BRUSSELS BULKS UP WATCHDOG’S REMIT OVER US DIGITAL GIANTS

JAMES WARRINGTON
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THE EUROPEAN Commission has doubled down in its battle with Silicon Valley after giving competition czar Margrethe Vestager an expanded role in a new-look cabinet.

The high-profile Dane was given a new role as executive vice president charged with making Europe “fit for the digital age”. However, in a surprise move she was widely expected to surrender her current brief.

EU watchers were expecting her to take on the digital role, although she was widely expected to surrender her existing brief.

During her five-year stint, Vestager has pulled no punches taking on the tech giants, launching antitrust and tax avoidance investigations which have resulted in sizeable bills for Californian companies.

A former deputy PM, bizarrely known for knitting elephants in meetings, the formidable Vestager said she was “happy for and humbled by the task ahead”.

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Vestager’s new powers are expected to include linking up various elements of tech regulation under one office, potentially strengthening Europe-wide tax rules, including Facebook and Google, welcomed the new appointments.

“We encourage the new commissioners to assess the impact of all the recent EU tech regulation to ensure that future legislation will be evidence based, proportionate and beneficial,” said CCIA vice president and head of office Christian Borggreen. "We have now entered into a formal consultation period and will fully support affected staff through this process.”

GET THE EQUALS CURRENCY CARD TO AVOID UNNECESSARY BANK CHARGES AND GET MORE FROM YOUR MONEY ABROAD. SEARCH EQUALS.
Vestager’s re-hire puts the UK on the back foot

APPLE last night launched its latest shiny thing to come out of Cupertino, the iPhone 11 Pro, at its now-to-be-expected “high achiever” price tag. The company has forged a reputation of late for putting its hardware products further out of reach of the masses, while placing its services at the more affordable end of the spectrum. Soon we’ll see the debut of its gaming and TV streaming platforms with original content to rival Netflix and Fortnite, as it seeks to combat the global slowdown in smartphone sales by cashing in on the rise of binge-watching. But will that be enough to ensure a smooth journey in the years ahead for Apple? Yesterday, Margrethe Vestager, the EU’s pitbull in the era of tech powerhouses, was given a second run as chief competition commissioner – except, this time, with superpowers. Now also the vice president for EU digital affairs, she’ll have the ability to expand her reach outside of the antitrust arena and into… well, we’re not quite sure yet. Vestager has often complained of rampant problems in the digital sector that go beyond competition; the spread of fake news, issues around corporation tax and a lack of press freedom among them. In a newly-created role with an evolving mandate that some are framing as the EU’s “supercommissioner”, it’s safe to say Big Tech should be scared. Known to many as the EU’s strongarm on Silicon Valley, Vestager has certainly made a name for herself. She’s levied billions of euros of fines against Google, launched a major investigation into Amazon and could soon be probing Facebook’s new cryptocurrency Libra. And that’s not even factoring in the £13bn (£11.6bn) in back taxes she ordered Apple to repay to Dublin authorities last year, in an unorthodox approach to state aid law that no one saw coming. US President Donald Trump got a kick out of the “tax lady” that he petitioned his country’s authorities to take a copycat approach – hitting Facebook with a $2bn (£4bn) fine earlier this summer, and a 50-state joint investigation into Google by the attorneys general announced this week. But where does this leave the UK? In a post-Brexit world, Vestager’s long reach could set a precedent. However, the Competition and Markets Authority can impose fines only on a company’s UK assets, and with a new tech watchdog on the horizon, its place in a digital-dominant world is uncertain. Yet another decision for the government will be how the UK positions itself as regulators and politicians in Brussels and Washington escalate their power battle.

BOLTON WANDERER? Hawkish national security adviser John Bolton dismissed from White House following conflicts over Iran

US PRESIDENT Donald Trump yesterday fired his hawkish national security adviser John Bolton, after revealing the two had “unresolvable policy disputes”. Trump said Bolton’s service will not “be required” by the White House, before the former UN ambassador claimed he had offered to step down a day earlier. The pair have clashed over the US response to Iran, North Korea and the Taliban, with Bolton noted for his cautious stance. He was Trump’s third appointment to the role.

Wage growth hits decade high

THE NUMBER of Britons without a job fell to a 45-year low in the three months to July, official figures showed yesterday, total earning growth hit a decade high. Yet there were signs that Britain’s employment boom is slowing as the number of jobs created undershot economists’ expectations and vacancies fell. UK unemployment was estimated at 3.8 per cent in the period May to July, the Office for National Statistics (ONS) said, down from 3.9 per cent in the April to June period. Lower unemployment helped to boost wages, when bonuses are included, by four per cent, a rate not seen since 2009. If bonuses are not included, however, wage growth dropped back to 3.8 per cent. The wage rises mean that real total pay – taking inflation taken into account – rose at 2.1 per cent, while regular pay rose at 1.9 per cent. The strong figures came despite a slowdown in the UK economy, which shrank by 0.2 per cent in the second quarter. ONS head of labour market statistics David Freeman said: “The employment rate has remained fairly constant at a joint-record high for some months now.”

Minister for employment Mims Davies said the “sustained boost in pay” was “supporting consumer confidence and giving a vital lift to millions of households who gain from greater financial security”.

Corbyn moots department for workers rights

BRITISH business leaders yesterday described Labour’s plans for a new ministry of workers’ rights as an attempt to “turn back the clock decades”. The CBI said that the proposals did not reflect the reality in most UK workplaces, “The vast majority of firms thrive on strong employee engagement, invest in training and prioritise wellbeing,” said Josh Hardie, the CBI’s deputy head.

Corbyn announced the ministry at the Trades Union Congress conference. “At the core of its work will be rolling out collective bargaining across the economy, sector by sector,” the Labour leader said.

What the other papers say this morning

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Fund managers to buy up stocks and bonds without a hard limit as Beijing seeks to cushion the impact of an economic slowdown and its trade war with Washington.

Retirement payments slashed as annuities lose impact

Buying a retirement income has never been more expensive after an unprecedented plunge in government bond yields. Annuity rates, which reflect the guaranteed annual income for life that can be bought by a lump sum, have slumped to a modern-day low. Moneyfacts, the financial information group, said today.

Landlord sell-off slows as reforms lose impact

The number of British landlords selling their properties is falling, according to new figures that suggest George Osborne’s punitive tax changes might no longer be putting investors off.

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Wetherspoons boss to soothe angry brewers

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Pound acts like emerging market coin, says Carney

A wildly swinging pound is trading like an emerging market currency as the next Brexit deadline looms, Bank of England governor Mark Carney has warned.

JP Morgan planning for zero interest rates

JP Morgan, the biggest US bank, is analysing how to cope with zero interest rates, chief executive Jamie Dimon told investors on Tuesday as he lowered the bank’s estimate for net interest income this year. Long term US interest rates have fallen sharply in recent weeks, as investors predicted the Federal Reserve would follow up July’s interest rate cut with several others. The Fed’s benchmark rate now stands at a range of 2.25 per cent to 2.5 per cent.

China to scrap limits on foreign investments

China is scrapping a quota system for foreign institutional investment, freeing fund managers to buy up stocks and bonds without a hard limit as Beijing seeks to cushion the impact of an economic slowdown and its trade war with Washington.

The times

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The wall street journal

Uber cuts more than 400 technical jobs

Uber cut 435 technical employees in the company’s latest downsizing as it faces market pressures to turn a profit and the possibility of higher driver pay. The company laid off 170 employees in the company’s product division and 265 engineering employees, or about eight of those divisions combined workforce, a spokesperson said yesterday.

Uninsured americans up, first since obamacare

The number of Americans without health insurance climbed to 27.5m in 2018, according to federal data that show the first year-to-year increase in a decade.

Financial times

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Foreign grads to get two years in UK to job hunt

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The government will today reveal new plans allowing international students to stay in the UK for two years after they finish their course.

The initiative lets graduates work, or look for work, at any skill level. Business groups have been calling for the move as part of a more liberal migration policy. Post-study visas were scrapped in 2012 when Theresa May was home secretary.

However, ministers are now keen to hold on to students, especially those who have studied a so-called Stem subject – science, technology, engineering and maths. Half of Stem post-graduate students in UK universities come from abroad.

Prime Minister Boris Johnson hopes the initiative will help to fuel scientific discoveries in Britain. He promised to go “even further” than the discovery of DNA by an international team at Cambridge 60 years ago.

“Breakthroughs of this kind wouldn’t be possible without being open to the brightest and the best from across the globe to study and work in the UK,” he said.

There is no cap on how many can apply to stay under the new scheme. The SNP described the move as a “screeching Tory U-turn”.

The policy is announced a month after Johnson said he would relax visa rules for international scientists.

It comes as the UK kicks off the largest genetics project in the world. The £200m push will sequence the genome of all 500,000 volunteers in the UK’s Biobank.

Researchers will try to understand why some people are more prone to diseases, such as cancer and diabetes. “This project will help unlock new treatments and grow our understanding of how genetics affects our risk of disease,” said health secretary Matt Hancock.

“In an ageing society with an increasing burden of chronic diseases, it is vital that we diagnose earlier, personalise treatment and where possible prevent diseases from occurring altogether.”

Apple lifts lid on iPhone 11 as TV push knocks Disney and Netflix

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California tech giant Apple unveiled its latest generation of iPhones last night, as its pricing for its upcoming streaming platform caused concerns for investors in rivals Disney and Netflix.

The iPhone 11, its 2019 answer to the budget iPhone XR, debuted in six new colours and will be priced at £749. Meanwhile, Apple’s upmarket iPhone 11 Pro and Pro Max, which feature a triple camera system and increased battery life, will start at £1,049 and £1,149 respectively.

Alongside updates to the iPad and Apple Watch, pricing details for its Apple TV Plus platform caused a stir on Wall Street.

Apple said its Netflix competitor Apple TV Plus will cost £5.99 a month for a family subscription, undercutting the cost of both the established streaming giant’s service and Disney’s new platform.

Shares in Disney fell 2.16 per cent following the announcement, while Disney fell 2.19 per cent.

British Airways pilots warning of more strikes if stalemate continues

ALEXANDRA ROGERS
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British Airways pilots are threatening further strike action if the current pay row with the airline is not resolved.

The British Airline Pilots’ Association (Balpa) union yesterday called on BA to engage in further talks to avoid the planned strike on 27 September.

“Should British Airways refuse meaningful negotiations, further strike dates will be considered by the Balpa national executive team,” the union warned.

Yesterday marked the second day of strike action by BA pilots, who walked out in a dispute over pay and working conditions. The airline was forced to cancel nearly all its flights and warned customers not to travel to the airport.

The strikes have not affected BA Cityflyer at London City airport. Shares in BA’s parent company IAG closed up 4.06 per cent at 440.70p yesterday, after initially taking a knock on the first day of the strikes. Balpa pilots have rejected an 11.5 per cent pay rise over the next three years, which they claim is not in line with the airline’s £2bn profits.

BA did not respond to a request for comment yesterday.
Businesses, get ready for Brexit

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NOT-SO-MAGIC MIKE Sports Direct goes into final push to lure a Big Four auditor

MIKE Ashley’s Sports Direct has held crunch talks with the Big Four – accountants PwC, EY, Deloitte and KPMG – to reconsider their collective snub of auditing his retail empire, according to Sky News. It comes ahead of the company’s AGM today where some investors will vote against Ashley holding the boss role – and media are banned.

Burford rebuffs news of possible sex tape lawsuit

ANNA MENIN
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LITIGATION Funder Burford Capital has hit back after reports it could be facing a private prosecution for an alleged breach of England’s so-called revenge porn laws, in the latest move in a legal battle on both sides of the Atlantic.

It was alleged in a High Court lawsuit last month that Burford executive Daniel Hall had unlawfully traded “sensitive” documents he obtained while working for Russian shipping group Novoship for a sex tape relating to US oil billionaire Harry Sargeant. Burford and Hall both deny any wrongdoing in the case.

The Financial Times reported that law firm Covington & Burling has been hired by the woman featured in the tape to launch a possible private prosecution against Burford and Hall, co-head of its asset-tracing department. No such claim has yet been filed.

It is a criminal office in England to use sexual images of a person without consent with the intention of causing distress to the individual.

Hall said in a statement the video was “lawfully obtained” and “never deployed in any fashion”. Hall had obtained a cache of hundreds of thousands of Sargeant’s emails in 2016 while contracted to pursue the billionaire over a $28.8m (£23.3m) judgment on behalf of a former business partner.

Sargeant had accused Burford of illegally accessing private material belonging to him, but a US court dismissed the claim in March.

Hall said: “The video in question was never deployed in any fashion nor distributed externally and steps were taken during subsequent litigation to anonymise the other party involved.”

“The US courts have dismissed a complaint against my conduct and our malicious prosecution claim against Sargeant is set for trial later this year,” he added.

Shortseller Muddy Waters published a report into Burford last month, criticising aspects of its accounting and governance. Burford investor Carson-Kann Capital published a report rebutting Muddy Waters’ claims yesterday, saying the shortseller was “mislabeled in their conclusions”.

Von der Leyen sparks debate in new European Commission role

JAMES WARRINGTON
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PRESIDENT-ELECT of the European Commission Ursula von der Leyen’s new Cabinet was announced yesterday, with Latvian Valdis Dombrovskis retaining his financial services brief.

He took over the role in 2016 after Britain’s Jonathan Hill resigned following the Brexit vote.

Irish commissioner Phil Hogan took over the trade brief, meaning he will be leading the bloc’s trade negotiations with Britain after taking the role on 1 November, whether the UK has or has not left the EU that date.

Taoiseach Leo Varadkar said he was “very satisfied” the Republic had secured the role.

Elsewhere, von der Leyen sparked anger by appointing a “commissioner for protecting our European way of life” to oversee immigration policy in her first cabinet. Claude Moraes, Labour MEP for London, described the new title as “deeply insulting”.

Cobham shareholder comes out against £4bn private equity buyout

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THE FUTURE surrounding Cobham’s controversial £4bn takeover by a US private equity group shifted up a gear yesterday, as one of its top shareholders rebufed the plan.

Sanderson Asset Management, an asset manager operating out of London and Chicago, which is Cobham’s 11th largest shareholder, has written to the FTSE 250 company’s founding family to say that it is also against the takeover.

Sanderson said it was “inclined to vote against” the deal on 16 September, when shareholders vote on it. The news was first reported by the Financial Times.

The letter is likely to have cheered Lady Nadine Cobham, whose late husband Michael ran the firm and was the son of founder Alan. She has repeatedly railed against the planned takeover by private equity giant Advent on the basis the 165p all-cash offer significantly undervalues Cobham’s recovery over the past two-and-a-half years.

Another major shareholder, Silchester International Investors, has also voiced concerns over the deal, but has thus far stopped short of saying it will vote against it.

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And our committed approach means we can enjoy a better quality of dialogue with management teams of transformative organisations.

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JD Sports calls for ‘fair’ rents from landlords

JESS CLARK
@jclarkjourno

JD SPORTS called for “fairness” from landlords yesterday as other retailers secure rent cuts amid a swathe of restructuring processes underway on the high street.

The sportswear retailer reported soaring profit and revenue yesterday in a stark contrast to many brands struggling to cope in a challenging environment. Revenue was up 47 per cent to £2.7bn in the 26 weeks to 3 August, struggling to cope in a challenging environment. It said it expects full-year pre-tax changes. Despite this, it said figures should meet the midpoint of its forecasts. The retailer has returned to one staffed till and two self-checkout points.

