JAVID TURNS ON THE TAPS

CHANCELLOR ANNOUNCES INFRASTRUCTURE SPLURGE AS HE DOUBLES DOWN ON NO-DEAL

ALEXANDRA ROGERS
@city_amrogers

Sajid Javid will today unveil a package of spending pledges as the party goes on an election footing at its annual Conservative conference in Manchester.

The chancellor will also announce a raft of domestic spending policies, including a relaxation of planning rules to boost housebuilding. The new measures will permit housebuilding on the green belt where there is already some development, and will allow houses to be built on existing commercial sites without prior planning permission.

Housing secretary Robert Jenrick is expected to say the so-called permitted principle power will give “families the freedom they need to expand their homes and ensure small developers get a fair chance to succeed”.

The chancellor will also inject £4.3bn into motorways and the road network strategy, with billions going to meet “do or die” date the Prime Minister has pledged the set deadline of 31 October – a year if Britain leaves the EU without an agreement on ties from the loss of no-deal guarantee to a deal on 31 October, prompting Boris Johnson’s pledge to leave Manchester.

The Tory conference, traditionally an opportunity for the party to amplify its election message, faces being overshadowed further after reports suggested that opposition MPs were exploring an unprecedented motion to impeach the Prime Minister while others called for his resignation.

Speaking yesterday, Boris Johnson pledged that he would continue to serve in the role and ruled out an election after reports sug- gested he would not let down the protesters. “This government is going to build Britain’s future, and bring in a new infrastructure revolution. Infrastructure is the foundation of everything,” he said.

Concerning its operations and intracompany transactions, filings seen by City A.M. reveal. It has also been contacted regarding its application of tax laws, “some of which may result in litigation.”

The tech firm paid out just £477,284 in corporation tax in the year ending December 2018, falling from £449,802 a year earlier when HMRC first began its questioning. However, Airbnb’s profit for last year rose to almost £2m, up 17 per cent from its £1.7m income in 2017. Like other large tech businesses with a presence in the UK, such as Facebook and Google, the majority of Airbnb’s profits in the region are channelled through its Ireland headquarters. Its UK entities mainly look after operational costs.

Airbnb added that its continued operation via Airbnb Ireland is under “legislative risk”, as the status of legislation governing the firm “remains vague at best.” The company has come under pressure in a number of European regions to ensure its users pay the appropriate tax for letting out their properties to holidaymakers. A legal challenge earlier this year which sought to classify the company as a real estate agent under French law was unsuccessful.

A spokesman said: “We follow the rules and pay all the tax we owe in the places we do business.”

Airbnb said earlier this month it will court a flotation in 2020.

MONDAY 30 SEPTEMBER 2019 | ISSUE 3,467 CITYAM.COM FREE
The City View

More heat than light in Thomas Cook debate

ONE THOMAS Cook was bailed out last week. Thanks to the generosity of friends, family and the Linden Princess Hotel in Rhodes, Thomas Cook’s wedding to Amelia Binch went ahead last Friday. The couple feared all was lost after the travel operator, with whom they had booked a wedding package, collapsed in spectacular style. More than 150,000 passengers were left stranded, triggering the biggest peace-time repatriation in this country’s history. Thousands of Thomas Cook staff lost their jobs, shareholders suffered vast losses and inquiries have been launched from all directions. The Cook-Binch wedding was the only good news to have emerged from the disaster.

Regulators are picking over the remains, trying to identify what went wrong. The Financial Conduct Authority is said to be considering the levels of market disclosure in the run-up to the collapse while the Financial Reporting Council may investigate the roles of EY and PwC as auditors. This is all standard in the aftermath of a corporate collapse of this magnitude, and it is also now standard for politicians to demand their share of the spotlight. Labour’s Rachel Reeves, who chairs parliament’s business select committee, says that the demise of Thomas Cook is “a sorry tale of corporate greed”. Such posturing will look good on the news and on campaign leaflets as a general election looms, but it is simplistic to the point of being crass. The pay and bonuses awarded to the company’s executives in recent years do not sit well on the page next to details of job losses and the accounts of passengers organising a whip-round, mid-air, for Thomas Cook cabin crew. However, given that much of the awards to top brass were in the form of shares that turned out to be worthless, the headline numbers should be put in perspective. This isn’t to let the leadership off the hook. Chief executive Peter Frankhauer denied over the weekend that his company did anything wrong. True, he did all he could in the past few weeks to secure a viable future — or at least buy more time — but if they’re not guilty of greed they’re certainly open to charges of incompetence and arrogance. MPs have an opportunity to conduct a post-mortem on this 178-year-old company, and they should focus on the lessons to be learned from a failure to adapt and innovate in a changing and competitive market. A focus on pay will generate heat, but what’s needed here is light.

raising the BAA

City freemen exercise their right to march sheep over London Bridge as part of the Lord Mayor’s Appeal

A FLOCK of North of England mules made their way — several times — over London Bridge yesterday, as more than 600 freemen of the City of London took up their right to march sheep across the London landmark. Led by former MP and freeman Michael Portillo and accompanied by the lord mayor, the event, organised by the Worshipful Company of Woolmen, is expected to have raised thousands of pounds for the Lord Mayor’s Appeal and the Woolmen’s Charity.

Woodford feels pressure as trust prepares results

HARRY ROBERTSON

@henrygrobertson

NEIL WOODFORD’s position at his namesake investment trust has come under increasing pressure after a collection of damaging write-downs last week. There are signs that tensions between former star stock-picker and the trust’s board are rising ahead of the fund’s half-year results which are due today. The net asset value of Woodford Patient Capital Trust (WPCT), a major investment portfolio, has dropped over 10 per cent in recent weeks after some of its biggest holdings were downgraded in value. The trust’s board is now meeting with new managers who could replace Woodford, the Financial Times reported yesterday, in what would be a dramatic move. In July it emerged that Woodford cashed in on £13m of shares in the WPCT, risking a fallout with directors at the firm and sparking speculation over Woodford’s position. “I have been shocked by what the trust has recently announced,” professional investor and long-term Woodford shareholder Ian Hunter told the newspaper. “Neil Woodford is not a fit and proper person to run it.” Woodford Patient Capital has lost almost 50 per cent of its value in 2019 so far, with shares worth 44p on Friday. Woodford’s troubles began in earnest in June, when he froze his Flagship Equity Income Fund after investors rushed to withdraw their money amid fears over the holding of illiquid assets. On Thursday, the valuation of three WPCT holdings were reduced by Link — the firm responsible for independently valuing the portfolio — the firm said in an update to the stock exchange. In a statement, WPCT said the devaluations “reflect the challenging fundraising environment for these businesses which may impact their ability to or the level at which they may be able to raise capital in the near-term”. Investors’ eyes will be focused on the trust’s results this morning. A worse-than-expected performance would ramp up pressure on Woodford. His woes intensified earlier this month when ally Steven Harris announced he would resign from WPCT’s board.

