount.

THE UK’s top 100 law firms grew fee income seven per cent in the year to 30 April, according to data published today.

The strong performance is a slight dip on last year’s average fee income increase of 7.7 per cent, according to audit firm Deloitte’s quarterly legal sector survey.

Jeremy Black, a partner in Deloitte’s professional services practice, said: “Over the course of the year, the UK’s top 100 law firms performed strongly, and the overall level of performance was above what many expected at the start of the year.”

UK law firms typically work to a financial year running to 30 April, meaning results reporting season is about to get into full swing.

Firms to have reported so far include Fieldfisher, which boosted turnover 17 per cent to £242m, and Stephens Harwood, which grew revenue 12 per cent to £213m.

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BRITAIN’s biggest landlords suffered a £2.7bn write-down in the value of their investment properties in the last 12 months, as a sharp downturn in the retail sector sent shockwaves throughout the property industry.

Real estate giants including Intu, British Land and Land Securities nursed significant losses in the overall value of their assets last year as an increasing number of their retail tenants succumbed to tough trading conditions and closed their stores.

According to new research from Growthdeck, the UK’s top property firms and real estate investment trusts made £2.7bn in write-downs on the value of their investment properties over the last year, marking a steep rise from £232m in the previous 12 months.

The research underlines the current challenges for high street and shopping centre landlords, as many of their retail tenants sought controversial rent cuts or closed their shops as a result of rising costs and increased competition from online rivals.

In May FTSE-listed property giants British Land and Land Securities both reported losses as a result of a downturn in large swathes of their retail portfolios.

A number of high street brands, including department store chain Debenhams and Sir Philip Green’s Arcadia fashion empire, have also triggered controversial company voluntary arrangements (CVA) in the last 12 months in an attempt to reduce the rent bills owed to their landlords.

Last week Colliers International found that 11 per cent of retail space on the UK’s high street is currently vacant, while 33 per cent of that space has been empty for two or more years.

Dan Simms, co-head of retail at Colliers International, said: “It may be controversial, but we need to be realistic – this is not sustainable, for landlords and local communities alike.

“Space that has been empty for a period of time that is this prolonged will never, in all likelihood, have a retail use again.”

British landlord New River sees spike in hedge fund short bets

JESS CLARK

HEDGE funds are betting against New River as concerns rise that it could be the latest retail landlord hurt by the industry’s struggles.

The short position in the company has increased to 7.4 per cent compared to 3.4 per cent on 1 July last year, according to disclosed positions published by Shorttracker.

GLG Partners, Merian Global Investors and Odey Asset Management are among those betting that New River’s share price will drop.

The firm, which owns 34 shopping centres across the UK and counts Boots, Marks & Spencer and Primark among its tenants, has seen its share price fall 33.9 per cent in the past 12 months.

The downturn is largely caused by challenges facing retailers as they spread to shopping centre operators. Several retailers have launched company voluntary arrangements, a controversial process which involves closing stores and slashing rents.
Sales set to fall as bad weather hits Sainsbury’s

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SAINSBURY’s is expected to reveal a dip in sales when it posts its quarterly results later this week, as a spell of poor weather and an increasingly competitive retail market weigh on the supermarket giant.

The grocery chain is forecast to post no improvement in its revenue on Wednesday, underlining the current challenges for chief executive Mike Coupe in the wake of the company’s botched merger plans with supermarket rival Asda.

Analysts at Barclays have predicted sales over the first quarter to have fallen by 0.5 per cent for grocery, by 1.5 per cent for general merchandise and by 2.5 per cent for clothing, implying a total sales decline of 0.8 per cent, or equivalent to around 1.4 per cent on a like-for-like basis.

“Unfortunately, we think it’s likely sales will dip,” said George Salmon, equity analyst at investment firm Hargreaves Lansdown.

Salmon added: “With [the first quarter] last year boosted by the football World Cup and a royal wedding, Sainsbury’s is up against a tough comparison – and that’s before we think about how the miserable weather has dampened sales.”

At the beginning of May, Sainsbury’s posted a 7.8 per cent rise in underlying annual profit, but revealed it had also spent £46m on preparations for its abandoned merger.

Russ Mould, investment director at AJ Bell, said: “Sainsbury’s full-year results back in May did little to please. “Even though underlying profits rose, debt fell and the dividend was held (after a run of three straight cuts to the full-year payout) and investors focused instead on the weak sales numbers.”

Over the course of the last year, shares in the group have plunged from roughly 317p to 195p.

US reversal of Huawei ban is ‘not amnesty’

JAMES WARRINGTON
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US PRESIDENT Donald Trump’s decision to lift the ban on American firms selling to Chinese tech giant Huawei is not a “general amnesty”, his top economic adviser has warned.

National Economic Council chairman Larry Kudlow said the move will only apply to products widely available around the world, with the most sensitive equipment still subject to a ban.

“All that is going to happen is [the Department of Commerce will] grant some additional licences where there is a general availability,” he told Fox News.

Kudlow said that US microchip firms in particular were selling products that are “widely available” from other countries.

Trump’s decision to relax the restrictions on the firm was a key part of the agreement reached during talks with Chinese President Xi Jinping at the G20 summit, as the two sides seek to reopen trade negotiations.

Kudlow said Huawei remains on a US trade blacklist as a potential threat to national security.

FASHION VICTIM

Creditors prepare to vote on Monsoon Accessorize rescue deal

CREDITORS will vote on Monsoon Accessorize’s rescue plan on Wednesday, which includes proposals to slash rents at 135 stores. It comes after fellow UK fashion giant Jack Wills was said to be the latest retailer facing trouble as it burns through cash.