It said it expects full-year pre-tax profit to be based,” JD Sports finance chief Neil Greenhalgh told City A.M.

JD Sports finance chief Neil Greenhalgh told City A.M. that he expects full-year pre-tax profit to be based, “fairness and flexibility” in the terms of its leases. “Other retailers when they are going through the restructuring process, they secure significant reductions in rent... in malls where we may be based,” JD Sports finance chief Neil Greenhalgh told City A.M.

It said it expects full-year pre-tax profit to be affected accounting changes. Despite this, it said figures should meet the midpoint of its forecasts of between £402m and £424m. Shares rose 8.79 per cent to 688.20p.

Man Group president Sorrell to leave for rival asset manager

AUGUST GRAHAM
@AugustGraham

THE PRESIDENT of FTSE 250 hedge fund Man Group is set to step down just days after speculation that its £166.2m. A pilot scheme at its Holborn Circus store. The retailer has returned to one staffed till and two self-checkout points.

THE PRESIDENT of FTSE 250 hedge fund Man Group is set to step down just days after speculation that its president Sorrell to leave for rival asset manager. It is unclear to which firm.

Jonathan Sorrell, the son of Sir Martin Sorrell, will leave as the company’s assets are at an all-time high of $114bn. He leaves as the company’s assets are at an all-time high of $114bn (€92bn).

The Times recently reported that Man’s chair Lord Ian Livingston is close to quitting following tensions with chief executive Luke Ellis. Jonathan Sorrell, the son of Sir Martin Sorrell, will leave for a different asset manager. It is unclear to which firm.

THE MAKER of Bulmers and Magners is set to say goodbye to its Dublin listing and join the London exchange in October.

It comes after C&C last year acquired British firms Matthew Clark and Ribndum, meaning it now gets most of its revenue from the UK.

Meanwhile, most shareholders are based either in the UK or North America, said the beverage firm, which also makes Tennent’s lager.

The company hopes to float on the FTSE 250 later this year after its move to London.

It will switch its financial reporting from euros to pounds on 7 October and delist in Dublin, a decision which does not need shareholder approval.

The company said in July that it planned to switch its listing from Dublin to London.

“London is a key financial market and switching will give us access to a much deeper pool of investors and allow FTSE index funds to buy C&C,” the company’s chief executive, Stephen Glancey, said at the time.
Galliford shares rocket on £1.1bn Bovis deal talks

GALLIFORD Try’s share price soared yesterday as it restarted talks with Bovis Homes on a merger that could value its housebuilding unit at nearly £1.1bn.

The housebuilders have agreed high-level terms for a potential tie-up but told investors yesterday that “there remains significant work to be completed” before they could finish the deal. The agreement would only cover their housing businesses, rather than a full-blown merger of the two.

Galliford Try shareholders would receive 0.57406 Bovis shares for every Galliford share they own, which would equate to an overall sum of £675m. Bovis would also pay another £300m in cash to Galliford, which in turn would transfer a 10-year debt private placement of £100m to Bovis.

Galliford Try’s share price soared 7.97 per cent. Ashtead profits increase as firm cashes in on growing demand

EQUIPMENT rental firm Ashtead enjoyed a profit boost of nearly a tenth over the summer, as its US business Sunbelt cashed in on higher demand for leasing gear.

The FTSE 100 company has reaped the benefits of construction firms choosing to rent equipment instead of buying in recent years.

Pre-tax profit was £304.7m for the three months ending 31 July, an eight per cent increase on the first quarter last year. Revenue rose 17 per cent to £1.28bn, while earnings per share were up 12 per cent to 49.1p.

Ashtead’s US business drove the company’s growth, with revenue in the division increasing 18 per cent to $1.38bn (£1.12bn).

Chief executive Brendan Horgan said: “Our North American end markets remain strong and we continue to execute well on our strategy of organic growth supplemented by targeted bolt-on acquisitions.” Shares fell 1.4 per cent to 2,255p.

Macquarie is ‘determined’ to buy solar panel company Solarcentury

AUSTRALIAN investment bank Macquarie has its sights set on one of the UK’s largest solar companies, in a deal which could be worth £250m.

The bank is one of the last two bidders in the race to snap up Solarcentury, which has around 20 years’ experience in the sector. Macquarie is “determined” to buy the solar experts, sources told Sky News. The broadcaster said it is unclear who the other bidder is.

Solarcentury declined to comment to City A.M. in May, chief executive Frans van den Heuvel told City A.M. that the company was seeking a buyer and had ruled out a float. The company last got a cash injection in 2007 and has relied on organic growth since then.

Solarcentury has been able to cash in on a fall in production costs of solar panels in recent years. Clients include Unilever and Ikea.

Macquarie has been a major player on the UK green market, buying the government’s Green Investment Bank two years ago.

Last month, the Green Investment Bank, now called Green Investment Group, bought a £1bn stake in the East Anglia One wind farm.
WHAT NEXT FOR BORIS IN BRUSSELS

Catherine Neilan explores the options the PM has left to secure a Brexit deal, and still save face

PARLIAMENT won’t return until the Queen’s Speech on 14 October but that doesn’t mean work in Westminster has ground to a halt. There are just 50 days left until the Halloween Brexit deadline – so what is going to happen between now and then?

As recently as last week, officials would smile and shake their heads when asked what might emerge in place of the backstop. No deal was the only option in town.

But the anti-no-deal law and Boris Johnson’s failure to secure an election has changed all that. Now, the Prime Minister must get parliamentary approval – either for a deal, or no-deal – by 19 October or face the humiliation of requesting an extension from Brussels, something he has said he would rather “die in a ditch” than do.

Efforts are being put into finding loopholes. The rebel alliance are awaiting an attempt by Number 10 to “try and frustrate [the anti no-deal law] in the courts” – but this, they believe, will fail.

“There Plan A was to leave without a deal, and they’ve been stopped,” says a source close to the group of former Conservative MPs. “Now we hear there is a live discussion about ditching the Cummings plan and going genuinely for a deal.”

Finally the wheels are moving – but slowly, and the path is dangerous. Johnson is determined to leave the EU on 31 October – but he also said on Monday that leaving without a deal would be a “failure of statecraft”.

The EU wants “practical, operable alternatives” before it will consider any changes to the backstop – something Johnson is adamant has to go.

So what are his options?

In Dublin on Monday the Prime Minister talked about a range of technical and bureaucratic fixes, but the EU doesn’t yet see them as a credible alternative.

Johnson met the DUP’s Arlene Foster and Nigel Dodds yesterday, amid rumour that a Northern Ireland only backstop (as opposed to one that keeps the whole of the UK closely aligned to the Single Market) could be put forward.

It has the advantage of being backed by the EU, which makes it “feasible” before the Halloween deadline, according to one government insider.

Others agree it is a likely outcome, pointing to the fact Johnson no longer needs the DUP’s confidence and supply agreement, given his own sabotaging of the Conservative majority.

Just what about the pro-Brexit MPs who have fought against the backstop for the past two years? They are rapidly closing in on the idea of a concession like this, one strategist close to the group believes, particularly if Johnson repeats his threat to remove the whip. “If the backstop became Northern Ireland only, I don’t think that would cut the mustard. They would need a lot of convincing the backstop had been killed off.”

The source goes on to point out that Johnson has ended up boxed in. “People will want to know – OK Boris, is this better than Theresa May’s deal? Or is it just May’s deal in lipstick?”

Boris, is this better than Theresa May’s deal? Or is it just May’s deal in lipstick? Johnson might still be targeting a Halloween exit, but very few people in Westminster think he can get there. “It is now impossible to leave without a deal on 31 October,” says the pro-Brexit source. “Amanda Leadsom – no Remoaner – was warning that you would need anything from three to nine months to legislate for Brexit. Now they are saying they can sort it all out in six sitting days? It’s just not plausible.”

Still, there is a chink of light that an agreement might be struck in October, which will pave an exit soon after. The EU has indicated that operable alternatives to the backstop will be considered. Some insiders believe that could be simply a “tweak” to the existing withdrawal agreement, which Johnson will trumpet as a concession.

That may be enough to convince those MPs who are genuinely desperate to avoid a no-deal.

But how pro-Brexit MPs will react is critical. “If it was a rebellion of 10 or 20, who knows what they could then do, it wouldn’t be that big a deal. But if Jacob [Rees-Mogg] votes against it that would be a strong signal to potential Brexit Party voters that it is Brino – Brexit in Name Only,” one insider says.

At the heart of this row is Johnson’s chief adviser, Dominic Cummings. MPs don’t have many nice things to say about him, calling him a “thug” and a “bully”, arguing he is turning the party into a “shit-show”. About the most positive you hear is “battering ram” – effective, albeit at a cost.

With Johnson now backed into a corner, even government insiders are critical. “People think he’s some kind of strategic genius, rather than just someone who said he’d outwit Dominic Grieve and didn’t,” says one.

But while things have moved beyond Cummings’s control, there is still the suspicion that anything could happen while he is at Johnson’s side.

Having been blocked from a no-deal, Johnson now faces the same problems as May: the only deal on offer will be unpalatable to a core faction within his party.

“I see no way out of this without an electoral event of some kind – whether that’s an election or a second referendum,” says the source close to the rebels.

But City A.M. has been told about three private Tory polls that suggest, at best, the country could end up with another hung parliament.

An extension followed by an election exacerbates that with voters going both to the Brexit Party, meaning much of Johnson’s failed promises, and the Liberal Democrats, who may scoop up disenfranchised rats, who they could then deselect, it wouldn’t be that big a deal. But if Jacob [Rees-Mogg] votes against it that would be a strong signal to potential Brexit Party voters that it is Brino – Brexit in Name Only,” one insider says.

“Roads lead to Corbyn,” says one frustrated insider. “That is the worst case scenario,” says another MP, speaking for many.

The task for Johnson and Cummings is to build a new road.
Spread bets and CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 75% of retail investor accounts lose money when spread betting and/or trading CFDs with this provider. You should consider whether you understand how spread bets and CFDs work and whether you can afford to take the high risk of losing your money.
Car makers warn over dangers of a no-deal Brexit

ALEX DANIEL
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Bosses at car makers BMW and Vauxhall, which collectively employ more than 7,000 people in the UK, have warned about the destructive effects a no-deal Brexit could have on the automotive industry.

Workers at BMW’s Mini factory in Oxford could lose work in the event of a no-deal Brexit, according to the car maker’s finance boss Nicolas Peter. He said if Britain crashes out of the EU without a deal, production was likely to fall at the plant. About 5,000 people work at the factory, which has been churning out Minis for 60 years.

Speaking at the Frankfurt Motor Show, Peter told the BBC: “No deal would mean that, most likely, World Trade Organization tariffs would be imposed from 1 November onwards.”

“This would mean that we would have to reduce its output, and production cuts would be the “first step” in doing this. “This is exactly why we urge the government to avoid a no-deal Brexit solution,” he said.

He said the factory would have to “churn out” a number of staff who would then be let go, just as the Oxford plant is doing.

Meanwhile, PSA Vauxhall boss Carlos Tavares also took the opportunity to urge politicians to avoid a no-deal Brexit.

Vauxhall employs more than 2,300 factory workers in Ellesmere Port and Luton, where it builds the Astra car and Vivaro van respectively.

He told Bloomberg no deal was “not a solution,” and urged “open-minded compromise” on all sides.

“It is not acceptable to have two opposite positions where people show their muscles and then let the two trains crash against each other.”

Wework urged to shelve plans to float after a frosty reception

JAMES WARRINGTON
@j_warrington

Wework urged to shelve plans to float after a frosty reception.

The loss-making property group, rebranded as the We Company, is trying to fend off concerns about how it will turn a profit, despite its rapid growth over the past decade.

Wework’s biggest investor, Japanese conglomerate Softbank wants a delay.

Softbank is said to be urging the We Company, which first reported the move. Wework urged to shelve plans to float after a frosty reception.

The Japanese conglomerate has put on hold its plans to list its property assets, with Japanese conglomerate Softbank putting pressure on Wework bosses to postpone the eagerly-anticipated listing following criticism of the firm’s governance, executive pay and complicated structure, two people familiar with the issue told Reuters.

Wework’s biggest investor, Japanese conglomerate Softbank wants a delay.

The We Company, which first reported the move, is trying to fend off concerns about how it will turn a profit, despite its rapid growth over the past decade.

However, the publisher has entered into consultation with the roughly 35 members of staff affected by the closure, according to the Guardian, which first reported the move.

For more than three decades, Marie Claire UK has led the conversation on the issues that really matter to women – from campaigning for women’s empowerment to climate change – while providing a premium fashion and beauty positioning that reflects their everyday lives,” said TI Media chief executive Marcus Rich.

The most recent figures from the Audit Bureau of Circulations showed Marie Claire had an average circulation of 120,000 copies, but a third are given away for free.

TI Media will now shift its focus to other areas of the magazine’s business such as fashion aggregator platform Marie Claire Edit and Fabled, a joint venture with Ocado.

Marie Claire has a circulation of 120,000 copies, but a third are given away for free.
Deliveroo and Costa top list of UK value growth

James Warrington
@j_a_warrington

Deliveroo, Costa Coffee and Brewdog are growing in value faster than any other UK brands, according to a survey published today.

The food delivery app topped the list, increasing its value 54 per cent to £1.4bn (£1.1bn), while Costa jumped 48 per cent to £1.5bn, boosted by its takeover by Coca-Cola. Brewdog also rose up the ranks this year as it cashed in on growing demand for craft beers, according to the BrandZ report released by WPP and Kantar.

British stalwart Vodafone retained its title as the UK’s most valuable brand, followed by HSBC and Shell. But the figures, compiled through a combination of business data and consumer opinion, showed the rate of growth for UK companies lags behind overseas counterparts. The total value of the top 75 fell three per cent in 2019, slower than the 3.7 per cent growth of the wider global economy.

“Consumers perceive the fastest-growing UK brands as innovative and dynamic, with a sense of momentum and a point of difference,” said BrandZ chairman David Roth.

“However, to keep up with accelerating growth of other global brands these brands must now work to build on their strengths and continue to deliver a fantastic customer experience, one of the key drivers of success for disruptive brands.”

FASTEST GROWING UK BRANDS

<table>
<thead>
<tr>
<th>Brand</th>
<th>Percentage Change</th>
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<tbody>
<tr>
<td>Deliveroo</td>
<td>54%</td>
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<td>Costa Coffee</td>
<td>48%</td>
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<td>Brewdog</td>
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<td>Ocado</td>
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Hilton Foods said yesterday it is now supplying Tesco with all its red meat.

Investment in vegetarian firm helps Hilton Food’s higher profit

Anna Menin
@anna_menin

FOOD processing and packaging firm Hilton Food Group yesterday reported increased first-half profit, helped by a deal with a vegetarian and vegan food maker.

Hilton reported a 10.6 per cent increase in pre-tax, first-half profit. Revenue grew 5.6 per cent to £912.1m. Hilton ramped up efforts to get in on the fast-growing vegetarian/vegan market with the purchase of a 50 per cent stake in Dutch producer Dolco earlier this year, which it said has made an “encouraging contribution” to its business.

Executive chairman Robert Watson said Hilton’s financial position “remains strong” and that full-year results were expected to be in line with predictions.

Shares rose 1.23 per cent to 990p.