VW BRACED FOR LARGEST LEGAL CLAIM IN YEARS

Volkswagen is gearing up to fight the largest legal claim of its kind in modern German history, opening the latest chapter in the diesel emissions saga that has already cost the company more than $33bn (£24bn). More than 400,000 German car owners have signed up to a landmark collective lawsuit over emissions test cheating, with the final number set to become clear at the initial oral hearing of the case today.

FCA INCREASES CHECKS ON PROPERTY FUNDS

The FCA has increased its checks on property funds as it steps up its no-deal Brexit contingency planning amid fears of another liquidity crunch in the sector. The regulator has widened the pool of open-ended property funds subject to daily monitoring.

WHAT THE OTHER PAPERS SAY THIS MORNING

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THE TIMES

ROGUE CHIRAC ‘TOOK CASH FROM SADDAM HUSSEIN’

Jacques Chirac was a rogue who accepted bribes of money from Saddam Hussein, the former head of MIS has claimed. Sir Richard Dearlove said that Hussein had given “cash in a briefcase” for China’s successful French presidential campaigns in 1995 and 2002.

UK-FLAGGED TANKER DOCKS IN DUBAI AFTER RELEASE

The British-flagged oil tanker held for two months by Iran has docked in Dubai after being released by authorities. The Stena Impero’s 14 crew members are said to be in “good spirits” after the vessel arrived in Port Rashid.

INVESTOR BACKS CREDIT SUISSE OVER SPYING ROW

Another Credit Suisse shareholder has defended the bank’s bosses as chief executive Tidjane Thiam faces a potentially embarrassing report into the surveillance of one of its bankers this week. The Swiss bank hired detectives to shadow star banker Iqbal Khan when he resigned to join rival UBS.

BOEING HAD SAFEGUARDS BEFORE 737 MAX MODEL

Boeing engineers working on a flight control system for the 737 Max omitted key safeguards that had been included in an earlier version of the same system used on a military tanker jet, people familiar with the matter said.

TRUMP WHISTLEBLOWER ‘IS EXPECTED TO TESTIFY SOON’

The whistleblower at the centre of the impeachment probe of US President Trump will testify in the White House “very soon”, though in a way that will protect his identity, the Democrat leading the probe has said. The whistleblower, whose identity has not been made public, works for the CIA.

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BURFORD FUROR SHINES SPOTLIGHT ON GUERNSEY

Campaigners have criticised a lack of corporate transparency in Guernsey after a senior politician who received lavish overseas trips as a director of a crook-hit Burford Capital failed to disclose them to parliament.

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THE WALL STREET JOURNAL

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AUGUST GRAHAM

The former chief executive of iconic British shoe brand Clarks has embarked on a battle against the company, claiming he was not given a chance to answer misconduct claims before being ousted.

Mike Shearwood will allege at an employment tribunal, starting today in Bristol, that he was given a list of allegations at a board meeting last June, just hours before his departure was announced, the Sunday Times reported.

He claims the charges were trumped up as he was about to blow the whistle on the company’s questionable accounts.

The chief executive is alleged to have called black people “violent”. He is also supposed to have called a wholesale customer a “f***ing faggot”.

The allegations also claim that Shearwood called an Asian woman a “thing”, asked a gay colleague intrusive questions about her sexuality, and boasted about the size of his son’s penis.

However, Shearwood denies the allegations, or claims they were taken out of context.

In a statement, the shoemaker said Shearwood was “fabricating a frivolous and vexatious narrative surrounding his time at Clarks purely with the intent of eliciting a termination payment from the business.”

“Clarks rejects all allegations raised by Mr Shearwood and we stand by our decision in relation to Mr Shearwood’s termination.”

New horizons: BP oil spill boss eyes exit after decade at the top

AUGUST GRAHAM

The head of BP, who stepped into the top job as the company faced the biggest crisis in its history, is preparing to step down as he nears his 65th birthday, Sky News reported over the weekend.

Bob Dudley’s time at the company will be marked by the scramble to deal with the fallout from the Deepwater Horizon spill and fire which killed 11 people, cost BP $60bn (£49bn), and sparked a massive environmental disaster.

His departure would push British finance boss Brian Gilvary and Irishman Bernard Looney to the top of the running to him.

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Figures shown are for comparability purposes, only compare fuel consumption and CO2 figures with other vehicles tested to the same technical procedures. These figures may not reflect real life driving results, which will depend upon a number of factors including the accessories fitted (post-registration), variations in weather, driving styles and vehicle load. There is a new test used for fuel consumption and CO2 figures (known as WLTP). The CO2 figures shown however, are based on a calculation designed to be equivalent to the outgoing NEDC test cycle and will be used to calculate vehicle tax on first registration. For more information, please see audi.co.uk/wltp or consult your Audi Centre. (Data correct at 6 March 2019. Figures quoted are for a range of configurations and are subject to change due to ongoing approvals/dates/ changes).

Please consult your Audi Centre for further information. Figures relate to MY19 stock vehicles only. Image for illustrative purposes only.

At the end of the agreement there are three options: (i) pay the optional final payment and end the vehicle, (ii) return the vehicle subject to excess mileage and fair wear and tear, charges may apply, or (iii) replace or exchange the vehicle.

*With Solutions Personal Contract Plan, 18+. Subject to status & availability. T&Cs apply. Registered by 30/09/19 from participating Centres. Indemnities may be required, £1,000 available on selected stock vehicles only. Not available in conjunction with any other offer and may be withdrawn at any time. Accurate at 08/2019. Free post Audi Financial Services.
THE LAST ever boss of collapsed holiday giant Thomas Cook has laid the blame for the 178-year-old firm’s failure firmly at the door of its lenders.

Former chief executive Peter Fankhauser said if bondholders and a syndicate of banks — including Barclays, Morgan Stanley, Lloyds and Royal Bank of Scotland — had taken action to support a rescue deal faster, the company would not have gone bust.