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Central banks to tackle tech with innovation hub

JOHN MILLER

CENTRAL banks grappling with fast-changing fintech and companies like Facebook moving into finance will aim to work together through an innovation hub approved yesterday by umbrella group the Bank for International Settlements (BIS).

The BIS said the intention of the hub, which will be based in Basel, Hong Kong and Singapore, is to improve the functioning of the global financial system. It will identify and develop insights into trends in technology affecting central banking.

Facebook’s plan to expand into payments and launch Libra, its own cryptocurrency, were not mentioned in the BIS statement, but the social media giant’s move has helped crystallise opinion among central bankers on the urgency of coordinating regulatory responses to fintech trends.

“The IT revolution knows no borders and therefore has repercussions in multiple locations simultaneously,” BIS chairman Jens Weidmann said in a statement following the decision to create the hub at a BIS board meeting.

The hub will focus on helping central banks to “identify relevant trends in technology, supporting these developments where this is consistent with their mandate, and keeping abreast of regulatory requirements with the objective of safeguarding financial stability,” he added.

Basel-based BIS has already called on politicians to closely scrutinise Big Tech’s incursion into finance, a move that raises questions about data privacy, competition, markets and banking. Details about the hub were limited, and the BIS said it was not able to provide details on investment or staffing levels.

The Swiss National Bank, the Hong Kong Monetary Authority and the Monetary Authority of Singapore have all signed up to support the new initiative.

Reports of cyber incidents at financial services firms explode

JAMES BOOTH

The number of cyber incidents reported to the Financial Conduct Authority (FCA) by financial services firms rocketed in 2018, data published today revealed.

Financial services firms reported 819 cyber incidents to the FCA in 2018, up from 69 in 2017, according to data obtained in a freedom of information request by accountancy firm RSM.

Technology partner at RSM Steve Snaith said: “While the jump in cyber incidents among financial services firms looks alarming, it’s likely that this is due in part to firms being more proactive in reporting.”

Mobile banking set to overtake use of branches

JAMES WARRINGTON

MOBILE banking is set to overtake branch use in the next two years, as a boom in the fintech sector drives more customers to digital formats. Research by data consultancy CACI revealed 25m customers are currently using mobile banking.

Mobile is expected to surge past branch and desktop banking to become the most commonly-used banking channel for the majority of UK adults by 2021.

The findings highlight the growing popularity of digital banking, which has been pioneered by fintech challengers such as Monzo, Revolut and Starling Bank. Mobile savings accounts are set to become the latest battleground in the war between traditional banks and their younger rivals, according to the report, with more than 75 per cent of new savings accounts expected to come from online channels by 2024.

“The increase in popularity of peer-to-peer lending, alongside the rise of the challenger banks, will change the landscape for traditional banks,” said CACI associate partner Jamie Morawiec.

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Apple tax drops despite EU penalty

EMILY NICOLLE

APPLE’s tax bill for its chain of 38 stores across the UK more than halved last year, despite an EU mandate to pay back taxes and interest amounting to €14bn (£12.5bn).

The Californian tech giant’s retail arm paid just £3.8m in tax in the 12 months to the end of September last year, falling from £10.1m in 2017.

Profit before tax rose six per cent to £33.7m, though sales fell to £1.2bn. The firm paid out a dividend of £1.3m to its Dublin-based parent.

The company had ordered to repay billions in illegal state aid in 2016 by the European Commission, which ruled Apple had taken advantage of favourable legislation in Dublin.

Apple’s tax bill for its store network reached a high of £3.8bn in 2016, but has continued to decline since then.

Apple said a statement, first reported by the Sunday Times: “As the largest taxpayer in the world, we know the important role tax payments play in society. “We pay all that we owe according to tax laws and local customs wherever we operate.”

Apple is due to open a large new headquarters in Battersea in 2021.

Marketers call for crackdown on fake news

JAMES WARRINGTON

GOVERNMENT plans to crack down on fake news will not do enough to restore public trust in social media platforms and shore up digital marketing, according to a report published today.

The Chartered Institute of Marketing (CIM) warned fake news was leading to a decline in trust in social media posts, which in turn could prompt brands to withdraw their advertising dollars from popular platforms.

The research showed 85 per cent of people believe social media firms have a responsibility to remove fake news, while 79 per cent believe the companies should be actively monitoring their platforms for misinformation.

But the government’s proposed regulation, laid out earlier this year in a white paper, will not require internet firms to monitor and remove fake news unless it is causing specific harm.

As a result, fake news may continue “unchecked” even after regulation is introduced, the report warned.

“We are concerned about the damage fake content has upon public trust,” said Chris Daly, CIM chief executive officer.

“Our professional members and the marketing industry as a whole needs confidence they are spending their marketing budgets wisely.”

It comes amid a tussle between tech companies and the government over who bears responsibility for policing social media platforms.

Facebook vice president Sir Nick Clegg last week insisted that while there was a “pressing need” for new regulation, companies should not have to address the issue alone.

The CIM’s findings formed part of its submission to a consultation on the government’s white paper, which closes today.

Woodford cuts stake in AI firm during freeze

JESS CLARK

NEIL Woodford cut his stake in artificial intelligence firm Sensyne Health as the deadline approached for the suspension of his flagship fund to be formally reviewed.

The former star trader has been offloading assets to rebalance his Equity Income fund, which was suspended last month following a spike in withdrawals.

The deadline for the 28-day suspension to be reviewed is today.

Sensyne, an AI healthcare firm which was founded by former science minister Lord Drayson, said Woodford Investment Management had sold more than a quarter of its 20 per cent stake to Baillie Gifford.