ROOTS OF CHANGE APPEAL PROVIDES OPPORTUNITY

Opportunity International, discusses how their Roots of Change project will increase the incomes, resilience, empowerment and financial knowledge of rural communities across Ghana and the Democratic Republic of Congo.

Mahama’s mother owns a rice farm in Northern Ghana. She is one of the thousands of farmers now receiving support thanks to your generosity to our 2017 Christmas appeal, which was part of Opportunity International’s wider ‘Roots of Change’ appeal. Over £3.4 million was raised - a staggering amount - which was then matched by the UK government. This money has now been put to work and the three-year project is already starting to see results.

Here is an update on the impact of your generosity...

Seven roadshows, reaching over 1,100 people, have taken place across some of the UK’s most remote communities. Through short films and question and answer sessions with Opportunity International staff, the roadshows provide people with knowledge about financial services that enable them to make more informed choices. They aim to increase the participation and empowerment of people in rural communities, particularly women, in order to improve productivity, build assets and increase household income. This will lead to better nutrition, health and education for families.

Training in good agricultural practices has been delivered to over 1,200 farmers. This training provides farmers with the techniques and tools to improve the productivity of their farm such as how to use fertiliser, what seeds to buy, good irrigation practices and crop diversity.

Over 3,300 farmers and agricultural businesses have also received agricultural loans to help them buy agricultural inputs (such as fertiliser and seeds). This allows them to still cover the costs of feeding their family and paying their children’s school fees. Before this, many had been sacrificing their children’s education in order to buy what was needed to give their farms the best chance of a good harvest. Now they can do both.

The loans, training and roadshows are all part of Opportunity International’s Roots of Change project which will increase the incomes, resilience, empowerment and financial knowledge of rural communities in Ghana and the Democratic Republic of Congo (DRC). Over the three years, more than 78,000 people will benefit from jobs, improved nutrition, healthcare and education.

This life-changing project is only possible thanks to you – City A.M and its readers. Your support is giving people in some of Ghana and the DRC’s most remote communities a real chance to improve their livelihoods and build a more secure future for themselves and their family. Thank you.

If you would like to find out more about Opportunity International, or to donate, please visit www.opportunity.org.uk
Transport for London Public Notice

ROAD TRAFFIC REGULATION ACT 1984
THE A205 GLA ROADS (LONDON BOROUGH OF LAMBETH) BANNED TURN TRAFFIC ORDER 2009 VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF LAMBETH) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A2320 GLA ROAD (YORK ROAD) VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF SOUTHWARK) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A200 GLA ROAD (TOOLSTREET STREET) VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF LAMBETH) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A232 GLA ROAD (GROVE ROAD) VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF LAMBETH) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A10 GLA ROAD (NORTON FOLGATE) VARIATION ORDER 2019
THE GLA ROADS AND GLA SIDE ROADS (TOWER HAMLETS) RED ROUTE CONSOLIDATION TRAFFIC ORDER 2008
THE A2 GLA ROAD (BEXLEY) (BUS PRIORITY) TRAFFIC ORDER 2019
A217 GLA ROAD (BLACKWALL TUNNEL NORTHERN APPROACH) VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF WANDSWORTH) (BUS PRIORITY) CONSOLIDATION ORDER 2009
THE GLA ROADS (LONDON BOROUGH OF TOWER HAMLETS) (BUS PRIORITY) CONSOLIDATION ORDER 2009
THE GLA ROADS AND GLA SIDE ROADS (TOWER HAMLETS) RED ROUTE CONSOLIDATION TRAFFIC ORDER 2008
A2 GLA ROAD (GROVE ROAD) VARIATION ORDER 2019
GLA ROAD (GROVE ROAD) VARIATION ORDER 2019
GLA ROAD (TOOLEY STREET) VARIATION ORDERS 2019
THE GLA ROADS (LONDON BOROUGH OF SOUTHWARK) (BUS PRIORITY) CONSOLIDATION ORDER 2009
A200 GLA ROAD (BLACKWALL TUNNEL NORTHERN APPROACH) VARIATION ORDER 2019
THE A2 GLA ROAD (BEXLEY) (BUS PRIORITY) TRAFFIC ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF WANDSWORTH) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A217 RAM STREET VARIATION ORDER 2019
THE GLA ROADS (LONDON BOROUGH OF LYNAM) (BUS PRIORITY) CONSOLIDATION ORDER 2009 A212 GLA ROADS (RUSHEY GREEN AND CATFORD ROAD) VARIATION ORDER 2019

2. The general nature and effect of the Orders will be to:
   (a) formalise the turn to permit taxis to turn into York Road from A302 Westminster Bridge Road in the London Borough of Lambeth;
   (b) formalise the change that permitted taxis to use eastbound bus only route on York Road from A302 Westminster Bridge Road to A3200 York Road in the London Borough of Lambeth;
   (c) formalise the change that permitted taxis to use the westbound contraflow bus only route on A200 Tooley Street between its junctions with Tower Bridge Road and Potters Fields in the London Borough of Southwark;
   (d) formalise the change that allowed local taxis travelling in an eastward direction on Blackwall Tunnel Northern Approach to access the bus gate on the unnamed off Slip Road connecting A12 Blackwall Tunnel Northern Approach with A102 Brunswic Slip Road, every night from 9pm to 5am, except during emergencies or planned closures of the Blackwall Tunnel;
   (f) formalise the change that allowed taxis to turn right from Tower Bridge Road northbound into Tooley Street;
   (g) formalise the change that permitted taxis to use the northbound contraflow bus only route on A2/205 Rush Green Green between its junctions with Hornley Road and Sangley Road;
   (h) formalise the change that permitted taxis to use the westbound bus only route on A205 Catford Road outside the Civic Offices and Library;
   (i) convert the existing loading, unloading and disabled persons’ vehicles bay outside Nos. 78 to 82 Commercial Street into a dual use bay by adding the exemption “buses on any day, 7am to 7pm stopping for a maximum of 20 minutes and not returning for a minimum of 2 hours” to the current exemptions;
   (j) formalise the change that allowed local taxis travelling in an eastward direction on Blackwall Tunnel Northern Approach to access the bus gate on the unnamed off Slip Road connecting A12 Blackwall Tunnel Northern Approach with A102 Brunswic Slip Road, every night from 9pm to 5am, except during emergencies or planned closures of the Blackwall Tunnel;
   (k) formalise the change that allowed taxis to turn right from Tower Bridge Road northbound into Tooley Street;
   (l) formalise the existing bus lane on East Rochester Way on the north-east side from a point 134 metres north-east of the north-western wall of Borough Road bridge to a point 110 metres south-east of and on the south-west side from a point 134 metres north-west of the north-western wall of Borough Road bridge to a point 75 metres north-westwards. Lanes operated Monday to Sunday at any time allowing buses and taxis only;
   (m) formalise the change that permitted taxis to use the northbound contraflow bus only route on A2/205 Rush Green Green between its junctions with Hornley Road and Sangley Road;
   (n) formalise the change that permitted taxis to use the southbound contraflow bus only route on A2/205 Rush Green Green between its junctions with Hornley Road and Sangley Road;
   (o) perform the change that permitted taxis to use the south-west contraflow bus only route on A205 Catford Road between Rushy Green and a 42 metres south-westwards.
4. A copy of the Orders, a map indicating the location and effect of the Orders and copies of any Orders revoked, suspended or varied by the Orders can be inspected during normal office hours at the office of:
5. All objections and other representations to the proposed Orders must be made in writing and must specify the grounds on which they are made. Objections and representations must be sent to:
   RSM/PI/STOT/TRO/GLA/2019/268,340,514,547 ,548,5 to arrive before 2nd October 2019. Objections and other representations may be communicated to other persons who may be affected.

Dated this 11th day of September 2019
Gerard O’Toole
Network Regulation Manager
Transport for London, Palestra, 197 Blackfriars Road, London, SE1 8NJ

Transport for London

MAYOR OF LONDON

Transport for London

WEDNESDAY 11 SEPTEMBER 2019

WATCH ‘TIL YOU DROP
Selfridges to open permanent cinema at flagship London store

Selfridges will open a permanent cinema in its flagship Oxford Street store at the end of November. “This will be the first time a department store anywhere in the world is to permanently accommodate such a facility,” Selfridges said yesterday.

Concurrent Technologies soars as defence firm posts revenue plunge

Concurrent Technologies jumped 8.73 per cent yesterday after it posted strong first-half trading. Concurrent, whose products are used in the defence, aerospace and telecommunications sectors, reported a 17 per cent rise in revenue to £9.5m, while pre-tax profit increased from £1.1m to £2.7m. The London-listed firm also hiked its interim dividend from 95p to 105p per share. Concurrent said the strong trading was driven by sales growth across all sectors, although defence remains its largest source of business, accounting for 58 per cent of total turnover. Turnover was lower than in the second half last year, but it said it had expanded its global customer base, and ramped up research and development investment to £1.4m over the period. As a result, Concurrent said it was confident it would post a “successful” full-year performance.

The operational performance during the first half of the year had been strong with excellent sales, good cost control and successful recruitment into the senior management team,” said chairman Michael Collins. Shares closed at 68.50p.
Environment is biggest concern for UK investors

ANNA MENIN

THE UK’s largest investors are most concerned about environmental and corporate governance issues in the companies in which they invest, but need to “step up” in other areas, new research has found.

Audit, corporate reporting, trust, and reputation were all identified as areas where the UK’s top asset managers and owners have been “less engaged” in a report published yesterday by EY. The report analysed the “depth and guidance given to the firms they invest in” for each area.

Environmental issues including climate change and sustainability were ranked as the areas of highest priority for the investors – the 20 biggest asset managers and 10 asset owners to have signed the UK Stewardship Code.

Climate change was the single highest-ranked issue, and was described in the report as “a major investor priority”. Asset managers reported focusing on the environment “in large part because of the risk of business disruption”, it said.

Corporate governance emerged as the second highest area of stewardship engagement, with investors particularly focused on executive remuneration and leadership composition, both of which have been under the spotlight in recent months.

Libra will have to meet tough US standards

BRENA HUGHES NEGHAIWI

THE FACEBOOK-LED Libra cryptocurrency project must meet the highest standards for combating money laundering and terrorism financing if it is to get off the ground, a senior US Treasury official said yesterday.

Any cryptocurrency project, including Geneva-based Libra, operating in all or substantial parts of the US will clearly have to satisfy its regulatory standards, under secretary of terrorism and financial intelligence Sigal Mandelker told reporters in the Swiss capital Berne.

Whether it’s bitcoin, etheruem, Libra, our message is the same to all crypto-operators – anti-money laundering and combating the financing of terrorism has to be built into your design from the get-go, she said.

“The Libra Association maintains that it has the inclusion, regulatory compliance, and consumer protection are not competing Oversight,” she added.

He added that association welcomed the public policy dialogue and multi-stakeholder process.


WIGGLE ROOM
Games developer behind Worms franchise profit levels up to £10.4m

TEAM17, the games developer behind the Worms franchise, held firm on forecasts for the year after profits rose sharply during the first half. The business reported a pre-tax profit jump to £20.4m, from just £3,000 over the same period last year.

Litigation funder bosses say Burford woes will not hit sector

JAMES BOOTH

THE MANAGEMENT of litigation funder Litigation Capital (LCM) said yesterday that negativity around Burford Capital would not dampen the sector, as they announced their debut London results to the stock market.

LCM’s Nick Rowles-Davies said: “Bad news stories always hang around for a little bit of time, but in the long term that won’t have any effect and the trend globally is an increase in litigation finance.”

LCM said profit before tax for the year ended 30 June had fallen 15 per cent to AU$10.1m (£5.6m). Shares fell 9.98 per cent to 77.60p.

If you use a credit card, ensure you pay it off each month rather than getting charged

Interactive Investor

INTERACTIVE INVESTOR ON UNIVERSITY FRESHERS’ GUIDE TO FINANCES

It’s that time of year again where hundreds of thousands of UK young adults are gearing up to enter university for the first time. For many, the pursuit of higher education will require them to fly the nest and move away. Crucially, it also gives the first taste of financial freedom – which could be a rude introduction to a range of expenses including rent, household bills and even grocery shopping.

Myron Jobson, Personal Finance Campaigner, interactive investor, offers some top tips on how best to manage your money at university:

BUDGET

The first step is to have a clear understanding of how much money you have to play with and your likely outgoings.

Many students will need to take out a maintenance loan from Student Finance to fund day-to-day expenses at university. Some may be able to rely on financial support from the bank of mum and dad while others pursue other sources of income. Whatever the case, knowing what your income will set the parameters of your spending.

When it comes to outgoings, it is important to consider things like rent, household bills, mobile phone carrier charges, travel, as well as the cost of clothes, personal care and fitness. You may also have additional costs for your degree, such as books, equipment, fieldwork or electives. They can often be expensive yet compulsory.

A good approach to spending your cash is to use the jam-jar method – dividing it into separate pots for different expenses. It can also help to set up direct debits for essential payments, like bills.

BEWARE OF DIPPING INTO OVERDRAFT AND USING CREDIT CARDS

Whilst overdrafts can be a great lifeline, it is best to keep your overdraft for emergencies. You’ll still need to pay over all the other costs are met.

LOOK FOR DEALS AND OFFERS

As mentioned above, there are a plethora of costs to factor in at university, but you can mitigate some of these if you do your research. For example, a 16-25 railcard costs just £30 and it’ll save you 1/3 on rail fares throughout Great Britain for a whole year – or £70 for three years. Or you may even have received one for opening a student bank account.

In addition, there are a number of student discount cards you can get to save money on a range of lifestyle activities, including shopping, eating out and fitness. You may have to pay an upfront fee however. You can also save on the cost of books, which can be unwittingly expensive. Most courses will have a recommended reading list. Get to know the library at your university and look for second-hand book sales.

BEWARE OF SCAMS

Phishing attacks targeting university students are becoming more sophisticated, with an increase in student grant fraud seen particularly around the beginning of term and at the start of the academic year.

Always be wary of emails asking you to make a payment, provide personal details, login to an online account or open an attachment. The rule of thumb is if something seems too good to be true, it probably is.

DON’T FORGET TO ENJOY YOURSELF

Managing a huge sum of money can be tricky to a novice but will become easier over time with experience. Don’t forget to have a pot for things like nights out and activities. The rule of thumb is if something seems too good to be true, it probably is.

If you use a credit card, ensure you pay it off each month rather than getting charged

This article is provided for informational purposes only and is not intended to be a personal recommendation to buy or sell any investment or product, or to adopt any investment strategy.

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Keep up to date on our news at: www.iil.co.uk
AUGUST GRAHAM

RUSSIAN gold miner Petropavlovsk put a bracing boardroom battle aside to swing into profitability in the first half of the year.

The company said yesterday that profit before tax hit $16.8m (£13.6m) in the first six months of the year, versus a loss of $33.1m over the same period in 2018.

It came as its new processing plant started working, which chair Sir Roderic Lyne hailed “an outstanding success”.

As one of only two pressure-oxidation (pox) hubs in Russia, the plant has started taking on ores from third-party producers in July. “With a new major shareholder and the successful commissioning of the pox hub, Petropavlovsk is on the way to becoming one of the leading miners and developers of refractory ores in Russia,” Lyne said.

The plant has also helped the company unlock potential at its Malomir mine, nearly doubling production there.