“The longer the talks dragged on, the more uncertainty grew, increasing the likelihood of a liquidity squeeze,” Fankhauser told the Sunday Times.

“Had we been quicker, we might not be in the situation we are now.”

Thomas Cook had all but clinched a £900m rescue deal spearheaded by Chinese shareholder Fosun. But a late demand for £200m extra funding from the banks ultimately proved too much for the company.

Fankhauser’s tenure as Thomas Cook boss: Look at lenders for the real culprits

Cook chief executive was subsequently ended in abrupt fashion by a phone call from a senior Department for Transport official, who said the government would not step in with the £200m needed to keep the firm afloat.

The next morning, news of collapse put most of its 9,000 UK staff out of a job, along with thousands more overseas.

In an interview with the Mail on Sunday, Fankhauser said he is “deeply sorry” the company went bust.

However, he defended the £8.3m he has been paid since November 2014.

“I don’t think that I am the fat cat that I am being described as,” he told the newspaper.

Last week, MPs announced Fankhauser and other senior Cook executives would be hauled in front of the business select committee to explain the collapse.

The upcoming parliamentary inquiry will focus on what Labour MP and business committee chair Rachel Reeves called the “corporate greed” of top-level bosses.

Record US tariff award for Airbus aid could ignite trade tensions

PHILIP BLENKINSOP

TRANSLATLANTIC trade ties face renewed disruption this week when global arbiters are expected to grant the United States a record award allowing it to hit European imports with billions of dollars of tariffs in a long-running aircraft subsidy dispute.

The World Trade Organization (WTO) has found that both European planemaker Airbus and its US rival Boeing received billions of dollars of illegal subsidies in a pair of cases that have run for 15 years.

Both sides have threatened tariffs after the Geneva body found neither adhered fully to its findings. However, the United States has a head start, with the European Union having to wait until early in 2020 to hear what level of retaliation it can exact over Boeing.

The WTO is expected this week to reveal the amount of EU goods the United States can target. People familiar with the case say the three-person tribunal is expected to award it around $7.5bn (£6.1bn), a record for the 24-yearold watchdog.

Thomas Cook rescue effort to reach 100,000 as repatriation continues

ALEX DANIEL

AUTHORITIES were this morning expected to have rescued 100,000 stranded holidaymakers in the last seven days, since the collapse of travel giant Thomas Cook last week.

The Civil Aviation Authority (CAA) yesterday said it had already brought 93,000 people home, and was planning on a further 15,000 repatriations on Sunday.

Yesterday morning, CAA chief executive Richard Moriarty said the organisation had used more than 100 aircraft as part of the fleet for the rescue scheme, dubbed Operation Matterhorn.

“Although we are proud of our work so far, we are clear that we still have more than a week of the flying programme to manage.”

“The scale and complexity of this operation will inevitably cause some inconvenience and disruption and I would like to thank holidaymakers for bearing with us as we work around the clock to bring them back at the end of their holiday.”

Thomas Cook’s financial collapse early last week left 150,000 people stuck abroad, prompting the mammoth operation coordinated by the CAA and the Department for Transport.
Keep your goods moving to the EU by meeting new regulations

To continue selling goods to the EU, there are steps you need to take now to make sure your business meets new customs requirements. These include getting a UK EORI number, making customs declarations and additional paperwork for the drivers moving your goods.

Follow the step-by-step guide at [gov.uk/brexit](https://gov.uk/brexit)

Get ready for Brexit
Johnson: Arcuri claims ‘politically driven’

ALEX DANIEL

BORIS Johnson has claimed allegations that he gave favourable treatment to businesswoman Jennifer Arcuri during his time as London mayor are politically motivated.

"Everything was done with full propriety," the Prime Minister told the BBC about his treatment of Arcuri’s firm while he was mayor. He added that many people in Westminster and elsewhere were trying to “frustrate” him in delivering Brexit.

When asked if he thought the attack was political, he said: “I think you’ve got to be realistic if you’re in my position. You’ve got to expect a lot of shot and shell.”

Separately, Downing Street has been forced to categorically deny claims that Johnson groped journalist Charlotte Edwards.

A Number 10 spokesperson said: “The allegation is untrue.”

Writing in the Sunday Times, Edwards said Johnson groped her and a woman sitting on his other side at a dinner at the offices of the Spectator magazine in 1999, shortly after Johnson became editor.
MODERNISING THE MARKET

Sebastian McCarthy sits down with former Lloyd’s of London boss Inga Beale to reflect on the marketplace’s reputation after a string of problematic revelations

When something is bubbling under the surface it’s not good. It’s much better when it comes out

Dame Inga Beale previously led the insurance marketplace Lloyd’s of London
UK businesses’ pessimism hits eight-year high

HARRY ROBERTSON
@henrygrobertson
BRITISH businesses were at their most pessimistic in eight years in the three months to September, a survey showed yesterday, as the country’s political crisis dragged down expectations of growth.

The CBI’s latest monthly report showed the gauge of future expectations of private sector activity at its lowest level since December 2011.

Expectations fell across all sub-sectors of the economy: manufacturing, business and professional services, consumer services and distribution.

The CBI’s report also said private sector activity continued to fall in the three months to September, at the same pace as the quarter to August.

It said the fall reflected “a sharper decline in business and professional services, coupled with falling retail sales”.

Rain Newton-Smith, CBI chief economist, said: “Decision-makers in boardrooms across the country have been watching politics [last] week with a heavy heart.”

British politics is in crisis as the 31 October Brexit date grows closer. Last week, the Supreme Court said Prime Minister Boris Johnson’s request that the Queen suspend parliament was unlawful.

The ongoing wrangling over Brexit has driven firms to halt investment due to uncertainty about the country’s future economic position. A global slowdown has provided a tough backdrop, and helped push the UK economy into contraction in the second quarter.

The CBI today once again said it was vital Britain avoid a no-deal exit from the European Union.

Newton-Smith said: “Getting a deal that can pass through parliament, is acceptable to the EU and protects our economy remains the goal.”

“Exiting the EU without a deal will only extend uncertainty, damage our economy and dent hopes of progress on domestic policy.

“What must not be forgotten is the importance of getting the UK economy back on track.”

Lamborghini sells for £6.8m in auction of confiscated supercars

HARRY ROBERTSON
@henrygrobertson
A LAMBORGHINI confiscated from a son of the president of Equatorial Guinea fetched £6.8m at auction in Switzerland yesterday.