Sensyne listed on the London Stock Exchange’s Aim in August last year, and has a market capitalisation of £160.7m.

The Woodford Equity Income Fund was suspended last month after a rush of investor redemptions, including a £250m request from Kent County Council.

The embattled fund manager said he would use the time to reduce the fund’s exposure to illiquid and unpinned stocks down to zero.

He has come under fire since the fund was frozen for failing to suspend management fees despite calls from both MPs and regulatory bodies to cancel the charges for investors.

Both the Financial Conduct Authority and the Treasury Select Committee are investigating the circumstances surrounding the suspension.

Last week Woodford’s listed Patient Capital Trust revealed plans to cut debt and strengthen its board in a bid to reassure investors.

The trust announced that it would reduce debt from a current level of 16.8 per cent to below 10 per cent of the value of its holdings.

WPP to sell off shares in sports ad agency

JAMES WARRINGTON

ADVERTISING group WPP is set to sell its stake in sports marketing agency Chime Communications in its latest move to slim down the business.

WPP will sell its 25 per cent stake in Chime to US investment firm Providence Equity Partners, which holds the remaining 75 per cent, for $50m. The deal, first reported by the Sunday Times, will see Providence take full control of the firm.

It is the latest effort by WPP to sell off non-core parts of its business in a bid to streamline its complex corporate structure.

Chief executive Mark Read, who took over from Sir Martin Sorrell last year, has laid out a restructuring plan that has already seen a number of sales and internal mergers. The sale of Chime will help to cut the holding group’s debt, which stood at roughly £6bn at the end of last year.

Chime was founded in 1989 by Lord Bell, who was Margaret Thatcher’s spin doctor and co-founder of controversial PR firm Bell Pottinger.

The communications firm is best known for its sports marketing subsidiary CSM.

Chime operates the marketing and sale of luxury hospitality at Wimbledon

Online valuation

noun

The mystical art of gauging a property’s worth without ever actually stepping through the door. Also see: guesstimate

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Tech startup confidence levels rise but expansion plans take back seat

CONFIDENCE levels among UK tech startups ticked up fractionally over the last quarter, despite the impact of the unsettled political landscape. New data from Studio Graphene revealed 80 per cent of tech startups are confident or very confident about their growth prospects for the year ahead – a one per cent rise on the previous three months.

However despite the confidence boost, the research showed businesses were taking a more cautious approach to expansion. Only 73 per cent of startups said they planned to hire more staff in the next 12 months, while just 59 per cent intended to raise funding. This marked a drop of 18 per cent and seven per cent respectively.

But there was a slight rise in the number of firms planning to launch into new territories. Ritam Gandhi, Studio Graphene founder and director, welcomed the rise in confidence levels.

He added the slight decline in expansion plans should “sound a warning” that political and economic uncertainty was prompting a more conservative approach among entrepreneurs.

PIGGY BANK
Rental manager Airsorted grabs £1.3m in second crowdfunding round

HOST management service Airsorted has closed a £1.3m equity crowdfunding campaign on Seedrs, the firm said today. Over 1,000 investors backed the platform, which helps hosts of short-term rentals using sites such as Airbnb to manage their guests’ stay.

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In this example, the overall cost for comparison is 3.4% APRC representative.

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FRANCE expects its public sector deficit to reach 2.1 per cent of economic output next year, up from the two per cent fore- cast prior to tax cuts promised in response to the so-called yellow vest protest movement, a government budg- et projection showed yesterday.

French President Emmanuel Macron announced plans at the end of April to reduce income tax by €5bn (€4.5bn) as part of a spate of measures to defuse months of protests over issues such as fuel levies, weak purchasing power and public perceptions that Macron’s administration was arrogant.

Budget minister Gerard Darmanin said last week that France was still aiming for a deficit of about two per cent next year and had identified savings to offset the upcom- ing tax cuts. France’s public audit office has said the government is in danger of missing its fiscal targets unless it makes further spending cuts.

Macron’s pledge to reduce the income tax burden by €5bn came on top of a €10bn package of social measures unveiled in December at the height of the yellow vest unrest.

The updated public finance forecasts, posted on a government website yesterday, also slightly increased the deficit projections for 2021 to 1.7 per cent from 1.6 per cent, and to 1.3 per cent from 1.2 per cent for 2022. The French government main- tained its previous forecast of 3.1 per cent for the deficit this year, which it said was a temporary spike linked to a change in corporate taxation.

Macron has been fighting public perception issues

EMILY NICOLLE
@emilyjnicolle

THE WORLD Wide Fund for Nature (WWF), Save the Children and ILGA Europe have partnered with digital bank Revolut to automate charitable donations.

In an industry-first, Revolut’s 5m users will be able to round up their card payments to the nearest pound and automatically donate the difference to one of the three charities. Customers will also be able to set up one-off, weekly or monthly recurring donations. Revolut said it will add more charities to the feature throughout the rest of the year.

The bank also today launched a limited rainbow edition of its bank card in tandem to its partnership with LGBT charity ILGA Europe and Pride Month.

WWF director of partnerships Naomi Hicks said opportunities such as its tie-up with Revolut “are essential if we’re to halt and reverse nature’s decline”.

Meanwhile Anna Shepherd, fundraising manager at ILGA Europe, said the move would aid the charity in helping those harmed by the “stagnation and rollback” of LGBT equality across Europe and central Asia.
Europe hotter than Death Valley as record heatwave claims seven lives

GUS TROMPIZ

WILDFIRES burned tracts of land in France and Spain at the weekend as Europe sweated in record-breaking temperatures that pushed the mercury towards all-time highs yesterday in Germany, killing at least seven people.