Gold sales grew 12 per cent in the first half to 225,000 ounces, while revenue jumped 13 per cent to $305m.

The news puts Petropavlovsk in a place to start looking at acquisitions, chief executive Pavel Maslovskiy said. The processing plant has 50,000 tonnes of spare capacity.

Petropavlovsk goes into profit as plant opens

AUGUST GRAHAM

CAIRN Energy shares rocketed almost 13 per cent yesterday as the oil explorer reported it had swung back into the black after significant losses last year.

The London-listed firm, which was led by Highland Europe and Korelya Capital, brings the total amount raised since the company’s creation 11 years ago to £61m. A key priority for the funding will be to expand Jobseaton’s partner network of schools and universities across the UK and Ireland.

Cairn’s CEO, Andrew McCaffrey, said: “We are pleased to report on the strong performance in the first half of the year, which has been driven by successful production growth and the recognition of impairments from the shale assets. Cairn Energy is now well positioned to drive further value creation in a highly attractive asset base.”

The London-listed firm has a large asset base in the US, which McCaffrey said was expected to add value over the long term.

Meanwhile, the London-listed firm has a large asset base in the US, which McCaffrey said was expected to add value over the long term.

William Hill bets on a digital future

WILLIAM Hill has said it will close about 700 UK betting shops. The bookmaking giant blamed the government, claiming it forced its hand by introducing a lower maximum stake for fixed-odds betting terminals (FOBTs) – pegging it at £2 instead of £100.

This left the company $2bn in losses for the whole of last year.

Revenue from oil and gas sales was $2.5bn, with an average realised price of $68 per barrel of oil equivalent. This was helped by a rise in oil and gas production to 67,000 barrels of oil equivalent per day (boepd), having been 14,400 boepd in the first half of last year.

Vedanta Resources, but made a first-half profit of $4.3m (£3.5m), a swing from more than $1bn in losses for the whole of last year.

EDF FLAGS UP PROBLEMS WITH NUCLEAR WELDS

French utility EDF has discovered problems with the welds and other components in some of its nuclear reactors, it said yesterday, sending its shares down almost seven per cent as investors worried about potential closures.

EDF said its reactor building unit Framatome – formerly called Areva – had informed it of “a deviation from technical standards” in manufacturing of certain components on reactors that are currently in operation, notably the weldings on some of the reactors’ steam generators.

“Continuing to deliver good financial results in this challenging market is a reflection of the strength of our strategy. It indicates the potential for our recent investments to add long term value as we roll out new propositions,” said chief executive Juliet Davenport.

“Energy switches from ‘supply’ to ‘share’, we are ideally positioned, having helped businesses and consumers share clean power through our innovations over the last 20 years.” Shares rose 5.44 per cent to 155p.

IN ASSOCIATION WITH

SPORTINGINDEX

RUGBY WORLD CUP LIVE IN THE CITY

ENGLAND V USA

Thursday 26th September
11.00am - 3.00pm
Boisdale of Canary Wharf, Cabot Square
Canary Wharf, London, E14 4QT

Join the City AM Club for an exclusive screening of England’s opening 2019 Rugby World Cup game.

Pre-match, an expert host will educate guests through the core principles of spread betting on Rugby followed by half-time analysis provided by Rugby legends Peter Winterbottom and Craig Chalmers. Refreshments available throughout.

Open a Sporting Index account pre-event and benefit from exclusive promotions both on the match and for the remainder of the tournament.

William Shakespeare

Consideration score (whether someone would consider purchasing from the brand in future) increased from plus 25.4 to plus 29.5, suggesting William Hill isn’t losing its customer base, despite July’s store closures. In fact, it has potentially increased.

Continuing to develop the brand to reflect the changes in betting behaviour will help William Hill to retain customers, even while gambling legislation is changing and safe guards are brought in.

William Hill has announced the departure of its chief exec who was replaced by its chief fin exec who will be replaced by its digital boss, in a strategy to become “digitally led”.

This move could help William Hill to replace the income lost from FOBTs. In the past 12 months, YouGov Profiles data shows that 12 per cent of Britons have made a bet online, while 10 per cent have made a bet in-store. Similarly, five per cent have placed a bet through an online game or an app, while four per cent have gambled in a casino, implying digital gambling is gaining in popularity compared to traditional bookies.

Since the closures were announced, YouGov BrandIndex data shows consideration of the brand among those who gamble at least once a month online or offline has increased. Consideration scores (whether someone would consider purchasing from the brand in future) increased from plus 25.4 to plus 29.5, suggesting William Hill isn’t losing its customer base, despite July’s store closures. In fact, it has potentially increased.

Positioned to win more business in a safer market is a reflection of the strength of our strategy. It indicates the potential for our recent investments to add long term value as we roll out new propositions,” said chief executive Juliet Davenport.
S&P says banks must take action on climate crisis

HARRY ROBERTSON
INTERNATIONAL ratings agency S&P has called on banks and regulators to address the risks that climate change poses to the financial sector, saying "they need to act now" or suffer the consequences.

S&P said in a report released yesterday that climate change could cost banks trillions of pounds due to ballooning losses from adverse weather events, non-performing loans and higher credit costs due to uncertainty about risk.

In 2017, it said, global weather-related losses were almost $450bn (£364bn) in 2017 and over $200bn in 2018, and can expect to rise further as climate change intensifies.

The credit rating agency said there must be a "cohesive global effort" focused on "disclosure of banks’ climate-related risks" which would encourage banks to come to terms with the problem.

S&P Global Ratings credit analyst Mathieu Flait said: “Although climate change poses risks that may materialise well beyond banks’ typical business planning period, it’s clear that they need to act now.”

He said: “The consequences could become more difficult to manage the longer they wait.”

S&P, which gives countries' and companies' credit ratings, said dealing with climate change will require a move to a low-carbon economy. It said companies that take a long time to adjust could experience a decline in creditworthiness.

Transition risk is particularly high for financial institutions with large exposures to carbon-intensive sectors such as automotive, oil, and energy, S&P said, as they are vulnerable to climate policies and restrictions.

Yet the ratings agency’s report said the transition presents business opportunities for the financial sector.

For example, the International Energy Agency estimates international emission-reduction pledges would require investments of about $45 trillion in energy efficiency and low-carbon technologies by 2050.

“The gradual shift to a low-emission economy offers the banking sector sustainable growth opportunities, at a time when revenues for many are under pressure from the low-interest rate environment,” the report said.

Endemol Shine signs podcast deal with Global’s advert platform Dax

JAMES WARRINGTON
@_a_warrington
MEDIA giant Endemol Shine yesterday entered the booming UK podcast market, signing a two-year deal with audio advertising platform Dax.

Endemol has appointed Dax, which is owned by radio group Global, as its advertising sales partner across its original podcast series.

The announcement comes a week after Endemol launched its debut podcast the Birthday Game, hosted by Richard Osman, one of the presenters of the BBC quiz show Pointless.

As part of the deal, the podcast will be available on Global’s on-demand app and will be promoted on Radio X.

Wim Ponnet, chief strategy and commercial officer at Endemol Shine, said: “As a group we continue to deliver entertainment to our audiences across multiple platforms and with the importance of audio on mobile, podcasts are a great outlet for storytelling and an important platform for our creative output. We’re delighted to announce this exclusive partnership with Dax to help us commercialise our podcasts,” he added.

The tie-up makes Endemol the latest publisher to join Dax’s platform.

In June, Global struck a deal with ITV to host its Love Island podcast, while Sky and Talksport have also secured deals with the advertising service.

GE to lose majority control of Baker Hughes with up to $3bn share sale

DEBOOP ROY
GENERAL Electric (GE) is seeking to raise up to $3bn (£2.4bn) in the sale of Baker Hughes shares, reducing the firm’s stake in the oilfield services provider to below 50 per cent, Baker Hughes said yesterday.

Baker Hughes’ share, about 50.4 per cent of which are owned by GE, fell 1.7 per cent to $23.20 in after-hours trading, while GE’s rose.

GE had long planned to sell down its stake in Baker Hughes. But the issue came under scrutiny last month when Madoff whistleblower Harry Markopolos issued a lengthy report that alleged in part that GE was improperly counting Baker Hughes’ income, capital and cash in its own financial statements. GE has said its accounting was appropriate since it is the majority shareholder.

Baker Hughes said GE would sell up to 120.75m shares. It will additionally repurchase $250m of Class B common stock from GE in a private transaction.

GE currently owns about 522m shares of Baker Hughes, and has said previously that a reduction in its ownership interest below 50 per cent in Baker Hughes will result in GE “deconsolidating” its oil and gas business.

ITALY set to risk EU tensions by raising deficit

GIUSEPPE FONTE
ITALY’S new ruling coalition plans to raise its budget deficit to around 2.3 per cent of economic output next year, sources said yesterday, in a move that would risk reigniting tensions with the EU.

The government, set up after the previous coalition collapsed last month, will be hoping it can persuade Brussels to accommodate the budgetary expansion by building stronger ties with its EU partners.

Reinforcing those hopes, former Italian Prime Minister Paolo Gentiloni was named yesterday as the EU commissioner for economic affairs, giving him a central role in assessing whether Italy’s budget plans meet EU rules. “I will work above all to contribute to relaunching growth,” Gentiloni said after getting the job, in comments likely to be welcomed by Rome.

The 2020 deficit of around 2.3 per cent of GDP, which political sources told Reuters was being planned by the coalition of the anti-establishment 5-Star Movement and the centre-left Democratic Party (PD), would be up from 2.04 per cent this year. It would also be sharply higher than the current 2020 goal of 2.1 per cent, and would bring the budget shortfall very close to the 2.4 per cent level that almost triggered an EU disciplinary procedure against Italy this year.

Pointless star Richard Osman hosts Endemol podcast the Birthday Game

Winner, winner Santander youngster sweeps up award for her debt adviser app

SANTANDER’S Sarah Walker was named Young Banker of the Year by the Chartered Banker Institute last night for her app which shows customers their debt, income and outgoings. “I want people to feel like they are not alone,” she said.
**LONDON REPORT**

**JD Sports buoy FTSE 100 amid rate cut hopes**

EALY losses gave way to gains on the FTSE 100 yesterday as hopes of imminent interest rate cuts from major central banks buoyed sentiment, while JD Sports jumped to an all-time high on upbeat results.

The blue-chip index added 0.4 per cent to 7,267.93 points, with JD Sports soaring 8.8 per cent after its gym clothing and premium-branded fashion helped it post higher profit and offset UK retail sector gloom.

The mid-cap FTSE 250 rose 0.3 per cent at 19,738.86 points, helped in part by a nearly 13 per cent surge in Cairn Energy as strong half-year results led to production target upgrades.

In a sign of ongoing rotation, investors ramped defensive shares and bought stocks of sectors that have underperformed this year, helping an index of banks climb 2.4 per cent for its best day since January.

Shares of Lloyds and Barclays rose 4.3 per cent and 4.9 per cent, respectively, while healthcare stocks Glaxosmithkline and Astrazeneca shed more than two per cent each.

UK markets also looked past disappo}nting data from China overnight that had added to fears of a global recession.

Speculation that the European Central Bank (ECB) will cut rates this week and that the US Federal Reserve will follow suit later this month in the face of slowing economic growth helped stoke some risk appetite.

Seems the ECB are tipped to go for a rate cut and the Fed is likely to join in. It’s a solid week for the markets.

In the US, the Dow Jones Industrial Average rose 73.92 points, or 0.28 per cent, to 26,899.43, the S&P 500 gained 0.96 points, or 0.03 per cent, to 2,979.39, but the Nasdaq Composite dropped 3.28 points, or 0.04 per cent, to 8,084.16.

“The shift towards rate-oriented names has been going on,” said Robert Pavlik, chief investment strategist, senior portfolio manager at Slatestone Wealth in New York.

“People are looking for areas of the market that may make sense and looking to get less risk in their portfolio.”

Investors expect the US Federal Reserve and the European Central Bank to cut rates to bolster the global economy. Germany’s Finance minister suggested the nation was prepared to fight a possible recession with a stimulus package.

“A lot of people are looking to the Fed and other central banks to lower interest rates, and I think about it, if they’re cutting rates it means their economies aren’t very good. It is misguided logic,” he said.

Apple edged up 1.2 per cent after announcing the 1 November launch date for its streaming service Apple TV+, and unveiled its latest iPhone.

Wendy’s dropped 10.2 per cent after the fast food chain projected a drop in full-year 2019 adjusted earnings.

Rival McDonald’s announced it would buy Silicon Valley startup Apprente. Its stock dapped 3.5 per cent and was the biggest drag on the Dow.

Ford Motor’s shares fell 1.3 per cent after Moody’s downgraded the car maker’s bond rating to junk.

Pharma firm Mallinckrodt, beset by opioid litigation uncertainties, announced it would sell Biovac to private equity firm HIG Capital for up to $250m (£202m), sending the drugmaker’s shares surging 8.4 per cent.

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**NEW YORK REPORT**

**US investors favour growth over value**

The S&P 500 ended little changed yesterday, with a rally in energy and industrial shares counteracting a drop in the technology and real estate sectors as investors favoured value over growth.

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**OVO ENERGY**

Independent energy provider Ovo Energy has appointed Jonathan Metliss (pictured) as its new director and product director, respectively. David joins following nine years at Hotels.com, where he was the senior director, technology. In his new role at Ovo, David will lead its technology team and drive the use of technology to deliver market-leading experiences for customers. During his time at Hotels.com, David hired its first in-house engineering team and led the development of its first mobile app. Rich joins from online fashion retailer Asos, where he was director of digital product management. Also at Asos, Rich was responsible for leading the brand’s product strategy to maximise the customer experience across all the retailer’s platforms. Prior to Asos, Rich led product at streaming service Blinkbox and was creative director at the BBC, responsible for running a team of user interface and user experience designers for BBC iPlayer. At Ovo he will focus on the development of market-leading product strategy and delivery for all its retail brands. He will lead a team in creating digital product experiences that change the way consumers engage with energy.

**RPC**

Law firm RPC has appointed Tatiana Mineeva to its London office, where she will have a particular focus supporting clients across Russia, other (former Soviet Union) Confederation of Independent States (CIS) and Eastern Europe, as well as in Israel and Turkey. Currently at US firm Jones Day, Tatiana was previously a partner at Stephenson Harwood where she joined from White & Case (Moscow). She is admitted to the Russian bar. Tatiana, who is fluent in Russian, English and German, will build on RPC’s existing Russia/CIS capability, which has recently seen the team act in a number of high profile disputes, including for Oleg Deripaska against Vladimir Chernukhin and Bank St Petersburg against Vitaly Arkhangelsky.
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**WebFinancialGroup**

http://www.financialweb.com

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Remainder rebels have learnt the wrong lesson from Nazism

Alan Mendoza

There is one valid comparison between the Weimar years and what may yet unfold in British democracy: nature abhors a vacuum.

It is January 1933. And Germany has a new Chancellor. He refuses to engage in the boring day-to-day detailed assignment. Destroy democracy, the Weimar political system in the wake of the Great Depression. Rival mainstream politicians proved unable to work together in the national interest to counter the crisis Germany faced, instead preferring to escalate the political parties to a state of chronic partisanship.

And just in case anyone needed further anchoring around the head of the Nazis, the BBC’s own media centre touts a documentary about Nazism. For it mind the lessons of history when voting announced by the party whip on a matter deemed to be non-negotiable.