It was one of 25 supercars seized by Swiss authorities from Teodoro Obiang Nguema Mbougo, during a money-laundering investigation. Rights groups have labelled the regime one of the most corrupt in the world.

British auctioneer Bonhams ran the sale, which saw the white 2014 Lamborghini Veneno Roadster sell for SFr 8.3m (£6.8m). One of only nine such cars, it is stamped with Obiang’s initials and has only driven 325km (200 miles).

A black 2015 Koenigsegg One Supercar, also previously owned by Obiang, sold for £3.8m.

Third of companies have no Brexit plans as Halloween deadline looms

JAMES WARRINGTON
@_a_warrington
A SENIOR minister has suggested the UK may use EU law in order to deliver Brexit by Halloween.

Confirming revelations in City A.M., foreign secretary Dominic Raab told the Mail on Sunday that EU law supersedes UK law and so in theory the 31 October departure date, enshrined in European law, would be unaffected by UK legislation demanding the government delays Brexit.

As reported in this newspaper, this “legal wheeze” has support among senior Downing Street aides.

It came as a new poll from Santander revealed more than a third of British businesses still have no plans in place for Brexit.

With just weeks to go until the UK is due to leave the EU, 35 per cent of companies said they have no Brexit strategy, rising to 54 per cent among firms that operate solely in the UK.

Almost half of businesses that have put plans in place expect to reduce costs, with a third expecting to reduce headcount and raise prices.

Nearly a quarter are considering moving some business functions overseas, while one in 10 are considering relocating their business entirely.
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Cases against the FTSE 100 drop to a seven-year low

AUGUST GRAHAM

BRITAIN’s top companies are becoming better behaved, new statistics have suggested, as the number of court cases involving FTSE 100 companies dropped to a seven-year low.

Banks led the way, as a decline in claims against banks led to a 65 per cent drop from their peak in the 2015/16 financial year.

But corporations should not rest on their laurels, experts warned today. Raichel Hopkinson at Thomson Reuters, which compiled the data, said that litigation funders have more capital now than they did in the past. And with a global downturn potentially on the horizon, companies should remain vigilant.

“While the flow of legal claims driven by the credit crunch is now ending, there is potential for the global economic slowdown to trigger more of the claims that typically accompany stress in the economy,” she said.

The number of court cases hit 130 during the last financial year, a reduction of 33 per cent. Financial services made up a majority of the cases, at 74. Meanwhile energy giants are among the most prone to litigation, the data revealed. Hopkinson said: “Oil and gas businesses operating in emerging economies were the most prone to litigation, the data revealed. Hopkinson said: “Oil and gas businesses operating in emerging economies were the most prone to litigation, the data revealed.

“The number of court cases hit 130 during the last financial year, a reduction of 33 per cent. Financial services made up a majority of the cases, at 74. Meanwhile, owners of the UK’s only active fracking site were forced to apologise several weeks ago after an earthquake measuring 2.9 on the Richter scale damaged residents’ properties in Lancashire. PAC chair Meg Hillier said: “Brexit is quite rightly an area we have regularly focused much upon but there remain many other serious issues where it is important that government is being properly scrutinised. “Many of our forthcoming inquiries have an immediate impact on the public”.

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Plants capture CO$_2$. We’re finding ways industry can too.

Scientists believe that carbon capture is a critical technology to help meet the world’s ambitious goals for reducing CO$_2$ emissions. We do too. As a leader in both research and deployment of carbon capture technology, we’re working on ways to make it scalable and more affordable. This includes new approaches, like using fuel cells that could capture up to 90% of the CO$_2$ from large industrial sites and capturing CO$_2$ directly from the air. Learn more about the potential of carbon capture at EnergyFactor.uk.
AUSTRIAN conservative leader Sebastian Kurz triumphed in yesterday’s parliamentary election, in which the scandal-tainted far right took a beating and the Greens made gains, leaving Kurz the option of forming a coalition with either of them or others.

The election followed the collapse in May of Kurz’s coalition with the far-right Freedom Party (FPO) after a video sting scandal that forced FPO vice chancellor Heinz-Christian Strache to step down.

Kurz, 33, has emerged largely unscathed from the scandal, even gaining voters from the FPO as it suffered from further allegations last week over lavish and possibly fraudulent expenses Strache claimed from the party.

Projected by opinion polls for months, Kurz’s People’s Party (OVP) came a comfortable first, with 37.0 per cent of the vote, according to a projection by pollster SORA for national broadcaster ORF published soon after voting ended.

The Social Democrats came second with 21.8 per cent, their worst result since the Second World War but still well ahead of the FPO on 16.0 per cent and the resurgent Greens on 14.1 per cent, the projection showed.

But the growing demand for its Asian fast food failed to stem losses, which narrowed from £8.9m to £6m. Itsu said the loss was largely due to continued investment in the firm’s expansion in the US after it opened its first New York branch last.

However, a representative for the chain said its British business is on track to break even this year.
Funding Circle lenders face 16-week cash wait

MICHAEL SEARLES
@michaelsearles

FUNDING Circle is conducting an internal review after it was revealed investors are having to wait more than 16 weeks to withdraw cash.

The peer-to-peer platform told the Times it was “exploring a range of options” to tackle the problem delaying investors from selling their loans in its secondary market.

Funding Circle has around 80,000 retail investors and arranges loans for small and medium-sized companies by linking them with retail and institutional investors.

Since 2010 it has arranged £7.5bn worth of loans to around 72,000 businesses, with investors earning around £290m in interest.

However the review has raised worries that it may become even more difficult to get cash out of the platform.

Those wishing to sell out of their lending positions have faced increasingly long queues since the end of last year as the waiting period has gone from less than one week to more than 100 days.

Funding Circle’s valuation has plummeted 80 per cent since its flotation a year ago at £1.5bn.

Earlier this month the company fell out of the FTSE 250.

It told investors it is “reviewing the functionality of our secondary market to try to ensure the best possible outcomes for customers”.

It also said its terms and conditions “state that loan parts put up for sale will be removed from the queue if they don’t sell within 120 days”.

The firm said it had paused the 120-day condition but was considering enforcing it. How long it takes to sell is dependent on levels of demand from other investors.

Investors can also access funds by stopping their investment through the platform and opting to receive monthly repayments.

Royal Mail searches for new UK director as private firm falters

HARRY ROBERTSON
@harrygrobertson

ROYAL MAIL has launched a search for a director to run its UK operations at a tough time for the former state-owned post monopoly.