Temperatures in France’s southern Gard region hit an all-time high of 45.9 degrees Celsius on Friday – hotter than in California’s Death Valley – sparking scores of fires that burned 550 hectares of land and destroyed several homes and vehicles.

One man died while competing on Saturday in a cycling race in the foothills of the Pyrenees. The 33-year-old crashed after feeling unwell.

Police were investigating the precise cause of death.

Meteorologists say a weakening of the high-level jet stream is increasingly causing weather systems to stall, while also leading summer temperatures to soar.

Temperatures eased slightly yesterday although Spain’s national meteorological agency predicted the mercury could stay over 40 degrees Celsius in some parts of the country, in particular in the north-east and in Catalonia.

At least seven heat-related deaths have been reported in recent days.

The World Meteorological Organization said that 2019 was on track to be among the world’s hottest years on record, which would in turn make 2015 to 2019 the hottest five-year period.

Record-breaking temperatures have claimed at least seven lives in recent days

Ministers launch £5m fund to aid green lending

HARRY BANKS

HOMEOWNERS could be set to receive better mortgage rates for improving the energy efficiency of their homes under plans rolled out by the government today.

The Department for Business, Energy and Industrial Strategy announced a new £5m fund to help lenders drive “green mortgages” ahead of the launch of the government’s green finance strategy.

Green mortgages give customers discounted mortgage rates once they have upgraded the energy rating of their home.

The green finance strategy is set to be launched alongside the Green Finance Institute, which was announced last year by chancellor Philip Hammond in an effort to accelerate eco-friendly finance investment.

The plans come just days after the UK became the first major economy to pass legislation committing to net zero emissions by 2050. British homes are responsible for 15 per cent of the country’s carbon emissions.

“To fulfil our world-leading commitment to reach net zero emissions by 2050, we need an overhaul of our housing stock to tackle the disproportionate amount of carbon emissions from buildings,” energy and clean growth minister Chris Skidmore said.

“By rolling out more green mortgages and reducing the costs of retrofitting older homes we’re encouraging home owners to improve the efficiency of their homes and save money on their energy bills, helping to ensure everyone has access to a warm and comfortable home,” Skidmore added.

The government is encouraging the homebuilding industry to cut the costs of retrofitting older homes through its £10m Whole House Retrofit competition, which it says will help “drive down costs for consumers” by halving the cost of retrofitting existing buildings to the same standards as new builds by 2030.

Ex-UN climate boss: Investors can further sustainability drive

ANNA MENIN

INVESTORS should be given more information about energy companies’ fossil fuel usage so they can steer funding away from activities that contribute to climate change, former UN climate change chief Mary Robinson has said.

Robinson proposed the creation of a “comprehensive, transparent database of all existing fossil fuel assets and reserves” in a collection of essays about the role of financial services in tackling the climate crisis.

Robinson wrote that investors “hold an extraordinary latent power to further the sustainability agenda”.

“I am under no illusion about the challenges the energy and finance industry faces in managing a just transition,” she continued.

“But I am also under no illusion about the risks posed to every living person on Earth if these challenges are not faced head on.”

The collection also includes essays by Sir Roger Gifford, How Ivanov and Ingrid Holmes.

Czech Prime Minister warns of snap election if coalition partner quits

JANLOPATKA

CZECH Prime Minister Andrej Babis said yesterday there would be a snap election if his coalition partner goes through with a threat to quit, raising the prospect of more political turmoil after weeks of street protests against his rule.

Babis told a TV debate he had already ruled out seeking the support of the far-right, anti-EU and anti-Nato Freedom and Direct Democracy party, so a new vote would be the only option.

“I believe the Social Democrats will not leave the government,” Babis said, referring to his left-leaning junior coalition partner.

“Why would they? It would be a complete suicide, because it would de facto mean an early election,” he added.

The next election is currently scheduled for late 2021.

Babis’ minority coalition government, which has been in power since July 2018, survived a no-confidence motion brought by the opposition but protests that took place on Thursday.

But it immediately plunged back into turmoil when the Social Democrats threatened to quit in protest at President Milos Zeman’s refusal to appoint a new culture minister from their ranks.

The next Czech election is currently scheduled for 2021.
A report that prime minister Boris Johnson would slash stamp duty and taxes, according to government and taxes. Johnson's plan to cut stamp duty and taxes would drive growth in housebuilding. The FTSE 100 rose 0.2 per cent, while the FTSE 250 capitalised on stronger pound to climb 0.8 per cent. Housebuilders rose after a media report said Johnson, the leading candidate to succeed Theresa May as Prime Minister, plans to cut stamp duty on house sales as part of an emergency budget for a no-deal Brexit.

The US Federal Reserve would cut interest rates guided the FTSE 100 to its best month since January, counteracting effects of US sanctions on Iran and uncertainty ahead of Chinese trade talks. Luxury brand Burberry gained 4.1 per cent after Goldman Sachs raised its rating on the stock. Shares of Glencore, which slipped nearly five per cent in the previous session after its mine collapsed in Congo, recovered most of those losses and added 4.2 per cent. The miner confirmed the accident would not impact production.

Legoland operator Merlin Entertainments moved 14 per cent higher on the mid-cap index after agreeing to be acquired by the investment vehicle of Lego's founding family and Blackstone in a 455p-per-share deal. Woodford Patient Capital Trust, the stock of which has been hammered recently because of its association with fund manager Neil Woodford, shed 2.6 per cent. Shares had earlier gained 3.5 per cent after the firm laid out plans to cut debt and refresh its board.