It’s January 1933. And Germany is on a trajectory towards a far-right dictatorship. Boris Johnson is a social liberal, not a madman. But if they do, our legal system will resolve them. MPs who defy their party whip on a matter deemed to be one of confidence know the time-honoured rule they are treading.

It is of course MPs’ right to make decisions which they feel are appropriate, but they should bear in mind the lessons of history when they do so willfully.

But on one thing we can be certain. The patience of the people – even in a long-established democracy – is not infinite. If the political mainstream succeeds in unity rather than more of the same politics – which promised a solution rather than more of the same – became more attractive to an increasingly desperate electorate willing to countenance anything to end their misery.

As a consequence, the political mainstream was swept aside, rendered irrelevant by its own failure to resolve a situation that had once threatened it.

The ultimate example of this has occurred in America. The very man who is accused of being a putative dictator is the one who has offered a General Election so that the people of this country can decide their future in a democratic fashion. This opportunity has been spurned by the forces of his establishment, opponents, who are determined to forbid the idea of a nodal Brexit ever coming near a ballot box.

There is a profound irony in all of this. Those who have shouted loudest about a Johnsonian coup are the ones who have arrogated power for themselves over what the people may – or may not – vote for, citing that they know better.

It is of course MPs’ right to settle the things that set the party apart, to be an independent country and its interests, not engaging in the government’s bidding. But on one thing we can be certain. The patience of the people – even in a long-established democracy – is not infinite. If the political mainstream succeeds in throwing a wildcat strike rather than delivering, it will be swept away.

Paul Ormerod

The mood has shifted and the spending taps are on

Watch out fiscal conservatives – the mood has shifted and the spending taps are on

Nevertheless, Javid’s plan does represent a step up in the move away from austerity envisaged by the Cameron government. Philip Hammond in last year’s autumn Spending Review.

Still, this policy in comparison to what is envisaged for the public finances under the current UK government administration in the US. The Congressional Budget Office (CBO) notes that the federal budget deficit for 2019 will be $960bn. Budget deficits are projected to average 5 per cent of GDP a year between 2020 and 2029.

The CBO calculates that this will push up federal government debt to 95 per cent of GDP, the highest level since the late 1940s. On both sides of the Atlantic, the move away from austerity represents a major shift in the narrative around public sector debt. It is now, seems, okay to feel relaxed about government borrowing.

The mood in mainstream academic macroeconomics has also shifted. Ken Rogoff, a former chief economist at the IMF, said in 2010 that a debt-to-GDP ratio above 90 per cent was a gravitational attracting interest rates. With the steady decline in global real interest rates meant that the debt-to-GDP ratio was no longer a concern.

Olivier Blanchard, another former IMF chief economist, made a similar point earlier this year. He argued that, as the real rate of interest is lower than the real growth rate, future interest payments on debt could be met out of the proceeds of growth.

While this is not necessarily unusual given the state of affairs has been the case often enough in the last 150 years, the argument that government debt does not excuse to build up debt very definitely is.

The shift in attitude has implications in politics, too. For years, right-wing parties have painted the left as being as spendthrift and irresponsible. With Britain voting seemingly inevitable in the UK, it will be interesting to see whether the Conservatives – having depended on the taps – can make that narrative stick to Jeremy Corbyn.

Paul Ormerod is an economist at Volterra Partners LLP, a visiting professor at the UCL Centre for Decision Making Uncertainty, and author of Against the Grain: Insights of an Economic Contrarian, published by the IEA in conjunction with City A.M.
Business must lead the digital workforce revolution

The rise of the robots. Recent PwC analysis, publication of new research on the workforce of the mid-2030s. While we expect an equal number of brand new roles to be created, clearly some people will be much better equipped to transition and adapt to them others.

Follow-up research we’ve published this week highlights that, despite UK workers having a huge appetite to learn new skills, many are just not getting the opportunity – over half of those workers surveyed said that they had had no chance to understand and use new technologies.

Moreover, the opportunities that do exist are not evenly spread. Age and gender are both factors, but education appears the bigger determinant of training in new technologies.

Almost 60 per cent of people without further education say that they have received no opportunity from their employer to learn new digital skills, compared with 44 per cent of degree-educated workers.

Figures like these make uncomfortable reading. Without wishing to excuse such disparities, it is easy to see how they might happen, with businesses targeting relevant training at those with particular experience or who have expressed a clear interest in technology. These people then get more support, and become the obvious choice for further development and opportunities, leaving others behind and creating a self-perpetuating cycle.

The pattern needs to change. No matter what job someone does now – or even whether they’re in work or not – we are all going to have to improve our digital skills.

That’s a worrying prospect for policymakers trying to prepare society for technological changes. But they shouldn’t be left to tackle this problem on their own – businesses need to help too. And this isn’t just a societal issue – it makes no economic sense to limit the pool of talent.

Widening access to training is a core part of ensuring that businesses have a workforce fit for the future. At PwC, we are digitally upskilling all 20,000 of our people. We’ve also invited all employees to apply to become “digital accelerators”, a group who will spend around 50 per cent of their time over the next year on intensive training in areas such as data analytics, and then share this learning with their teams. The response has been tremendous, with a tenth of our workforce applying.

Over time, we hope to be able to show the return that this investment can make, which will help us expand our upskilling programmes further. Helping existing employees to upskill is only part of the challenge. Businesses can also do more to support a much wider group, such as by joining forces and working with schools and policymakers to share knowledge and experience.

Broadening recruitment to attract a more diverse mix of people will also help to ensure that skills are shared across society.

But we shouldn’t underestimate the need or impact of upskilling people right across our own organisations. Businesses can lead the charge from our own backyards.

DEBATE

Has John Bercow done more harm than good in his time as House of Commons speaker?

John Bercow, with his regular abuses of convention and obvious partisanship, has presided over a gross politicisation of the formerly independent nature of the speaker of the House of Commons.

A role which historically sees MPs needing to be dragged towards it, and towards a future without a personal or political voice in the chamber, became instead a tool for his own self-aggrandisement and promotion.

The speaker was never intended to have so recognisable a presence outside the four walls of the chamber, yet Bercow has treated it as his personal fiefdom.

The legacy of the first speaker since the monarchy to hold the role would have been increased visibility for the role of the House – and the speaker’s chair – in the governing processes of the UK.

But instead, he will be remembered for presiding over a culture of “deference and silence”, bullying and harassment, as Dame Laura Cox put it in a damning report, and of an office assaulted by the stench of party politics.

Whoever next takes the chair, Bercow has damaged the office’s reputation for independence.

Caroline Pidgeon is a Liberal Democrat London Assembly member.

In the last decade, John Bercow has ensured that parliament has been able to stand up to the executive, by putting MPs before ministers.

Just look at his record of accepting Urgent Questions. Ministers hate answering Urgent Questions, as they disrupt their diaries, but they play a vital role in the government being held to account when significant developments occur. In the year 2007 to 2008, the previous speaker permitted just four. Under Bercow, the number soared, with the year 2015 to 2016 seeing 77 Urgent Questions accepted.

Bercow has also worked hard to ensure that the role of parliament is more widely understood by the public, reaching out to young people in particular. He should be congratulated too for setting up a commission to investigate the opportunities digital technology can bring to parliamentary democracy in the UK.

Has he been perfect? Of course not. But has he been a good speaker, putting parliament first? The answer is an unquestionable yes.

Caroline Pidgeon is a Liberal Democrat London Assembly member.
The impact of pension fraud can be devastating, with victims losing an average of £82,000 last year. Even those of us who are savvy with our money can end up falling victim to fraud. In fact, it is estimated that five million pension savers in the UK are at risk, with 42 per cent of people aged between 45 to 65 leaving themselves exposed to common scam tactics, according to the Financial Conduct Authority (FCA).

This has become a particular problem since the pension freedoms were introduced in 2015, with scammers taking advantage of the fact that savers can withdraw their money once they hit the age of 55.

Fraudsters are always finding new and clever ways of targeting victims. But while the methods are evolving, the tactics that scammers use to coax vulnerable people to buy into their shams remain relatively similar.

So to protect your hard-earned savings, it’s worth knowing some of the common tropes that con-artists use.

**At the end of the rainbow**

Alarm bells should ring immediately if you are ever promised a guaranteed return on an investment.

Even the most successful investor in the world can never guarantee a return, because there will always be a degree of risk that an investment could fall. If someone argues otherwise, they are misleading you.

On top of dishing out hollow guarantees, scammers will nearly always promise a lucrative, market-beating return on your investment as bait to tempt you to hand over your cash.

Jamie Jenkins, head of global savings policy at Standard Life, says savers could be wary of “guaranteed” annual returns of seven per cent or more. But public awareness around this is low – worryingly, the FCA found that 13 per cent of people aged between 45 to 65 would pursue a guaranteed return of 11 per cent on their savings.

Some fraudsters will try to reel you in by offering free pension reviews as well, which is often a way to get you to disclose your financial information.

You should also be very wary of anyone who says that they can guarantee you a return by allocating all of your savings into a single investment – the best strategy is always to spread your risk across a range of different sectors and asset classes.

**Exotic but far-fetched**

It’s not just the return, though, as the type of investment is often a giveaway that something is not quite right.

Dodgy schemes may tempt you to invest in off-plan foreign property, car parking, biofuels, carbon credits, or storage units, warns Jenkins.

“At best, these are high-risk ventures which are usually unregulated, meaning it’s unlikely that you’ll be compensated if things go wrong. At worst, they are simply scams and your money will be stolen.”

Be sure to research the scheme online, and your first task should be finding out if it’s regulated by the FCA. If you struggle to find any information online, or it’s difficult to understand how the investment works, get some guidance elsewhere.

And if you have any doubts whatsoever, simply do not move your money.

**Out of the blue**

Unsolicited calls about your pension became illegal at the start of this year, so it should raise suspicions if someone contacts you about your retirement out of the blue.

A consequence of this ban is that fraudsters may increasingly turn to email or social media, so always be on your guard if you haven’t initiated a conversation, or an offer has come from a company that you don’t know.

**Under pressure**

Scams often offer time-limited deals in order to put people under pressure to sign up to schemes quickly.

The criminals running these schemes will use slick sales tactics and can be very persuasive. Sometimes they can sound like perfectly credible financial advisers, warns Jenkins.

But while scammers will be very pushy to encourage you to move your money, once you’ve transferred your pension funds, you may then find it impossible to make any contact with them at all.

Indeed, once they have your money, scammers usually disappear. So never be pressurised into signing anything or making quick decisions.

Your pension is likely to be the largest amount of savings you will accrue, so it pays to do your due diligence and have your wits about you.
With over 34,500 independent high street shops opening in 2018, the future of retail is continuously evolving and being accelerated by digital.

Obtaining skills for a digital life can boost the ability of businesses to make the most of the growth opportunities associated with having an online presence and provide new routes to reaching potential customers.

What does this mean for retailers?

The challenges faced by brick and mortar retailers are well documented. They are up against competition from large shopping centres and supermarkets, as well as changes in consumer behaviour driven by digital technologies.

In its Digital High Street 2020 report, the Future High Streets Forum identified eliminating the digital skills gap as one of the four key achievements required to boost high streets.

This is backed up by recent research conducted by YouGov, on behalf of Google, which showed the majority (51%) of SMEs agree that the digital skills gap between the skills businesses require their workers to have to compete in the digital economy and the reality of the skill set available in the workforce is growing.

Closing the digital skills gap among SMEs can increase profitability

Additionally, government research shows that SMEs with a strong web presence grow more than twice as quickly as their competitors, create more than twice as many jobs, and are 50% more likely to sell outside of their immediate region.

Retailers need to embrace the digital era. Being fully equipped with skills for a digital life can have a transformative impact on business growth and job creation.

But it can also be hard for businesses to embrace this if they don’t yet feel confident online. This is where the Google Digital Garage can help.

Our digital skills training programme aims to help people and businesses to embrace this if they don’t yet feel confident online. This is where the Google Digital Garage can help.

Our digital skills training programme aims to help people and businesses across the UK by giving them access to the digital skills needed to operate and grow in the digital economy.

From digital marketing and social media strategies, to support with exports and growth in customer base, our nationwide High Streets initiative offers retailers the opportunity to access free face-to-face training, which has been tailored to address the specific challenges local SMEs are facing on the high street.

In addition to this, we’ve recently opened a new Digital Garage hub in Sunderland, which is part of a major investment to help people throughout the UK to grow their business, career and confidence through digital skills.

The Google Digital Garage has been mentoring and upskilling people throughout the UK in digital skills since 2015 and has trained over 400,000 people, and visited over 500 villages, towns, and cities across the country.

Every day, our training makes a huge difference; a new report from IPPR has found that 55% of small business owners reported growth just 14 weeks after working with Google Digital Garage, including a rise in customers, sales, bookings, profits and/or revenue.

By embracing digital, together with SMBs throughout the UK we can help shape a more prosperous future of retail.

**The rise in digital continues to impact all of us, causing changes in our behaviour towards how we live, work and shop.**

**Helping boost Britain’s high streets with digital skills**

**Google Digital Garage**

**Read more at businessandindustry.co.uk**

**RONAN HARRIS**

MD, UK & Ireland, Google

© IRINA_STRELNIKOVA
Digital savvy customers expect to pay in the quickest, most frictionless way possible.

Put payments at the heart of your growth plan

Companies may not always realise that picking the right payment provider can be crucial to helping them achieve the growth they desire.

The pace of change in how we pay for goods and services is breathtaking. It means that now, more than ever, companies need to ensure they find the right partner to provide the frictionless payments customers expect – as well as the technology expertise to drive growth.

In just the past decade we have moved from the initial slow growth of chip and pin to a point where contactless payments are second nature. Additionally, digital savvy customers expect to be able to pay for whatever they need right here and now with the click of a mouse, or a tap of a smartphone, tablet or smartwatch screen. When out and about, today’s consumers expect to simply show a mobile device to a reader to pay instantly without the bother of even producing a card.

However, as they start to grow, they may find they have locked themselves in with a provider who simply doesn’t have the technology available to help them grow. That’s why we not only provide the software integration to help businesses scale, we work on 30-day rolling contracts, so customers don’t feel locked in.”

Seek a payments partner that offers flexibility

So, the advice is to seek a payments partner that does not tie its users down and is not only a good fit now but can also help the company grow in the future.

A crucial point to consider in this decision is that companies may not realise that their additional needs, as they scale, are shared by others in their niche. This will typically mean there are applications that are highly targeted to their sector, which they are likely to want to integrate into their payments system soon, or at a later stage in their growth cycle.

It is another crucial consideration in picking a payment provider today who can help you scale for tomorrow, Pitcock adds.

“Restaurants will have different generic requirements to fashion stores who will differ from, say, a pharmacy, which needs to be connected to NHS services and drug companies,” he explains.

“Every industry is different, so businesses need to pick a provider that can not only scale with them flexibly but also understand their niche and connect their systems together so a lot of the administration is done automatically because the software services are set up to talk to one another seamlessly.”

Customer experience is key

Keeping up with technology is one factor, keeping up with changing consumer demands is another. By 2020, 40% of shoppers will belong to Gen Z. It means that digital savvy customers expect to pay in the quickest, most frictionless way possible, rather than hunt for cash or be limited to one type of card or another. They also expect services to be built around them and a growing expectation of instant gratification.

Again, this requires businesses to think of their payment provider as a business enabler who can ensure they remain relevant to a new type of shopper. A business that cannot offer a fast, hassle-free omnichannel service will soon become irrelevant.