Royal Mail’s shares have dropped over 45 per cent in value over the last year as the waiting period has gone from less than one week to more than 100 days.

It told investors it is “reviewing the functionality of our secondary market to try to ensure the best possible outcomes for customers”.

It also said its terms and conditions “state that loan parts put up for sale will be removed from the queue if they don’t sell within 120 days”.

The firm said it had paused the 120-day condition but was considering enforcing it. How long it takes to sell is dependent on levels of demand from other investors.

Investors can also access funds by stopping their investment through the platform and opting to receive monthly repayments.

Police told to probe death of Danske banker

AUGUST GRAHAM
@AugustGraham

AUTHORITIES must investigate the death of a banker who headed up the Danske Bank branch at the centre of history’s largest money-laundering scandal, Estonia’s interior minister has said.

Mart Helme said that he will push for a full investigation into the death of Aivar Rehe, whose body was found on Wednesday.

Police initially said they would not look into the death.

However, the decision raised eyebrows. Rehe headed Danske Bank’s Estonian business between 2006 and 2015 while potentially as much as €200bn (£177bn) was being laundered through the branch.

“I will wait for the report on Monday and then the next steps will follow. This has to be cleared to the public,” Helme said yesterday.

“A person has died and the circumstances of his death have to be investigated.”

Local reports suggested that Rehe, who was missing for two days, was found in his backyard, where police had failed to search for him. Rehe was a witness in the money laundering case.
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the belief in its own invincibility. It unquestionable dominance the firm drivers, rudely interrupted the opponents, business groups and some on the grounds that it was not a “fit to strip Uber of its licence in 2017 TfL, took the controversial decision company firmly in the crossfire of the ing a series of scandals which put the free-wheeling swagger of the past. Transport for London (TfL) two years confronted with Sadiq Khan and company has become since its angry certainly very regularly during the lator’s decision?

“We've been in long and close deceptions, and it also had its ing reports of sexual harassment; the turmoil. An investigation was held into Uber’s workplace culture follow- ing areas. I think it was not necessarily a surprise but not what we would have liked.”

Ostensibly, TfL said it granted Uber such a short licence because it needed further material from the firm before it decided to grant it a longer-term renewal. Commentators were perplexed at this reasoning, with the London Assembly asking what TfL could learn over the next two months that it hadn’t over 15. Heywood says the outstanding issues with TfL are merely “administrative.

“I feel confident these are queries we can address and we can get on with delivering our core business and transport for Londoners,” he says, adding that he is sure the firm will be able to continue in London from November.

It is not hard to see that Uber has faced a rougher ride than its competi- tors. Critics will say this is because the firm has been determined to push the boundaries of regulatory and safety rules, and have praised London for being one of the few cities to stand up to the ride-hailing giant.

PROBLEMS AT THE TOP

Uber’s woes reached a peak in 2017, when then-chief executive Travis Kalanick stood down after months of turmoil. An investigation was held into Uber's workplace culture follow- ing reports of sexual harassment; the firm was caged by various authori- ties for using software designed to deceive regulators, and it also had its business dragged through the courts over the status of its drivers.

In the months leading up to TfL’s recent decision, he vowed to take on the “big boys” at Uber, no matter “how big” their PR budget was or how many lawyers it had. Heywood dismisses the suggestion that the decision was motivated by politics.

“I certainly recognise the statement that he [Khan] didn’t think we should have had a licence two years ago, and I think there’s some truth to that. We at that time were not living up to the standards we were setting ourselves,” he says.

“I think improvements we have made since then and the recognition from TfL show quite how far we’ve come. One of the reasons for that is we listened to TfL and made necessary changes.”

Heywood declines to say whether he thinks Khan is a business-friendly mayor, and when asked what message he thinks TfL’s decision has sent to startups like his, he replies: “I hope the message it sends out to companies entering the ride-sharing space is that safety is the most important thing and is second to none and TfL takes safety extremely seriously, and that’s a message we wholeheartedly share.”

At that time, we were not living up to the standards we were setting ourselves which it currently isn’t. “I think public markets bring increased scrutiny and increased transparency, and I think that just has to be good, particularly for company standards we were setting ourselves,” he says, talking about the need to make transport in cities sustainable.

A SPOT OF TROUBLE

Two years on, Heywood is giving his first UK newspaper interview against the backdrop of the firm receiving a two-month extension to the 15-month probationary licence it won on appeal following the original clash with TfL. The news came as a shock to onlook- ers, who had been expecting a further temporary renewal in line with the 15-month licence granted to rival Ola, which Uber sources had described as “the new normal” when seeking to play down expectations.

Heywood, lambasted by Khan’s opponents, business groups and some drivers, rudely interrupted the unquestionable dominance the firm enjoyed in the capital and ruptured the belief in its own invincibility. It has been making up ground ever since.

UBER WORKS TO IMPROVE ITS RATING

Alexandra Rogers talks to Uber UK boss Jamie Heywood about how far the giant will go to turn its fortunes around in London
The UK’s biggest accountants have come under intense fire this year, with regulators and MPs continuing their campaign to shake things up. Some firms have started to reform themselves while the challengers have sensed an opportunity. It’s a time of great change in a troubled sector, but bright spots are still visible, as our nominees show.

**Placing the beans of growth**

The UK’s biggest accountants have come under intense fire this year, with regulators and MPs continuing their campaign to shake things up. Some firms have started to reform themselves while the challengers have sensed an opportunity. It’s a time of great change in a troubled sector, but bright spots are still visible, as our nominees show.

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**The nominees**

**MAZARS**
French accountancy firm Mazars pulled off the major auditing coup of 2019 in May when it won a tender to act as Goldman Sachs’ European auditor. Mazars continues to argue for joint audits in the UK and beyond as the best means of shaking up the sector. In July, meanwhile, Mazars announced a new North America alliance, giving its clients access to 16,000 professionals from five accounting firms in the US and Canada.

**BDO**
The biggest audit sector merger of the year came in February when BDO and rival firm Moore Stephens became one, creating the largest accountancy firm in the UK outside the Big four. The deal created a firm with a UK workforce of around 5,000 people and revenues close to £600m. Throughout the rest of the year BDO has mopped up a series of competitive tenders to audit investment platform AJ Bell, housebuilder Galliford Try and retailer Halfords.

**DELOITTLE**
Hundreds of partners at Deloitte are celebrating their biggest payday in a decade after average profit per equity partner jumped £882,000 in the latest financial year. The Big Four firm recently revealed revenues of nearly £3.97bn. The firm said 32 of the 78 partners promoted in the UK this year were women, meaning 21 per cent of all partners are now women. Deloitte has continued to win big tenders, securing the mandate to audit FTSE 100 building company CRH.