Amari Africa, which focused on its first day of trading. Its shares debuted at 77p, below the listing price of 80p. It launched an offer after agreeing to be acquired by the investment vehicle of Lego’s founding family and Blackstone.

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Top risers
1. IAG Up 4.37 per cent
2. Berkeley Up 4.19 per cent
3. Burberry Up 4.06 per cent

Top fallers
1. Imperial Down 1.28 per cent
2. Bunzl Down 1.80 per cent
3. InterTek Down 1.43 per cent

New accounting standards may put a spanner in the works for Travis Perkins when it publishes its half-year results later this month. However, brokers at Liberum remained upbeat about prospects for the builders’ merchants, stating they expected results to be in line with consensus for the full year. Liberum said it expects the UK market to be “adequate enough for new management to build up new profit momentum. The brokers warned of a downward in earnings per share, but opted to retain their “buy” rating and leave the target price unchanged at £160p.

Best of the brokers
To appear in Best of the Brokers, email your research to notes@cityam.com

Greene King served up a mixed bag in its annual results last week, posting a modest rise in sales but a sharp drop in pre-tax profit. The pub chain and brewer was boosted by bumper trading during the World Cup last summer. But the Suffolk-based firm is still battling with increased costs. Brokers at Canaccord Genuity are clearly taking a ‘glass half-full’ approach. They tweaked their forecasts for cash flow generation, citing lower capital expenditure and cash tax guidance. Canaccord maintained its “buy” rating with a target price of 670p.

MCCARTHY & STONE

Retirement housebuilder McCarthy & Stone must have been rattled by new laws in decades. The S&P 500 had its best June since 1995. The Dow posted its biggest June percentage gain since 1968, the warning days of the Great Depression. From the start of 2019, after investors red equities amid fears of a global economic slowdown, which sent stock markets tumbling in December, the benchmark S&P 500 jumped 17.3 per cent, its largest first-half increase since 1987.

Financial stocks led the gains in the S&P 500 and the Dow after the big US banks passed the Federal Reserve’s “stress test”, with the central bank giving the companies a clean bill of health. The S&P 500 Bank Index gained 2.4 per cent. The Dow Jones Industrial Average rose 73.38 points, or 0.28 per cent, to 26,599.96, the S&P 500 gained 16.84 points, or 0.68 per cent, to 2,941.76 and the Nasdaq Composite added 38.49 points, or 0.48 per cent, to 7,640.92.

All 11 major sectors in the S&P 500 ended the session in positive territory. Financials, energy and tariff-vulnerable industrials were the biggest percentage gainers. Shares of Apple dropped 0.9 per cent following its announcement that design head Jony Ive is leaving the company. Separately, the Wall Street Journal reported that the iPhone maker would move its Mac Pro production to China from the US.

Constellation Brands reported better-than-expected quarterly results and raised its full-year guidance due to healthy beer demand, sending its shares up 4.6 per cent.

Wall St rounds off best June in decades

BT Group has announced that Leena Nair will be joining the firm as a non-executive director and as a member of the Remuneration Committee, the Nominations Committee and the Digital Impact & Sustainability Committee. Leena is joining BT from Unilever, where she has been chief human resources officer since March 2016. She has also been a non-executive director of the Department for Business, Energy and Industrial Strategy since 2018 and is chair of its Nominations and Governance Committee. She will take up her role from 11 July 2019.

APEX AIRSPACE

Apex Airspace has announced the appointments of Andrew Powell as finance director and Jonathan Smart as the head of new business. Andrew Powell has spent the past 12 years in senior finance positions within Morgan Sindall Group, operating as a board and executive member of the leadership team at Morgan Sindall Investments since 2013, overseeing over £1bn of assets. Andrew proffers extensive development experience working in partnership with both the public and private sector and will take overall responsibility for the financial strategy of Apex. Jonathan has almost a decade of experience in the property sector, working for large housebuilders including Taylor Wimpey and Crest Nicholson. In his most recent role as head of land at Berkeley Homes (north east London/Capital), Jonathan led the team in securing complex acquisitions, forging strong relationships with key stakeholders. His experience lends itself to Apex’s ambitious business development strategy with a good understanding of the UK land acquisition and planning process.

LEWIS SILKIN

Lewes Silkin has announced that Giles Crown and Richard Miskella have been appointed to the new role of joint managing partner, replacing chief executive Ian Jeffery who will step down on 30 September. The firm will be moving forward with a new leadership structure, with the creation of the new roles of joint managing partner, in line with the firm’s business strategy to focus on core markets. Giles is currently the divisional managing partner for the firm’s Creators, Makers and Innovators division. Richard was recently appointed as divisional managing partner for the firm’s Employment, Immigration and Reward division. Michael Burd, chair of Lewis Silkin, said: “We are truly grateful for the efforts Ian has put in over many years to drive our achievements as a firm. Lewis Silkin has enjoyed sustained growth and success during his tenure with particularly strong performance in recent years.”

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ROFIT is not just about how much money you make. It’s about how you make it too. And how likely you are to make that money again and again, so you create a sustainable business that will be around for the long term.

This longevity will come as much from how you communicate as it will from what you sell, because how you treat your staff directly affects how they treat your business – which, of course, really means how they treat your customers.

Good communication is an investment, which can generate a real return. Undercut that investment, and you could cause significant harm to your business.

Unfortunately, businesses today are failing to recognise the true value of an investment in communication. This means poor communication skills are affecting the profits of businesses up and down the country – irrespective of their size or what they do.