Instead, to survive, businesses need payments services to provide the best possible customer experience as well as turning customer requirements into new business opportunities.

“Modern consumers want it now, on their terms, and they expect payments to be as easy as showing a payment terminal their mobile or smartwatch,” says Pitcock.
If you want to see a test of how quickly customers need to get their hands on goods and services, watch a bunch of kids waiting to begin trampolining. Any friction between walking in and the fun starting can seem like an eternity.

Hence, Sage Pay has worked with Jump in trampoline parks to work on a fast, frictionless payment system that can work remotely with online bookings and customer services representatives, as well as onsite payment terminals and kiosks located in each of the company’s nine UK parks.

For Miranda Ray, the company’s Head of Sales and Marketing, the results have been transformative.

“Feedback from our customers initially has been brilliant. It has saved time, it’s very simple and efficient to use. The integration of software and payment systems means they’re grabbing their socks, getting their wristbands and watching our safety video in around a 40% to 50% time saving.”

Crucially, Ray explains, the relationship is not only allowing the business to offer an improved customer service today but is offering just the kind of technology and access to expertise it needs to fulfil an ambitious plan for growth.

“We’re looking now to work with Roller and Sage Pay with self-service kiosks,” she explains.

“And also, the ability for parents to utilise wearable technology, where they can load up a wristband with some money that their children can spend in the park while they’re here, especially as we diversify our product slightly to go into areas such as climbing and abseiling.

“If you were to take the technology away, the speed of service, the improved experience could not keep up with the development of the facilities of the park and that would not enable us to continue to be a market leader in the trampoline industry.”

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“A payment provider needs to help businesses fulfil this need for instant gratification by allowing goods, particularly big-ticket items, to be paid for in stages through one transaction, which then triggers subsequent payments until the item is paid for.

“This applies to the subscription economy that is now opening up where people pay monthly for everything from Spotify and Netflix to razors or coffee. The right payment provider can make sure that payments are made, and card details updated without the merchant having to worry or spend time chasing people if they switch cards.”

5G will be standard for mobile telecommunications in the next decade

This need for businesses to remain relevant by utilising smart payment technology to open new avenues is only going to accelerate in the decade ahead. While nobody can be sure what will happen, it is clear that 5G will be the de facto standard for mobile telecommunications, allowing customers to shop and order products in augmented and virtual reality scenarios.

As these services develop, another fascinating new world is likely to open up where machines start buying goods and services from other machines on behalf of their owner, courtesy of the so-called Internet of Things (IoT).

“Having a provider than can help grow your business by tapping into the latest technology is going to get even more important in the next few years,” predicts Pitcock.

“It’s easy to imagine people using virtual reality on the move to try on clothes or look around a hotel before expecting to be able to make a purchase by pressing a virtual button. With the Internet of Things, you can expect things to move beyond fridges ordering milk to a point where driverless cars could take themselves off to the garage to be filled or charged up before they come home.

“The need to keep abreast of these opportunities is what will help some businesses thrive while others become obsolete.”

It is almost a given that businesses need to work with a service they can trust to allow frictionless payments to flow in and out of their business. However, with rapidly evolving customer behaviour - and expectations - businesses need to demand more from a payment provider and look for a technology-driven growth enabler that will turn technology challenges into new opportunities to scale and thrive.
For a long time, online and offline consumers have been treated differently. However, interlinking these customer experiences is key for moving forward in retail.

Most retailers admit a lack of synchronicity between on- and offline teams, but some are now taking a top-down approach in an attempt to harmonise customer experience. “On and offline continue to merge, and our core belief is that omnichannel means to offer consumers all services on all channels seamlessly,” says Martin Wild, Chief Innovation Officer of MediaMarktSaturn.

It’s October 2018 and I’m in the world’s largest consumer electronics store for launch day of Wild’s latest project. Wild is tasked with driving innovation at Europe’s largest consumer electronics retailer. Famously taking a fail-forward approach, his influence has seen the retail giant lead the charge steps forward in retail.

I’m watching Thomas, one of Saturn Hamburg’s tech experts, put through an order for a customer. Despite the analysis of pundits, the store is humming with customers – perhaps a testament to its enchanting size.

No sooner than Thomas waves goodbye to his customer, a mobile rings and he pulls a handset from his belt: “Hi - Thomas here at Saturn - I’d love to help you find the perfect TV. How can I help?”

Thomas is one of retail’s latest evolutions; splitting his time between traditional store duties and advising online customers through a live video service on Saturn’s website.

He goes on to use his mobile to stream a comparison of the top 4K TVs, showing off the latest features and deals available at Saturn.

Breaking down silos
Progressive retailers no longer care where customers make the purchase, but they’ll undoubtedly have a grasp on the numbers; multichannel retailers see conversion rates 10x higher in store than online. In an ever-digitalising industry, retailers still value store experts - like Thomas – as one of their greatest sales assets.

Customer experience consistency
While efforts are being made to drive retail footfall, this initiative marks an appetite to bring retail experiences to online customers.

What’s more, migration to digital means retailers can no longer rely on stores alone to define their customer experience.

Mamas & Papas are the latest innovators to catapult store experts into the digital channel. Digital Director, Jo Molineux, tells me: “Our in-store teams provide an amazing service, covering what really matters to parents to be. We are very excited about being able to offer their expertise directly to our online customers – increasing reach well beyond our store footprint.”

About Go Instore
Created to humanise the digital channel, Go Instore brings human-led retail experiences to online customers through live video.

The technology allows retailers to superimpose retail conversion rates on their online store, typically multiplying web conversion by 10x.

Partners include Dixons Carphone, Mamas & Papas, Dyson, The Perfume Shop and HP.

The high street is in crisis but, so far, a raft of initiatives has failed to address the problem. So, what is really happening on the high street and what should be done?

The British high street is in crisis. A perfect storm involving the growth of online shopping, economic uncertainty, made worse by Brexit and increased environmental concerns means a radical rethink is needed to revive Britain’s town centres, but how, exactly, can that be done?

“The outlook is not good,” says Andy Mulcahy, Strategy and Insight Director of IMRG. “Retail’s probably approaching its lowest ebb after a pretty poor period. Online is far from immune to the downturn and we need a new purpose for the high street but attempts to revive it so far are just not working.”

Brands are discounting goods at detriment to themselves
Mulcahy points out that some of the high-profile cases that have made the news, including House of Fraser and Debenhams, have forced other retailers into heavy discounting, which has just compounded the problem.

“House of Fraser caused a lot of concern when it went down because people had ordered items and either couldn’t pick them up or return them,” he says. “This made people very cautious of any retailer thought to be in a bad state.

“But people have been trained to think they should hold out for a discount and in the run-up to Christmas and Black Friday mania, things are already so heavily discounted, it’s hard to see how you can do more.”

Larger items also aren’t selling at full price as people are concerned about warranties. This is an especial concern in the run-up to Christmas because, if you’ve had a bad Christmas, you’ve had a bad year.”

Online is far from immune to the downturn and we need a new purpose for the high street but attempts to revive it so far are just not working.

The high street is struggling to compete with the internet
Clearly a radical rethink is needed about the very nature of what a high street should be. “The complexion is changing and there is some thought about warranties. This is an especial concern in the run-up to Christmas because, if you’ve had a bad Christmas, you’ve had a bad year.”

The high street should be more about entertainment and leisure, but we already have libraries and coffee shops,” says Mulcahy.

“Many small towns will have just 30 to 50 shops, which is not a massive variety compared to the product range available on the internet. Instead, the high street has to become more digital in nature; click and collect is the only initiative that has brought offline and online together. People buy more when they come to collect, so if you get people down there that’s a start.”

Environmental benefits of bulk buying goods for collection
There is also the environmental element. “There is a lot of potential for better environmental performance through incentivising far greater use of ‘click and collect,’” says Mulcahy. “You click on something on a website and a box gets moved around, but the more these orders can be consolidated, the less van trips needed and greater the potential for positive impact on the environment.”

Online sales are not totally flat: the first half of 2019 has shown a 5.4% increase on the same period in 2018, but that is lower than forecast, and now there are sustainability concerns as well.

“It is very difficult to know if it’s having an impact on shopper behaviour,” says Mulcahy. “To some extent, retailers are in the cross-hairs, because people are now being told not to buy new things but to mend existing items, which repre- sents a huge challenge to current retail models.”

However, he is doubtful about whether this is really changing consumer behaviour. “A lot of people would probably say they do make consciously-environmen- tal purchase decisions,” he says.

“But people are still buying plas- tic-wrapped sandwiches for lunch. Currently, there is still a lack of alternative options. But this will change, and we will see how that influences behaviour over the next two to five years.”
Three ways technology is changing expectations and enhancing shoppers’ experiences

The global ecommerce market is currently valued at over US $3 trillion, according to Internet Retailer. Almost half (45%) of UK consumers purchase online at least once a week. It’s no secret that Brits love online shopping, but increasingly they are also looking for brands that offer an experience.

A round three quarters of consumers will simply abandon their shopping cart if they don’t feel they are getting the best shopping experience.

We’re living in a time when competitors are just a Google search away, making the experience offered just as important as the product itself. If a customer has a pleasant experience with your brand, you have a better chance for referrals, increased loyalty, and repeat purchases.

As a result, more online retailers are turning to technology providers to meet changing expectations and enhance their customers’ journey. So how does data play a part in building these revenue-generating experiences?

Website data can help curate shopping experiences

A customer’s shopping experience starts – and stops – within seconds of entering a retailer’s website.

Everything from design to speed has a drastic effect on bounce rate. Adobe found more than a third (38%) of consumers will leave a website if they find the design to be unattractive, and over half (53%) of mobile browsers leave sites that take longer than three seconds to load. And guess what? They don’t return.

Creating a good user experience (UX) for customers helps your overall brand grow by enticing customers and promoting brand identity, while also generating data – the key to understanding customers’ wants and needs.

Driving repeat business in a competitive market with reduced loyalty is a priority for retailers. By harnessing data, retailers can ensure the right product is delivered by the right carrier through a personalised experience. For retailers to know their VIP customers – those who have a high lifetime value – is one thing; treating them with a personalised VIP experience that drives trust and loyalty at scale is much more.

By leveraging transaction data to not only identify the most-valued customers, but to create a specialised shopping experience, retailers are better positioned to drive the customer loyalty they seek.

“More than 800 million people use Instagram every month. Sixty per cent say it’s where they discover new products and more than 130 million users tap shoppable posts each month.”

Instagram has changed the face of social commerce

Online shopping is no longer confined to retailers’ websites. Shopping on Instagram, for example, brings together the power and influence of social with the convenience of ecommerce, creating a shorter, less complicated path to purchase.

More than 800 million people use Instagram every month. Sixty per cent say it’s where they discover new products and more than 130 million users tap shoppable posts each month.

If a customer sees an item they like on the platform, but there’s no way for them to buy the item or access the site, retailers risk losing that sale. Capabilities like Instagram Checkout offer users a simple way to purchase items they discover without even leaving Instagram.

What’s more, a strong Instagram presence is key to creating a deeper connection with consumers. The brands they follow on Instagram are ‘hand-picked’, allowing retailers to deliver tailored content and personalised engagement as well as a simplified purchase process. Combined, they make the time spent interacting with brands on the social network worthwhile for consumers.

Closing the online buying loop through simple returns

When shopping online, consumers can’t test products before purchasing. This makes generous returns policies, including a pre-paid returns label, an expectation among 37% of UK customers – which retailers need a process to handle.

Online retailers must think strategically about how they manage their returns policy, balancing business sustainability with customer benefit, particularly since this issue will only grow as businesses begin to handle greater volume of returns.

Automation is one possible solution to this problem, especially if an ecommerce site operates through a SaaS platform, such as BigCommerce. This allows the easy integration of plug-ins to manage returns, such as ZigZag, which helps merchants administrate stock efficiently.

Working with over 60,000 retailers across the world, we understand the impact that ever-changing consumer expectations is creating. While technology has ultimately been the catalyst behind this evolution, it also provides retailers with the tools to automate, analyse and personalise their offering. It’s down to the retailers to ensure they continue innovating if they want to remain relevant in a crowded and fast-paced, digital market.

Sponsored by

MARK ADAMS
Vice President and General Manager,
BigCommerce EMEA

Read more at bigcommerce.co.uk
To save the high street, we must re-imagine the high street

High streets are suffering as more businesses are forced to close. Small businesses need more support from authorities in order to survive.

Problems facing high street businesses are well documented. It seems like every week headlines highlight the number of empty shops, retail job losses, or another high-profile chain going out of business. Small firms, which make up more than 99% of all businesses across the UK, are in the midst of this struggle.

Small retailers report one of the lowest confidence levels of any sector, with more than half expecting their performance to fare worse over the next three months.

71% of small firms say the cost of running their business is increasing. With business costs rocketing, employment burdens weighing heavy and lingering political uncertainty, it’s easy to see why confidence is low.

Locally, factors like expensive town centre parking charges and poor infrastructure are sending customers away from high streets to large, out-of-town retailers. In addition, the loss of bank branches and ATMs from our high streets adds to the everyday challenges small firms come up against.

The burden of business rates

One of the biggest of these burdens for small firms is the outdated business rates system. Not linked to a business’ ability to pay, it hits firms before they’ve had the chance to make their first pound of turnover, let alone profit.

While discounts for business rates has been welcomed this year, a huge amount of further reform is needed. Not only do we need to see a commitment from our new Prime Minister to extend these discounts, but also make changes to ensure the system supports growth and encourages competition.

Bizarre quirks in the system mean that small firms that can invest in their business by installing things like solar panels, CCTV systems and lifts, are being clobbered by large tax bills. Another unfair rule says that if a business owner wants to expand to another location, they lose all their rates relief.

Instead of hitting flourishing firms with penalties and stifling growth, the Government needs to back small businesses by allowing them to keep existing reliefs on properties, creating a personal threshold for a business owner instead.

Re-imagining the high street

Aside from policy changes that could make a real difference to a small business’ bank balance, we must start re-imagining our town centres and thinking about them differently. With huge competition from large online brands and a shift in consumer habits, the way we shop has changed - while high streets have largely remained the same.

While we’re not certain what town centres of the future might look like, a healthy high street should be diverse - not just focused on shopping. There should be a mix of not only restaurants, cafes and pubs, but services like hairdressers, gyms, shared workspaces for the self-employed, with cultural venues and community-based amenities.

For local authorities looking to the future, talking to local small businesses is a great place to start. As these small firms are at the heart of their communities, speaking with them will allow authorities to harness some innovative ideas that will really improve the public realm and create vibrant hubs in their city, town and village centres.

If burdens can be reduced and opportunities provided, then small businesses can help give our high streets a new and exciting future. It will take central government, councils, community groups, businesses and consumers to come up with real solutions.

71% of small firms say the cost of running their business is increasing. The way we shop has changed - while high streets have remained the same.”

MIKE CHERRY
National Chairman, Federation of Small Businesses

Read more at businessandindustry.co.uk

6 BUSINESSANDINDUSTRY.CO.UK
The UK's high streets are calling out for more attention while more retail firms choose to trade online only. But there is one obvious solution: help these online traders explore the offline world in innovative ways, says Emma Jones, founder of Enterprise Nation.

According to ONS data, ecommerce accounted for £137.38 billion in sales last year. That equates to 16% of overall retail sales. Back in 2012, it was 9%.