**COGITAL**
Challenger accountancy firms have caught the attention of private equity and one of the most coveted companies is Cogital, founded in 2016 by former Deloitte global chairman John Connolly. A proposed £1bn sale of a stake in the business, which has made a number of acquisitions of its own in recent years, fell through recently but alternatives remain on the cards. Cogital uses artificial intelligence to stand out from its competitors and has revenues of around half a billion pounds.

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Spotting phishing emails likened to game of chance by security experts

JAMES WARRINGTON
@j_o_warrington

FRAUDULENT emails pose the greatest cyber threat to businesses, as the chances of an employee spotting one are extremely slim, according to a report published today.

Cybersecurity wonks said that employees’ inability to identify malicious messages rendered email the most vulnerable access point for most companies.

The report, co-authored by poker champion Liv Boeree, said the chance of an employee spotting a phishing email was as slim as hitting a specific number on a roulette wheel.

“People’s use of and reliance on email is businesses’ greatest security vulnerability,” said Morten Brogger, chief executive of communications platform Wire.

“More secure modes of communication and collaboration with end-to-end encryption need to become the standard as email recedes into the past.”

Astrazeneca and GSK to release new cancer drug

LUDWIG BURGER

GLAXOSMITHKLINE (GSK) and Astrazeneca both reported trial results that will likely make their competing drugs available to a wider group of ovarian cancer patients, possibly helping GSK catch its rival in a highly contested drug class.

The two said separately on Saturday their drug candidates — in a class known as PARP inhibitors — staved off the return of metastasized ovarian cancer in women who had responded to and completed standard treatment, reducing the risk of a relapse.

Astrazeneca and its US development partner Merck & Co said their Lynparza trial worked on the assumption that patients get an initial treatment of chemotherapy plus Roche’s Avastin, the trial with GSK’s Zejula included only patients who had initially gone through chemotherapy only.

Astrazeneca argues that more than half of advanced ovarian cancer patients in developed countries already get Avastin, with the rate increasing, while GSK says concerns about side effects may speak against the Roche drug.

Both companies, which are competing to burnish their oncology credentials, showed that not just the small group of women with mutated BRCA genes can benefit as the results also covered the full variety of ovarian cancer.

Many cancer cells have a limited ability to make DNA repairs during cell division, as healthy cells would. This feature makes tumours genetically volatile and helps them develop resistance to treatment over time.

Drug makers try to use that to their advantage with PARP inhibitors, which block what is left of the DNA repair mechanism.

While the report identified email as the greatest threat to business, it revealed costly ransomware attacks remain a significant risk.

The odds of suffering a denial of service attack, in which hackers take a company’s website offline by flooding its servers with traffic, are now 50/50 amid “tossing a coin” according to the report.

Overall, the research found that businesses are as likely to go bust as a result of a cyber attack as a startup is to collapse due to a lack of funding.

Iran oil industry ‘must be alert’ to cyber threats

HARRY BANKS

IRAN’S oil minister told the petroleum industry yesterday to be on alert to physical and cyber attacks, amid heightened tensions with the US in the Gulf region.

US media reports have said Washington was considering possible cyber attacks against Iran after the 14 September attack on Saudi Arabia’s oil sites, which US officials blamed on Tehran.

Iran has denied the charge.

“All companies and facilities of the oil industry should be fully alert to physical and cyber threats as sanctions target the petroleum industry,” oil minister Bijan Zanganeh said in a statement.

Reports on social media had said there was a cyber attack on some petrochemical and other companies in Iran on 21 September, although a state body in charge of cybersecurity denied there had been a “successful” attack.

Iran last week said it was inspecting security at key Gulf oil and gas facilities, including assessing preparedness for cyber attacks.

Iran has long been on alert for cyber threats, after the US and Israel covertly sabotaged Iran’s nuclear program in 2009 and 2010 with a computer virus, which destroyed Iranian centrifuges that were enriching uranium.

Italian economy minister hints at 2.2 per cent deficit target in budget

GAVIN JONES

ITALY’s economy minister suggested yesterday that the country’s budget deficit would be set at around 2.2 per cent of domestic output next year, stressing the need for flexibility as Rome tries to reinvalidate growth without reigniting friction with the European Union.

Roberto Gualtieri said in an interview with Rai state TV that the 2020 deficit would be “a wise midway between 2.04 per cent and 2.4 per cent” of gross domestic product (GDP).

He made reference to last year, when the previous government originally set a 2019 deficit target of 2.4 per cent, only to reduce it to 2.04 per cent after an increase in yields on Italian bonds and a tussle with the European Commission.

“We need to use all the flexibility available,” he said.

The 2.2 per cent deficit is seen at around 2.0 per cent of GDP, deputy economy minister Antonio Misiani said last week.

The cabinet is due to sign off on the new targets in the treasury’s economic and financial document at a meeting today.

On Saturday, Rome said it would target its budget deficit at around 2.2 per cent of GDP next year.
China calls for calm resolution to US-Sino spat

RYAN WOO

China hopes Beijing and Washington will resolve their trade dispute “with a calm and rational attitude”, vice commerce minister Wang Shouwen said yesterday, ahead of talks in two weeks between the two sides.

The United States and China have beenlocked in an escalating trade war for over a year. They have levied punitive duties on hundreds of billions of dollars of each other’s goods, roiling financial markets and threatening global growth.

A new round of high-level talks between the world’s two largest economies is expected in Washington on 10-11 October, led from the Chinese side by President Xi Jinping’s top economic adviser, vice premier Liu He.

Wang, who has been part of China’s negotiating team with the United States, told a news conference that Liu would go to Washington for the talks the week after China’s National Day holiday, which ends on 7 October. He said he hoped both sides would find ways to resolve their differences. “We believe this will benefit both countries’ people,” he added.

The Trump administration is considering radical new financial pressure tactics on Beijing, including delisting Chinese companies from US stock exchanges.

Sources on Friday revealed that the move would be part of a broader effort to limit US investments into Chinese companies, in part because of growing security concerns about their activities.

China has hit back at US criticisms about lack of market access for US firms, forced technology transfers and poor protection of intellectual property.

Wang reiterated that China will open up more sectors of the economy to foreign investors, and its policy of protecting foreign companies’ rights in the country will not change.