I fail to understand why so many business leaders class communication as a soft skill. There’s nothing soft about the ability to communicate in a way that inspires others and leads change; that develops consensus and shared understanding; that creates and maintains valuable connections; and that drives consistent and sustainable improvements in performance.

Right now, businesses need to take communication more seriously, and they need to turn what they’re doing on its head.

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ELEPHANT IN THE ROOM

Businesses tend to speak to their staff using transactional communication via their HR and comms departments. One bank manager I met told me that his head office had emailed staff to say that if they needed to speak to HR, they first had to submit a question through a portal. “I’m a bank manager,” he said. “Stuff is raining down around my ears, I’m so stressed out. I just want to speak to somebody.”

That’s transactional communication. In situations like this, how will HR ever get to know the people that they’re supposed to be looking after? How will they get to speak directly to them and form a relationship that has value?

This is where companies should move away from a technology-driven model, and instead take transactional communication back to something that is open, perceptive, and relational.

THE MAGIC FORMULA

There is a pretty simple formula for success. As I already mentioned, if you look after your employees, they will look after your customers.

And customers want one of two things. They either want speed and convenience – what Amazon do so well – or they want an experience with an emotional connection, where they can talk to actual human beings, not bots.

However, most businesses prioritise process and technology over their people. And in doing so, they position their people as an inconvenience.

But by making sure that your people are your priority (and that means having the processes in place that enable direct communication), you stand to profit.

£

Miti Ampoma is a communications specialist, author and the founder and director of Miticom.
Boris is a disruptive dreamer—and that's what Britain needs

Michael Hayman

Tentative and without momentum – the avoidance of risk has been the painful experience of the last three years

Boris having “a plan that is full of ifs and buts – either heroic or foolhardy”. All of this speaks to Britain’s self-confidence in an uncertain age.

And while Brexit has sapped much in the way of the nation’s energy, there is much more to it than that. Technical, social and climate change will either imprison people or inspire them to new heights to deliver solutions. And it’s our attitude and adaptability to this change as people that will decide the future wealth of nations.

But not so fast. Isn’t it the very lack of planning and vision that most people feel is the biggest problem with politics right now? Those words would have to be read differently about seemingly intractable problems.

Apple founder, Steve Jobs, had advice on this. He said “it’s better to be a pirate than to join the navy”, thus evoking the swashbuckling spirit of the entrepreneurial adventure.

Of course, many in government are quick to make the oil and water point – that the lessons of business 101 transfer because they don’t mix.

A lot of this comes down to attitudes to risk. There is a growing belief that it is better to have an arm’s length relationship with the oil and gas industry than to be directly involved with it.

Meanwhile, the pursuit of opportunity was at the heart of London last month, with the launch of the Mayor of London’s plans for the future of the capital.

The opportunity was at the heart of London last month, with the launch of the Mayor of London’s plans for the future of the capital.

However, the avoidance of risk has brought the painful experience of the last three years. Tentative and iterative, a period where momentum has proved near impossible.

Team Hunt, where the sensiblegrownups hang out, is not the place for dreaming dreams of “do or die”, but rather it is measured and sober. Just the setting you want to die, but rather it is measured and sober. Just the setting you want.

Team Hunt, where the sensiblegrownups hang out, is not the place for dreaming dreams of “do or die”, but rather it is measured and sober. Just the setting you want.

For those of you who are suddenly driven to a panic attack with memories of past school reports, that is indeed the desired effect.

But for the future of the environment is an issue that affects us all, not least the City. That is why tomorrow’s Green Finance Summit is an important opportunity to bring together green leaders from across the world.

The green finance sector can help to accelerate the transition away from fossil fuels to more sustainable energy. And the UK government is leading the way.

Building on the Paris agreement, the sector has committed the UK to becoming the first major economy to reach net-zero carbon emissions by 2050. More detailed plans to increase investment in sustainable projects will be outlined at the Summit tomorrow.

Our regulators are also at the cutting edge of policy in this area. Speaking at the Mansion House last month, Mark Carney set out the Bank of England’s plans to begin stress-testing financial institutions for their resilience to climate change.

The capital is already a world leader in innovation and green finance. The amount raised in green bonds on the London Stock Exchange has more than doubled since 2017.

We cannot afford, however, to rest on our laurels. There is much more to be done and City firms have a vital role to play in driving this transition through environmental finance.

Common standards need to be agreed so that climate risk can be priced accurately, which will in turn enable investors to make informed decisions. Some businesses and industries face an existential threat unless they adopt carefully considered long-term strategies.

It is important to recognise the opportunity as well as the threat. In Industries face an existential crisis unless they adopt long-term green strategies

Peter Estlin

Climate change is one topic that has managed to rise above both Brexit and the Tory leadership campaign in the news agenda.

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It is important to recognise the opportunity as well as the threat. In every overseas market that I visit, there is a huge appetite for green finance. This is just as true for Colombiа as it is for China.

Around $93 trillion of global infrastructure investment will need to be green by 2030 in order to meet climate change commitments, according to the Global Commission on the Economy and Climate Change. Green finance has become an incredibly dynamic market in the space of a relatively short period. This shows how the City of London can work in collaboration with governments to deliver outcomes that are sustainable and environmentally friendly.

There remains massive growth potential. As Mark Carney has said, it’s now time for sustainable investors to go mainstream.

Whatever the future holds, it is vital that the City and the UK remain at the forefront of this green revolution. In order to do so, we must continue to innovate and seize opportunities across the globe.

Get in touch at peter.estlin@cityoflondon.gov.uk or 07840 318541.

Peter Estlin is the Lord Mayor of the City of London.

Full of hot air

Lots of bots

Michael Hayman MBE is co-founder of Seven Hills and co-author of Mission: How the Best in Business Build Nations.