To make our high streets busy and vibrant again, it’s a viable proposition to explore bringing these retail and service-based firms back offline and into physical stores.

Getting small brands – physically – in front of buyers and influencers

Small retailers are often home-based and rarely get the chance to meet their online customers. This means they do not have easy opportunities to demonstrate their saleability to buyers and stockists, influencers or journalists. In turn, online customers miss the opportunity to try things on, sample products or just say hi.

Testing face-to-face retail opportunities for small online brands

Inviting buyers or bloggers into your kitchen or back bedroom is not an appealing prospect, for either party. However, a new pilot is currently being tested for ten brands at a time, to co-work and co-fund a shop for a limited period of time. Each shop is open for six weeks and retail cohorts can trade, invite stockists, bloggers, customers and buyers to see them in situ and, more importantly, see their product in a retail environment. Most sign up to trade for two weeks at a time so there will be three groups in total while the pop-up is open. It’s a retail test bed, delivering fabulous social media content and, in many ways, should be regarded as part of any company’s marketing mix.

“ To make our high streets busy and vibrant again, it’s a viable proposition to explore bringing these retail and service-based firms back offline and into physical stores.”

Small retailers need business support and advice

Pilots such as these need business support via advisers and accountants, so retailers can receive advice on finances, cash flow, social media, how to scale and, in particular, how to incorporate bricks and mortar into a business plan. The results will be analysed and submitted to the Government following the call for new ideas to inform the Future High Streets strategy.

Day-to-day shop life can be mentally and physically exhausting

Limitations around shop life include standing up for eight hours a day, being away from the business, plus, the psychological impact of ‘slow’ days. The reality is that high street retail is not for all, but we think it will play an increasing part in a retail brands’ offering. It may become the norm for traders to factor two weeks in London and two weeks in Manchester shops every year, for example. Let’s not give up on the high street just yet.

The retail landscape is changing and evolving – and so is the world of work. Finding an innovative way to unite the online and offline worlds is vital for our communities and entrepreneurs.

Don’t give up on the high street just yet

Emma Jones
Founder, Small Business Support Group, Enterprise Nation

Enterprise Nation has been running a pilot in conjunction with Amazon, Square and Direct Line for Business to offer small firms an affordable taste at least of what life on the high street feels like.

Clicks and Mortar has now opened three pop-up shops in Manchester, Cardiff and Edinburgh with Sheffield set to open on September 27, and more planned in the new year. By the time the last shop has closed, we’ll have given hundreds of small firms an opportunity to test trade on the High Street and in shopping centres and malls.

Enterprise Nation has been sponsored by

Read more at enterprisenation.com
How to live long and prosper on the high street

We are in the most transformational period in the history of high streets. Many will succeed. Many others will die. So, what can businesses do to ensure they live long and prosper on the high street?

Each type of high street business has its own unique vulnerabilities and key strategies for the future. Some will require fundamental changes. Commodity product retailers must differentiate from online-only alternatives, while many information services need business model innovations to stay competitive.

Others should be innovating to double-down on existing strengths. The winners in convenience will be hyper-convenient. The most successful experiences will nurture hyper-convenient. The winners in convenience will be the most successful.

Business model innovations to stay competitive. Commodity product categories for the future.

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How to win new local customers
The most recent research with our High Street Advisory Board (of 300+ retailers and 50+ other experts) looked at what independent high street businesses can do to win new local customers.

1. In the last 10 high streets we launched support for, between 16% and 17% of local businesses didn't have their own website.
2. Of the last 50 local businesses we audited, 100% had errors and 32% of all the listings found were incorrect.
3. On Facebook, Google and dozens of review sites, negative comments being ignored or dealt with badly by local businesses is still commonplace.

As we move from the top three to the top 50 recommendations, a similar story continues. Between 2012 and 2022, it is estimated that 100,000 UK high street businesses will have closed down. Much of the high street is underperforming and under threat.

How to enable a more successful future high street
A new, better connected, digitally enabled high street is emerging, representing both challenges and opportunities for everyone on it today.

Work will continue at all levels. First, by engaging with the high street, getting the buying and selling right, with demand and supply in balance.

Independent businesses will also need time, money and skills to stay competitive. This is a high bar for many today, and affordable, personalised support needs to be available for all local high street businesses, every step of the way.

The success or failure of high streets impacts us all and successful high streets require successful high street entrepreneurs. We need to act now and ensure the conditions are in place for high street businesses to live long and prosper.

Why the high street isn’t dead

We’re inundated with stories of the death of the high street, especially when we see headlines of retail giants having to close stores or go into recession. The rise of online shopping has had a huge impact, as have increasing costs, including business rates and rents. So it’s easy for us to buy into the narrative.

However, there is plenty of research suggesting that, although 90% of people may start their search online, a high percentage of shoppers are choosing to buy in shops.

Independents are better placed to respond to consumer needs with their agile business model and close affinity with their market. Up and down the country independent retailers – who are often family-owned businesses passed down from generation to generation – are fighting hard to keep their businesses afloat.

It’s not easy and many have faced closures, but there is an entrepreneurial spirit that keeps them going, as well as the desire to keep serving their local communities.

The current independent landscape
In 2018, independent retail businesses accounted for 64% of all retail and leisure units in the UK. Service retail (hair and nail salons, tattoo parlours and dry cleaners) saw 992 new units in 2018, predominantly driven by barbers.

Independent leisure units like restaurants, cafes and entertainment saw an increase of 710 units too. Independent vegan and Jamaican restaurants increased by 52% and 15% respectively.

Struggling sectors included those in the independent ‘convenience’ retail category (grocery and convenience stores), which saw a net decline of 590 units last year, potentially down to the competition from bigger chains.

Other categories in decline include estate agents, newsagents and fashion shops.

Our recent Quarterly Sales Survey results reflect the difficult times: ‘comparison goods’ retailers (e.g. books and homewares retailers) in particular find themselves in sales. Sales among our members were down by 2.94% in quarter two this year compared to the same quarter in 2018.

Despite the gloom, independent retail businesses are surviving. Those bricks and mortar businesses that are surviving are those that offer service-based retail, for example coffee, barbers and nail salons, which, unsurprisingly, are all things that you can’t get on the internet!

We’ve seen many of our members capitalise on this by introducing coffee shops and delis in their bookshops and offering cooking classes and book signings in their cookshops.

By adapting and diversifying their offering they are able to attract new customers and offer them something that they have to come into their shop for.

We mustn’t also forget that many people are completely reliant on their local high street for essential shopping and services. For some, it might also be the only human contact they get, and we can’t allow this crucial community to be lost.

Without doubt, our high streets need to change, and we look forward to seeing how the new £675 million Future High Streets Fund will be spent. We absolutely believe retail will be at the heart of our future high streets, however, we know it will only be part of it and not the only reason to visit.

What can we do to help?
Bira is here to solely support the interests of independent retailers. We fought to get a reduction in business rates for small businesses and we were happy to see a 30% reduction in rates for the smallest businesses last year, but it can’t stop there.

The reduction isn’t guaranteed after 2021, and if rates increase after this point there will undoubtedly be more closures, as some retailers have only survived this year because of this lifeline.

We are also calling on local councils to provide more free and accessible parking in town centres. Too many towns are suffering due to the cost of parking, which has become a deterrent to visiting town centres.

It is all of our jobs to continue to support our local businesses too. Spending money locally has many benefits; not only does it keep money in the local economy, which means better services for you in the long run, but it also provides jobs.

By shopping local you can also benefit from the personal service and advice from retailers that care about you. They can instruct you, chat through the options and will remember you the next time you go in.

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OFFICE POLITICS

Error message: Don’t let an outage ruin your business

If services go down, tech firms can lose all the trust that customers have in the brand

Across the tech industry, there is a crisis of trust that is centred around how companies handle data – from network provider Cloudflare’s outage in July that saw a vast number of websites around the globe go down, to the big four tech firms facing antitrust hearings in the US. Recent research by Veeam highlights that almost half of consumers value their data more than the physical items they own. And companies feel the same way – the likes of Google and Facebook base their very business models on the use of customer data.

But for customers, this concern over data also influences their buying decisions. More than one third (39 per cent) admit that they would stop using a product or service if an organisation experiences an outage. Consumers view their data as personal property, and they need to know that it is in safe hands.

As such, alongside using data responsibly, companies must reduce the potential damage from outages by ensuring that stored data and services are always available.

For many services, customers rely on an always-on offering that is accessible across devices and time zones. When these go down, the cost – both financially and in terms of the trust a business has worked so hard to build – can be astronomical.

For example, think back to June 2018, when a software update to TSB’s services left thousands of customers locked out of their accounts and unable to make payments.

The brutal three-week outage cost the bank roughly £176m, and its chief executive left the company. Insufficient testing before the update was launched resulted in a huge loss of customer trust and revenue.

And this isn’t an issue that just affects individuals. Businesses are also becoming ever more reliant on platforms that handle data. So when the workplace messaging app Slack suffered several outages in June and July, many organisations were disrupted. An outage doesn’t only damage a customer’s trust in a provider – it also pushes them to look for alternatives.

On average, if an outage occurs, consumers expect the issues to be resolved within two hours and 41 minutes – the same time it takes to fly to Paris and back from London.

If it drags on, those alternatives can easily turn into permanent switches. You would think that, with the stakes so high, this would be a priority for businesses. Yet while the UK is currently at the forefront for technology, we risk lagging behind in this area. Our report found that organisations across the country are only planning to spend £11.2m on deploying cloud data management technologies within the next 12 months – a figure that sounds substantial, but is £21.6m less than the global average.

In today’s data-dependent world, being able to guarantee access to data is no longer a “nice to have”, but a basic, everyday requirement. At the moment, more than half of consumers say that there isn’t an organisation they trust the most when handling their data.

Big problems make big headlines, and with consumer demands ever-growing when it comes to how and where their data is stored, companies which can show that they’re trustworthy with data will win market share.

Michael Cade is senior global technologist at Veeam.

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Michael Cade
A RACE TO SUCCESS

Personal trainer Harry Thomas on what he learned from a 12-hour ultra race

As a personal trainer, I’m in good shape and I take part in races regularly throughout the year. So when a friend asked me to take part in a race with him, I said yes without even asking the details. A month later I looked at what I’d signed up for: “An adventure race across Ireland’s highest mountains and the toughest cycle routes in the southwest, along the Wild Atlantic Way.”

It consisted of a number of stages: 49km on a bike, a 13km run up Ireland’s highest mountain, another 48km cycle, 5km of kayaking, another 14km cycle and an 18.5km trial run to finish. The target time for the whole lot was 12 hours. Ouch.

The race was held in County Kerry, which is stunning. When it came to the race, however, I had a torrid time, especially with my bike, which had major chain issues, damaged handlebars and a mechanical issue with my seat, which meant I cycled about 35km on the lowest setting. I also took a little tumble along the way. I know you shouldn’t focus on the negatives, but I guess it makes my achievement that little bit more special. The final run was the worst, as my whole body was in agony, but I met some amazing people and I got through it in under 12 hours.

As my poor body continues its recovery, what I achieved has started to sink in: my first ever Ultra Adventure Race. I learned so much from the experience and am already looking for my next big challenge. I’ve identified five learnings that could be directly transferred over into everyday life.

SURROUND YOURSELF WITH GOOD PEOPLE
Throughout the race I was helped out by some very kind people. My chain broke and got wedged into my bike just 45 minutes into the race. Another athlete stopped his own race to help. This was so unexpected and made me more likely to help others.

Another guy gave me some tape to fix my seat and I met so many people throughout the day who helped push me to get over the line. I would never have finished without them. This goes for real life, too, whether it’s in business, family or sports, good people will help you move forward.

GOAL SETTING WORKS
I started training for this race back in April. It was so far out of my comfort zone it required a huge amount of dedication. Having a date for the start of this race kept me going with my training. I knew without all the hard work I’d have failed miserably. It gave me focus and a clear strategy.

Goal setting in everyday life should be the same, whether it’s hitting a saving target, buying a house or losing weight. If you have a target, you have a purpose.

TAKE IT AS IT COMES
Throughout the race I had so many things go wrong. My chain fell off, I fell off my bike, I went the wrong way. When I was on the kayak the weather was awful. My knee was screaming. You name it, it happened. But I managed to control my frustrations, accept things the way they were and push on. We spent too much time stressing about things that have already happened. It’s best to focus on what you can do right now.

My chain fell off, I fell off my bike, I went the wrong way, the weather was awful...

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NO JUDGEMENT
One of the most amazing things about the race was the medal ceremony. Seven of the 12 athletes who received medals were in their 40s. They didn’t look like ripped, shredded gym bros, they just looked like healthy older guys. But they destroyed people who were younger and fitter. We make too many judgements about people before getting to know them. Everyone has their own story – let them tell it.

GIVE YOURSELF A BREAK
Take time to appreciate your achievements. Until other people commented on my performance, I wasn’t pleased with my race. But the more I think about what I achieved, the more I realise how far I’ve come. It’s the same with day-to-day life. We’re always striving for something better and most of the time we feel like it never comes, because we don’t know what it looks like. Give yourself a break. Take some time to think about the good things in your life: your successes, the people you’ve helped, the journey you’ve taken.

My chain fell off, I fell off my bike, I went the wrong way, the weather was awful...
FOOD & DRINK

WEEKLY GRILL

Russell Norman, co-founder of Polpo, on circus tricks and his restaurant’s tenth birthday

WHO ARE YOU AND WHAT DO YOU DO?
I describe myself as a mountebank – a sort of cross between a tinker, a charlatan and a travelling player. I suffer from impostor syndrome, so at the moment I’m pretending to be a cookbook author, a food writer, a broadcaster and a restaurateur.

WHAT’S NEW?
I’m getting things ready for Polpo’s tenth anniversary this month. It’s a cherished institution, so I’m told, and a large part of my own creative and culinary DNA has gone into it. So I’m hoping to ensure its continued longevity and get it well on its way to the 20th anniversary. We have some amazing guest chefs helping us celebrate and will be featuring their creations on the Polpo menu over five weeks in September, culminating in a party on 30th. Expect to see Angela Hartnett, Florence Knight, Francesco Mazzei, Stevie Parle and Rachel Roddy.

YOU COME HOME DRUNK – WHAT DO YOU DO?
I’d probably go for quite an elaborate cheese-on-toast with freshly grated mature cheddar and a few tinned anchovies and a caper or two.

WHAT’S THE WORST THING YOU’VE EVER PUT IN YOUR MOUTH?
I think it was the Andouillette sausage. I once ordered it accidentally at a very well-respected restaurant. The smell of urine and the taste of ammonia were so shocking and repulsive to me that I almost hocked on the spot. It took me years to get over the trauma.

WHAT DO MOST PEOPLE GET WRONG WHEN COOKING?
For too often I see pasta dishes where the sauce is sitting on top of a mound of pristine spaghetti. In Italy, sauce and pasta are always incorporated, mixed together on the stove top, usually with a large splash of reserved pasta cooking water, and served at the table steaming and integrated.

WHAT’S THE BEST围墙 ABOUT LONDON’S FOOD SCENE?
It’s a bit too preoccupied with the current, the latest and the new, in my humble opinion. So the best aspects of it for me are those places that have stood the test of time. Moro, St John Bread & Wine, Bocca di Lupo, Barrafina, Andrew Edmunds. I love those places.