Earlier, commerce minister Zhong Shan told the Beijing news conference that Chinese companies faced many difficulties due to the trade frictions.

Hungary will remain part of the European Union, says PM Orban

GERGELY SZAKACS

HUNGARY has no plans to leave the European Union, Prime Minister Viktor Orban said yesterday, adding however that eastern and western members of the bloc must find a compromise over the bloc’s future.

Orban, in power for nearly a decade, has often been at loggerheads with Brussels, including over his refusal to take in migrants under an EU quota scheme and his efforts to tighten control over the media, the judiciary and academic institutions.

His combative stance has prompted speculation that Hungary might at some stage follow Britain’s example and leave the EU, though it provides billions of euros worth of funding to its poorer ex-communist member states.

The EU is now seeking to make the case that generous assistance conditional on upholding the rule of law.

“We are a member of the Union and will remain a member,” 55-year-old Orban told a congress of his ruling Fidesz party.

Italian prosecutors investigate wife of Eni chief in Congo graft inquiry

EMILIO PARODI

ITALIAN prosecutors are investigating the wife of Eni’s chief executive officer as part of a wider probe into allegations of corruption involving the oil and gas major in Congo Republic.

State-controlled Eni has previously said it was under investigation by Milan prosecutors for corruption in Congo Republic from 2013 to 2015.

The company has denied the allegations.

Prosecutors told a court this year that five people were being probed, including Eni’s former head of sub-Saharan Africa, who denied any wrongdoing.

Milan prosecutors have now added Marie Magdalena Ingoba, the wife of Eni boss Claudio Descalzi, to their list of suspects, according to a prosecution document seen by news agency Reuters.

A person with direct knowledge of the investigation confirmed the addition of Ingoba’s name to the list.

The corruption case revolves around agreements signed by Eni’s subsidiary in Congo with the African nation’s ministry of hydrocarbons for exploration and production permits.

It also revolves around partners Eni picked for its contracts.

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THE FTSE 100 hit a near-two-month high on Friday, outperforming European peers, as exporters were bolstered by an ailing pound after a meeting of the US-China trade deal also lifted the mood.

The globally-exposed FTSE 100 jumped more than one per cent, surprising investors in the black thanks to high levels of uncertainty over Brexit persist.

That high levels of uncertainty over Brexit were being solved also helped sentiment after China said on Thursday it was in close negotiations which are supposed to start on 10 October. That is where the US-based fear would come from,” said Michael O’Rourke, chief market strategist at JonesTrading in Greenwich, Connecticut.

Adding to the negative momentum, the S&P 500 index fell 70.87 points, or 0.26 per cent, to 26,830.25, the S&P 500 lost 15.83 points, or 0.53 per cent, to 2,961.79 and the Nasdaq Composite dropped 91.03 points, or 1.13 per cent, to 7,939.63.

The three main indexes ended lower in a volatile week, which included US stocks trading at $91,033.44, jumped 5.2 per cent after the brokerage Jefferies said Brexit risks had been overplayed in the sector, and upgraded the stock. A sub-index of housebuilders touched its highest level in almost a year.

Offshore oilfield services contractor Gulf Marine pared earlier gains to end two per cent up after signing a deal with lenders to provide cash till year-end, while mid-cap utility Pennon jumped more than one-year high.

Housing firm Persimmon qualified Brexit years amid sharp gains

Leading gains on the main index, Britain’s second-largest housebuilder, Persimmon, jumped 5.2 per cent after the brokerage Jefferies said Brexit risks had been overplayed in the sector, and upgraded the stock. A sub-index of housebuilders touched its highest level in almost a year.

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TOP RISERS
1. Persimmon Up 5.22 per cent
2. Kingfisher Up 3.62 per cent
3. Smurfit Kappa Up 3.35 per cent

TOP FALLERS
1. Fresnillo Down 3.73 per cent
2. Polymetal Down 2.51 per cent
3. Imperial Brands Down 1.33 per cent
Something rotten: A plague on both Trump and the Democrats

HARKISPEAR, as ever, said it best. Biden’s enigmatic, mercurial, unreasoning duel between the two aristocratic families of Verona, the Montagues and the Capulets. Aply summing up the poisonous atmosphere which directly led to his death, Mercurio damns both with the piercing phrase: “a plague on both your houses.”

This is precisely how I feel about both the feckless, self-frightened, self-enriching, self-righteous Republicans as they head down the rabbit hole of impeachment.

The problem with the impeachment crisis is that absolutely everyone is right about absolutely everything – both parties are practically and morally awful.

I have pondered over these past two years trying to depose Donald Trump through the Mueller investigation into Russian interference in the 2016 election, now think that they have a better chance with the present Ukrainian whistle-blower crisis.

A senior anonymous CIA officer al- legedly said to me that Trump “is a sec ond-hand source (he admits that he wasn’t there to authenticate this) that Trump’s records are now the new Ukrainian President, Volodymyr Ze lensky, to dig up dirt on one of his Democratic rivals in 2020, former vice president Joe Biden.

And so, indeed, the transcript notes released of their telephone conversa tion do not make for pretty reading. While the President is correct in that there is no explicit quid pro quo mentioned during the call, then there is the question of who paid for Kovy before he had held up, and would only be a genuine Democratic quid pro quo. But let’s pause a moment and look at the equally reliable Democrats.

Quite literally, a highly-minded Remainers in the UK who talk of parliamentary sovereignty while dreaming of thwarting the will of the people, the Democrats’ motives for impeachment are highly suspect. Using anonymous sources, armed with second-hand information, it seems that congressional Democrats are prepared to hound Trump by whatever means possible – still attempting to overturn a 2016 election result that horrifies them. They have increasingly becoming appalling carbon copies of their great adversary. And that’s without delving into the muck and the mire, like a spoilt child who cannot help pick ing a scab, no matter how many times his parents plead with them to do so.

The obvious conclusion is that he should have been the moment for his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals moving with his Democratic rivals. Remainers in the UK who talk of parlia ments, in other words, the political risk for the US is the US.

For more than a century, the Library of Congress has been the sole custodian of the printed word. Today, with so much of our history and culture stored in digital form, it is more important than ever that we preserve the materials that are the foundation of our democracy.

“Let’s celebrate the London firms working towards a fairer, more inclusive society”

LETTERS TO THE EDITOR

Face the public

[Re: The Fixed-term Parliaments Act is to blame for this utter chaos]

Any law that has an unintended consequence as the Fixed-term Parliaments Act (FTPA) of 2011? This is its fault. It did not stop Brexit. The 2019 election was a choice for the UK, and the choice was not the one that the government had promised. The result was a hung parliament, and the government was forced to seek the support of other parties to pass its legislation.