“Tentative and without momentum – the avoidance of risk has been the painful experience of the last three years.”

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Scunthorpe is the litmus test of the Tory leadership battle – and it’s playing out right now

Julian Allwood

T

HE UK has not had a meaning-
ful industrial strategy since Mrs Thatcher. While 30 years of rhetoric about build-
ing new high-tech industries has been terrific for London, Cam-
bridge, and Milton Keynes, it hasn’t created satisfying jobs for the rest of the country.

Will our next Prime Minister imple-
ment a meaningful industrial strat-
ey that gets to the heart of the economic discontent?

The litmus test of this question is in Scunthorpe, and it is playing out right now. In fact, the future of Scunthorpe’s steel industry will be resolved as the leadership contest peaks.

Even if Conservative candidates in their southern bubble are inured to the human cost of closure, they should at least recognise that they’ll be paying for it – because 25,000 people in good jobs who pay around £10,000 per year in taxes will instead receive £10,000 per year in benefits, costing us all at least £500m per year.

The government’s recent record gives us little hope: Port Talbot was put up for sale in April 2016, and the government did nothing. “Tell us what you want, and we’ll think about it”, is the opposite of a meaningful government strategy.

It’s not an accident that the UK’s steel industry has declined while Ger-
many’s has risen. The difference is their strategy – pursuing a direction, providing meaningful financial sup-
port, bold investment in research and technology, and using tax-funded pur-

chasing to drive domestic innovation.

The skilled workers of the north-east know the effects of UK industrial “un-
strategy”, and in Scunthorpe they must fear it. But steel-making can have a bright future in the UK.

We know the future trajectory of the global steel industry: steel is mag-
netic, and it’s our most recycled mate-
rial – meaning all the steel we’ve in-
made in the past is coming back.

There are more blast furnaces making steel from iron ore in the world today than we’ll ever need again, but the amount of scrap we’ll have for recy-
cling will treble over the next 30 years.

The UK discards 10m tonnes of scrap each year and purchases around 15m tonnes of steel in new goods. Soon, and sooner than our European neigh-
bours, those figures will be equal.

We know how to make the highest quality of recycled aerospace steel – it already happens in Rotherham. It’s expensive now, but we’re also leaders in materials science and processing in the UK, so there are no technological reasons why we can’t improve tech-
niques to lower the cost.

The steel industry emits a quarter of all the world’s industrial greenhouse gas emissions. Making steel by recy-
cling would cut this by at least 50 per cent, and would be virtually emis-
sions-free if powered by renewables.

Ministers can’t simply stay in the London cocoon, wait for a private-sec-
tor buyer, and offer some token sub-
sidy to ease things along. No private sector firm could cover the short-term investment required to transform blast furnaces of the past into renew-
ably-powered electric arc furnaces of the future.

Instead of costing £500m per year in benefit payments, an investment in Scunthorpe now will pay off a sector that can prosper as the world re-
sponds to climate change. It would also lead to reduced inequality.

The steel sector could be the beacon of a low carbon future, and the trigger for a UK renaissance.

National strategy, national funding, national commitment. That’s what a ‘low carbon future’ means. It’s not a buzzword.

Our steel sector could be the beacon of a low carbon future, and the trigger for a UK renaissance.

If the new Prime Minister succeeds in getting Brexit over the line by the end of May, the Brexit Party looked to be unstoppable. Week after week it topped the Westminster voting intention polls, and talk of the Conservatives being wiped out at the next election was rife.

A month on, and Nigel Farage’s fortunes have taken a turn for the worse. In a recent voting intention poll for YouGov, the Brexit Party was down four per cent – from 26 per cent to 22 per cent – and the trend looks set to continue.

The reason, of course, is Boris Johnson. The runaway favourite in the Conservative leadership contest has hardened his Brexit position, and now says that the UK will leave the EU “do or die” on Halloween. Even the most ardent Leavers can hardly argue with that, and many are now flocking back to the Conservatives.

If Boris self-destructs and former Remainor Jeremy Hunt becomes Prime Minister, expect another huge surge in support for Farage. For now, though, the Brexit Party flame seems to be slowly fizzling out.

Hugh Bennett is news editor at Guido Fawkes.
Stark prospect of not qualifying for the semi-finals at a home World Cup with a favourable format in which they were the favourites. Their fate is still in their hands.

Victory moved Morgan’s side back past Pakistan into fourth place. If they beat New Zealand in their final group game on Wednesday they will be guaranteed a place in the knockout phase – quite likely at Edgbaston, against the same opposition they mastered yesterday.

All is under control. As Bairstow suggested: chill out guys, you’re panicking.

Bairstow’s strike rate in his 109-ball 111, which contained 16 boundaries

On a slow, two-paced pitch, a bizarre anti-climactic conclusion to the game, courtesy of the lackadaisical MS Dhoni, gave us time to reflect on the resounding nature of England’s performance.

Before this game India were the only unbeaten side left in the World Cup. England thoroughly outplayed them. Before this game there were rightly questions over England’s ability to deal with pressure. They have gone some way to allaying them.

Before this game England faced the stark prospect of not qualifying for the semi-finals at a home World Cup with a favourable format in which they were the favourites. Their fate is still in their hands.

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All is under control. As Bairstow suggested: chill out guys, you’re panicking.

ONNY Bairstow’s tirade against the media last week caused quite a stir ahead of England’s must-win World Cup clash with India yesterday, but it also contained some sound advice. After lambasting former players Michael Vaughan and Kevin Pietersen for their negative comments following damaging defeats by Sri Lanka and Australia the Yorkshireman pleaded with the crucifying public, saying: “Bloody Nora. Chill out guys, you’re panicking.”