WHAT FOOD LAW WOULD YOU INTRODUCE?
I’d ban delivery services. I hate it. I love those places that have stood the test of time. If you’re staying in, you should cook. If you want restaurant food, you should go to a restaurant.

WHAT’S THE WORST THING YOU’VE EVER SEEN A CHEF DO?
I once saw a chef throwing knives into a wall while a (seemingly willing) commis chef stood spread-legged like a circus target.

WHAT’S THE STRANGEST ENCOUNTER YOU’VE HAD IN YOUR RESTAURANT?
Several years ago we built a Polpo restaurant at The Port Eliot Festival. Bruce Robinson, the writer/director of Withnail & I, came in and started to chat. I asked him what he’d like to drink and he told me he no longer drank alcohol.

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WINES OF THE WEEK

Dimitra Fili, sommelier at Hide, picks two bottles for the weekend

1. BURN COTTAGE RIESLING- GRUNER VELTLINER 2015, CENTRAL OTAGO, NEW ZEALAND
The wine is a blend of Riesling and Gruner Veltliner, grown from a tiny plot in Central Otago. The combination of the two varieties results in a wine with great aromatic complexity and notes of fresh cut limes, white pepper, blossom and peaches, which has a mouthwatering acidity.

2. NYETIMBER 1086 2009, WEST SUSSEX, UK
A blend of the typical Champagne grape varieties (Chardonnay, Pinot Noir, Pinot Meunier) made by Cherie Spriggs, the first non-Champenoise, and first woman, to be accorded the title Sparkling Winemaker of the Year in the International Wine Challenge Awards. Toasted pastry, brioche, roasted almonds, honey are only a few of the aromas.

ORDER THIS... Purezza is donning all profits from sales of its limited edition Laughing Pig pizza to build homes for rescued pigs on a farm in Kent, presumably as a form of porcine reparations. The charitable pizza uses jackfruit to simulate pepperoni, which not only leaves the pigs entirely intact, but tastes great too. Elsewhere on the menu you’ll find inventive combinations of plant-based toppings, some of them classic vegetable pizzas, others incorporating smoked tofu or more recent additions to the vegan pantry, like shredded seitan and fennel pulled pork in a sticky BBQ sauce. Everything is convincingly gooey, considering the lack of actual cheese that’s in play.

NEED TO BOOK? You can walk in and be seated at lunchtime, but you’re better off booking if you plan on going after work. Visit purezza.co.uk to make a reservation.
Moreira’s mount looks the Perfect Play at the Valley

RACING returns to Happy Valley for the first time this season as an eight-race card takes centre stage this afternoon. Hong Kong may be suffering its own internal problems at present, but that hasn’t stopped racegoers flocking to Sha Tin for the last two Sundays in the hope of winning ‘lucky money’. In fact, the first two meetings of the 2019/20 season have seen turnover increase by around 6%, with the first meeting at the beginning of the month taking around £130m.

With weather conditions in the high eights and locals having been deprived of their weekly racing at the innercity track for the last two months, Happy Valley can expect a huge crowd returning to cheer on their favourite horses and jockeys.

We may only be a couple of race days into the 88-meeting season, but already the jockeys’ leaderboard has a familiar look to it.

Top of the table is reigning champion Zac Purton with four wins and seven places from just 19 rides, with his great rival, Brazilian ace Joao Moreira, just behind with three victories.

Both jockeys are in action at the Valley today and you can guarantee they will be heavily supported by the local racing fans.

Moreira has his card marked in all eight races, while Purton is booked for seven rides. It would be a brave man to predict that either jockey will leave the Valley by the end of the afternoon empty-handed.

It’s interesting to note that Moreira has teamed up with ‘King of the Valley’ trainer Caspar Fownes in four races.

Fownes has already hit the crossbar with three seconds at the first two meetings, suggesting his horses are not far off their best and it’s at the Valley the Australian-born trainer excels.

With over 450 career winners at the track, Fownes is a master of getting his horses to perform at their optimum around the tight and turning track.

All seven of his contenders should be considered seriously, with the Moreira-ridden PERFECT TO PLAY, who lines-up in the extended mile handicap (3.20pm), his best chance of success.

This steadily improving dual course and distance winner was last seen when just failing to withstand the late dash of Flying Quest, having been stepped up in class over track and trip in June.

He returned to the track early last month and looks to have progressed further, highlighted by an impressive trial two weeks ago.

With a good preparation and an attractive rating he must go close, while the Douglas Whyte-trained Last Kingdom and improving Splendour And Gold appear the principal threats.

Moreira’s best ride of the night should be the Tony Cruz-trained SMART LEADER who races in the closing six-furlong sprint (3.55pm).

Tycoon to kick start Lor’s Mission for the trainers’ title

THE beginning of a racing season is always a tough nut to crack for bettors, with so many imponderables to consider.

After a six-week break due to the stifling heat in July and August, punters have to consider whether a horse is fit enough on his comeback run, has improved during the close-season and whether the stable is firing on all cylinders.

A quick look at the early results suggests trainers Tony Cruz, Danny Shum and Francis Lui have their horses in prime condition, while first season trainer Douglas Whyte, with his meticulous preparation, has already yielded a couple of winners.

Both Lui, who saddles Doctor Geoff, and Cruz, associated with Circuit Glory, will be hoping for further success when their horses compete in the highlight event of the afternoon, the £200,000 Class 2 handicap (1.50pm) over the extended mile.

Add the Joao Moreira and Caspar Fownes partnership with improving Green Luck into the equation and this promises to be a race to savour.

Surprisingly, Classic-winning trainer Frankie Lor has yet to get on the scoresheet this season, but with a stable full of high quality horses, it’s only a matter of time before he hits the bullseye.

Lor saddles top-class galloper MISSION TYCOON, who makes his debut at the Valley, but still looks the ideal type to enjoy the tight track.

This Australian bred five-year-old won last season’s HK Classic Cup over 1800m and made the frame in the HK Classic Mile, while he ran well in a Group Three event in June.

He is drawn for an ideal journey in stall two, and having won his prep trial in good style, everything looks in place for a big performance.
**HAPPY VALLEY**

**Going: GOOD**

### 12.15 SHEIK 0 HANDicap (CLASS 4) (2YO) (CONF II) (TURF)

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<th>Trainer</th>
<th>Owner</th>
<th>Odds</th>
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<td>1</td>
<td>Brown</td>
<td>W. Kin 2</td>
<td>K. Tong</td>
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<td>Brown</td>
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<td>K. Tong</td>
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<td>K. Tong</td>
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*Notes: Sheik 0 is considered the best bet in the day's feature.*

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**FRANKIE LOR’S MISSION**

Frankie Lor’s Mission looks the best bet in the day’s feature.

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**3.55 YOUNG HIM 0 HANDicap (CLASS 3) (2YO) (CONF II) (TURF)**

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**2.20 MIDWINTER HANDicap (CLASS 4) (2YO) (CONF II) (TURF)**

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<th>Odds</th>
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**2.30 DEEPWATER HANDicap (CLASS 3) (2YO) (CONF II) (TURF)**

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**HAPPY VALLEY Racecourse Turf Track Stats**

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**Cards provided by RACING POST**
England show all of their colours in non-stop, eight-goal thriller against Kosovo, writes Felix Keith

ANS often moan that international football is boring, that games are one-sided and results are predictable. Those gripes were nowhere to be heard last night as England and Kosovo served up an absurdly open, seesawing and incident-packed eight-goal thriller at St Mary’s.

It was a crazy Euro 2020 qualifier which had it all, displaying all the potency and excitement of England’s attacking triumvirate of Harry Kane, Raheem Sterling and Jadon Sancho, but also their defensive frailties, disorganisation and naivety, thanks in large part to an expansive, technically sound and ambitious Kosovo side.

Gareth Southgate ultimately got the result he wanted, with England making it four wins out of four in Group A to take a step closer to qualification, and yet the negatives may well weigh heavier than the positives.

**SLOPPY DEFENDING**

Bernard Challandes promised “crazy” pressing from Kosovo but even the animated head coach couldn’t have envisaged how quickly it would pay off. Straight from kick-off Ross Barkley and then Michael Keane were rushed into making poor passes, allowing Lazio’s Valon Berisha to coolly slot past Jordan Pickford after just 35 seconds. Thoughts of Davide Gialuzi’s eight-second effort for San Marino in 1993 came flooding back and although England stormed into a 1-0 lead by half-time they hadn’t got their poor defending out of their system.

After the break Declan Rice gave the ball away at the base of midfield to welcome Vedat Muriqi’s lovely pass into Keane, who cut inside and found the top corner.

Six minutes later Harry Maguire stood on a cross before fouling Muriqi to concede a needless penalty, which the Pakistan striker converted. For the third time in three minutes, England were behind.

**STERLING ON ANOTHER LEVEL**

Luckily for England’s sometimes hapless defensive unit, they have Sterling at the other end.

The Manchester City forward is operating in the epicentre of a purple patch and appears to be overflowing with confidence every time the ball finds him, which last night happened with happy regularity.

It was Sterling who made it 1-1, nodding in from the six-yard box after Keane’s header at a corner, and it was he who spun his defender on the halfway line and charged forward 10 minutes later to feed Kane, who powered a finish underneath Aro Muric. Sterling ran not in the first half, gleefully sprinting into the space afforded him, providing another two assists to his opposite winger Sancho to underline his status as one of the hottest attackers in the world.

**SANCHEZ TAKES OVER**

Sancho was the beneficiary of one of three changes made by Southgate from Saturday’s 4-0 win over Czech Republic, coming in for Marcus Rashford. The Borussia Dortmund forward showed the wisdom of that decision, forcing Mergim Vojvoda into scoring an own goal for 3-1 and then netting his first two goals for England from Sterling’s supply line.

The 19-year-old has never looked overdosed since his debut in October and he kept a cool head to bury his first before taking up an intelligent position to profit from Sterling’s apparent attempted chip over the goalkeeper for 4-1.

With Southgate appearing to have settled on a 4-3-3 formation, Sancho has a real claim to a starting place ahead of Manchester United’s Rashford, who looks better suited to the central role occupied by captain Kane, who spurned a chance of a second when his second-half penalty was saved by Muric.

**FINALLY TESTED**

England’s qualification for Euro 2020 always looked straightforward when the draw for Group A was made, but there was a worry it could be too easy, with the Three Lions arriving at the tournament next summer undercooked after coasting through.

Kosovo have emerged as the next best side and they lived up to the billing, highlighting cracks in England’s backbone and midfield.

The visitors’ heavy press brought nerves to the fore, with the core of the side each making costly mistakes. With his side crumbling under the pressure Southgate was forced to hold fire on any changes, waiting until the 83rd minute before bringing on Mason Mount for Barkley.

England know they were tested, know they wilted, and know they will have to be much better when the tournament rolls around on 12 June.
Swelling calendar puts squeeze on F1 teams

Liberty Media may need to rearrange schedule to keep adding dates, says Michael Sears

EXT season Formula One will race out of the blocks with 22 back-to-back grands prix in Australia and Bahrain in an attempt to squeeze around 22 races into the 37 weeks currently spanning the calendar.

It is a significant amendment to the season as F1 owners Liberty Media press on with plans to expand into new territories while staying true to the sport’s heartlands.

The addition of races in Holland and Vietnam, with only the German Grand Prix being cut, means there will be one additional stop next season, after Monza joined Silverstone in renewing its hosting rights.

Race volume has steadily increased but the latest change met some resistance from teams due to the increased demand it is set to place on their drivers and staff.

They ultimately approved the additional race weekend on the condition that there were no regulation changes.

Meredes team principal Toto Wolff dubbed it a necessary decision to “support” Liberty in its bid to “grow F1” and “attract promoters”.

It means 2020 will entail more double-headers than initially planned, with seven in total. The additional back-to-back races will come at the start of the season in March and in early May, when Spain follows immediately after Holland.

DRIVING UP REVENUE

The move is an obvious means of driving up revenue and Liberty has suggested it could expand the season further, to as many as 24 races, with a particular emphasis on North America.

The American corporation has struggled to grow F1’s revenue since buying out CVC Capital Partners in 2017, with the previous regime having largely exhausted potential income from promoter fees.

As well as the strain it could place on their resources, teams have also expressed concerns that adding more races may harm the sport’s exclusivity.

Next year teams will travel to 22 countries across six continents in just 260 days. Excluding the three-week summer break in August, teams would spend on average just over 10 days in each place and be required to fly thousands of miles around the globe.

While the schedule aims to gradually move across the planet, it is not always possible due to ongoing calendar commitments.

It means that scenarios such as in May and June arise, where between the Monaco and French Grand Prix teams must fly to Azerbaijan and then Canada before returning to Europe.

Similarly, toward the latter stages of the season the Italian Grand Prix is followed by Singapore then Russia a week later, before heading to Japan and then across the Pacific Ocean to the United States.

How the calendar looks beyond 2020 will be just one of the topics on the agenda as teams also discuss the regulations, budget caps and engine changes that will make up the new Concorde Agreement.

It is, however, telling that, if Liberty Media is to continue with its efforts to add more dates to the calendar then a more streamlined version may be required to appease teams.

RUGBY’S NEW FRONTIER

Sleeping giants Japan and USA can deliver growth the sport craves, says Harry Jones

OUR years ago, when Karne Hesketh propelled himself into the corner of the Amex stadium in Brighton and scored the 84th-minute try that gave Japan a World Cup victory over two-time winners South Africa, the rugby world came to a standstill.

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How the calendar looks beyond 2020 will be just one of the topics on the agenda as teams also discuss the regulations, budget caps and engine changes that will make up the new Concorde Agreement.

It is, however, telling that, if Liberty Media is to continue with its efforts to add more dates to the calendar then a more streamlined version may be required to appease teams.

RUGBY’S NEW FRONTIER

Sleeping giants Japan and USA can deliver growth the sport craves, says Harry Jones

OUR years ago, when Karne Hesketh propelled himself into the corner of the Amex stadium in Brighton and scored the 84th-minute try that gave Japan a World Cup victory over two-time winners South Africa, the rugby world came to a standstill.

The addition of races in Holland and Vietnam, with only the German Grand Prix being cut, means there will be one additional stop next season, after Monza joined Silverstone in renewing its hosting rights.

Race volume has steadily increased but the latest change met some resistance from teams due to the increased demand it is set to place on their drivers and staff.

They ultimately approved the additional race weekend on the condition that there were no regulation changes.

Meredes team principal Toto Wolff dubbed it a necessary decision to “support” Liberty in its bid to “grow F1” and “attract promoters”.

It means 2020 will entail more double-headers than initially planned, with seven in total. The additional back-to-back races will come at the start of the season in March and in early May, when Spain follows immediately after Holland.

DRIVING UP REVENUE

The move is an obvious means of driving up revenue and Liberty has suggested it could expand the season further, to as many as 24 races, with a particular emphasis on North America.

The American corporation has struggled to grow F1’s revenue since buying out CVC Capital Partners in 2017, with the previous regime having largely exhausted potential income from promoter fees.

As well as the strain it could place on their resources, teams have also expressed concerns that adding more races may harm the sport’s exclusivity.

Next year teams will travel to 22 countries across six continents in just 260 days. Excluding the three-week summer break in August, teams would spend on average just over 10 days in each place and be required to fly thousands of miles around the globe.

While the schedule aims to gradually move across the planet, it is not always possible due to ongoing calendar commitments.

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