His assertion that “people were waiting for us to fail” may have resembled a straw man argument, but the effect it had on Bairstow himself was undeniable.

He played like a man possessed by the belief that the whole world was against him, smashing the ball around Edgbaston to set the platform for England’s 31-run win, which has steadied the ship and steered them back on course for the semi-finals.

Reunited with Jason Roy at the top of the order, Bairstow was at his brilliant best, weathering a shaky start before accelerating and showing no mercy to India’s spinners.

He tried to force the pace early on against the seamers, but after seeing two inside-edges fly past his stumps from Mohammed Shami he took the attack to Yuzvendra Chahal and Kuldeep Yadav, using his Indian Premier League experience and bottom-hand dominant technique to muscle the ball over the legside on six occasions.

“Having been in the IPL it has helped me play spin and how to build an innings in all conditions,” Bairstow explained after picking up the man of the match award. “The ball did bits at me play spin and how to build an innings in all conditions,” Bairstow explained after picking up the man of the match award.

On a slow, two-paced pitch, a bizarre anti-climactic conclusion to the game, courtesy of the lackadaisical MS Dhoni, gave us time to reflect on the resounding nature of England’s performance.

Before this game India were the only unbeaten side left in the World Cup. England thoroughly outplayed them. Before this game there were rightly questions over England’s ability to deal with pressure. They have gone some way to allaying them.

Before this game England faced the stark prospect of not qualifying for the semi-finals at a home World Cup with a favourable format in which they were the favourites. Their fate is still in their hands.

Victory moved Morgan’s side back past Pakistan into fourth place. If they beat New Zealand in their final group game on Wednesday they will be guaranteed a place in the knockout phase – quite likely at Edgbaston, against the same opposition they mastered yesterday.

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Bairstow’s strike rate in his 109-ball 111, which contained 16 boundaries

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The age gap: men’s tennis is still finding its big three are impossible to replace

Djokovic, Federer and Nadal are still the men to beat at Wimbledon, writes Michael Searles

YEAR after year it seems to be the same question: can anyone truly compete with Roger Federer, Rafael Nadal or Novak Djokovic at the grand slam events?

As they continue to advance into their thirties it is increasingly likely that their reign of supremacy will end and their unrelenting grip on the major tournaments wane.

Yet time and time again they have let their tennis do the talking and proven why, as Wimbledon gets under way today, they remain the world’s top three and the greatest male players to have graced the game.

You have to go back 11 grand slams to Stan Wawrinka’s US Open victory in 2016 for the last time anyone other than Federer, 37, Nadal, 33, or Djokovic, 32 – the defending champion in SW19 – claimed a major title.

Their dominance is nothing new; between them they have won an astonishing 53 slams and it is difficult to see anyone halting that sequence at the All England Club over the next fortnight.

In fact, there is only one man aged under 30 who has won a single set in his loss to Federer outside that peerless trio to do so.

Aside from Thiem, there are only two other players currently in their twenties who claimed one of their 34 defeats by Nadal this year’s French Open.

Martin Cilic was the previous player outside that peerless trio to do so, winning two sets in his loss to Federer. You then return to Thiem, who claimed one of his 34 defeats by Nadal, his Spanish counterpart, 33, retires.

Current world No5 Alexander Zverev is another player that has been mixing it in the top 10 for a couple of years now, but has yet to make his mark on any of the major tournaments.

His best results to date at grand slams are quarter-final appearances at the last two French Opens, although the 22-year-old did win the ATP Finals in London last year.

Stefanos Tsitsipas, 20, is perhaps the most promising youngster, reaching the Australian Open semi-final last year and losing an epic fourth-round battle with Wawrinka at the French Open which went the full five sets.

But the shortage of players challenging the long-established elite is stark.

There is little doubt that the opportunity to watch Federer and Nadal do battle – as they did in the French Open semi-final – is the most alluring of prospects, but there are concerns as to who will pull in the audiences once they retire.

DAUNTING PROSPECT

What’s more is that those who have come close to challenging the big three’s dominance, such as Murray, 32, Wawrinka, 34, and Cilic, are all also at the tail end of their careers.

The women’s game, by contrast, is in a very different state, as highlighted earlier this month by a Roland Garros final between 23-year-old Ashleigh Barty and 19-year-old Marketa Vondrousova, both making their first appearances in a slam final.

Barty, who stepped up her Wimbledon preparations by winning the Nature Valley Classic in Birmingham just over a week ago, is one of 10 current female players under 30 to have won a set in a grand slam final.

While Serena Williams dominated for a long spell, the emergence of the likes of Barty, Simona Halep, 27, Naomi Osaka, 21, and Sloane Stephens, 26, shows that the women’s game has players ready to step into the 35-year-old’s shoes.

The men’s game, however, faces an all-the-more daunting prospect of replacing three of its most successful ever players. For now, though, there is still time to enjoy them at their enduring best.

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HI CHRIS!
WE JUST GOT RATED
BEST TRAIN FRANCHISE
THAT'S GOOD
ISN'T IT CHRIS?

RESULTS FROM THE NATIONAL RAIL PASSENGER SURVEY, PUBLISHED 27TH JUNE 2019 BY THE INDEPENDENT WATCHDOG, TRANSPORT FOCUS. 91% OF RESPONDENTS SATISFIED WITH THEIR OVERALL JOURNEY ON VIRGIN TRAINS. FOR MORE INFORMATION VISIT WWW.TRANSPORTFOCUS.ORG.UK.