It is a law that is now being challenged in the courts, but it could never have been enacted without the support of the House of Commons. That is the law that has now been challenged, and it is one that needs to be changed.

[Re: The election will be decided by:]

1) The Tories’ ability to squeeze the Labour 2) The Lib/Lab split among the Remain vote in Eng and Wales 3) Whether the UK goes on the agenda (tax, crime, NHS, housing, environment)

The election will be decided by what happens in the next few weeks. The Tories have a narrow lead in the polls, but a strong performance from the Labour Party could change everything.

BEST OF TWITTER

S WELL as being the top hub for finance, London is also one of the fastest, most innovative, most culturally diverse cities in the world. It is a city that is constantly changing, always pushing the boundaries of what is possible.

In a few months, after a gen election, MPs will wake up seeking employment in the real world. Like every graduate who regrets sharing their drunken adventures on Facebook, they might bear in mind that HR departments are becoming more and more cautious in what they ask of their candidates.

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Alone again? Cities can drive connection in an isolated world

WALKING across London Bridge in the morning is to feel part of a truly connected and global city. The sheer diversity of ethnicities and languages would make it difficult to say in which country this city lay. Most buildings host coffee shops and restaurants bustling with people. Offices are increasingly occupied by small businesses with shared and open working spaces. Many of these enterprises were unimaginable a decade ago; today’s workers are undertaking jobs and performing tasks that did not exist until very recently.

This is the future; confidently challenging, energetically disruptive, and all based on hyper-fast communication and the ability to manage data on a huge scale. But is London really as connected as we would like to think?

The City Corporation estimates that over 500,000 people enter the Square Mile every day to work. But how many need to? What proportion of those commuters travel in order to sit in serried ranks of identical desks looking at screens, communicating with someone a few metres away in exactly the same way as they do with colleagues on another continent? Is this connectedness? In our drive to make communication efficient, have we condemned the majority of our workforce to an isolated professional life, where their connectivity is mediated and controlled by algorithms and emails? A connected world requires shared values and rules, mutual trust, and communication. The post-War years are meant to have provided us with all of the these. Trade deals, global institutions, and the internationalisation of the workplace through the mobility of people secured not just peace but growing prosperity.

Those countries that did not engage lost out and stagnated. But shared global progress has stalled. Multilateral agreements, regulations, standards are coming apart. They being replaced, occasionally, with bilateral deals, but more commonly with divergence and barriers. We are entering a world in which all the tools of global business are focused on collaboration and connectivity, but where politics and international relations are going in the opposite direction.

And on an individual level too, connectivity is more important than ever. Both businesses and people across the UK need to be able to take advantage of new technologies and innovations to help themselves and drive economic growth, but there is a danger that the digital revolution risks leaving some people behind.

This idea is so important that the current lord mayor has chosen it as the theme for his year in office. He has repeated this message around the world to emphasise the role that London can and must play in leading global change, as well as entrenching businesses to ensure that their workforces are not becoming isolated.

In these fast-moving and uncertain times, there are some key questions which businesses, policymakers and individuals alike must confront. Are our connected cities swimming against a worldwide tide of constructing barriers? If connectivity is to be at the heart of the fourth industrial revolution and the engine for the twenty-first century, how does London fight against the walls being thrown up by demands for sovereignty and security? And has the digital revolution genuinely liberated people within the workplace, or are connected businesses really just full of isolated and lonely people?

These are questions to ponder next time you cross London Bridge and see the city rising up before you. Now it’s time to take the conversation further.

The tools of global business are focused on collaboration, but politics is going in the opposite direction.

DEBATE

Is the US regulatory assault on vaping misguided from a public health perspective?

While it is undoubtedly a tragedy for the individuals impacted by vaping-related illness and their families, the US government’s assault on e-cigarettes will harm larger public health efforts. Many public health officials in different countries agree that vaping is a huge net positive to public health as it moves consumers away from traditional cigarettes. Research has found it to be almost twice as effective at getting people to quit cigarettes than other smoking cessation techniques.

Making vaping devices and e-liquid more difficult to access will either push people back towards cigarettes, which we know are responsible for far more illnesses and fatalities, or drive consumers to the black market – which is exactly where this problem originated. The issue here isn’t vaping as a whole, but the black market provision of contaminated vaping liquid which has been linked to the cases of illness.

If the US wants to protect consumers, regulators need to tackle the black market, not make it harder to access reduced-risk products.

Richard Burge is a member of the Financial Services Group of Lloyds Companies, which is hosting a panel discussion on this theme on 9 October, chaired by City A.M. Editor Christian May. More information is available at leggogoflondon.com/events.

Martin McKee CBE is professor of European public health at the London School of Hygiene and Tropical Medicine.

Morgan Schondelmeier is head of development at the Adam Smith Institute.
Many economists will remember 2019 as the year of the monetary policy U-turn by central bankers around the world.

At the end of 2018, the US Federal Reserve, which tends to lead the herd, signalled multiple rate hikes in the year ahead. Just three months on, its forecasts were cut sharply to zero and by July the central bank had cut its benchmark interest rate by 25 basis points for the first time in eleven years. The Fed has since lowered rates by a further quarter point and hinted that a third-rate cut could be on the cards before year-end. But it is not just the Fed that has turned considerably more dovish. The European Central Bank recently announced its biggest batch of monetary stimulus and rate cuts in three years. China followed suit with its second cut in as many months to its new Loan Prime Rate. Central banks in Australia and New Zealand have both slashed their official cash rate to a record low of 1 per cent and the Bank of Japan suggested that rates could be cut deeper into negative territory at its meeting this month.

This major shift has been driven partly by concerns about the US-Sino trade war, which incoming ECB President Christine Lagarde said, “weighs like a big, dark cloud on the global economy.” It is also partly down to fears of an impending global recession. This summer the two and 10-year US yield curve inverted, a phenomenon that is closely monitored by Wall Street as the flip has preceded every recession since 1950. Morgan Stanley predicts we could face a global recession as early as next year.

The Bank of England now looks decidedly lonely in its monetary paralysis. The Monetary Policy Committee voted unanimously to keep rates on hold at 0.75% at its latest meeting for the fourteenth consecutive month, despite the cloud of economic uncertainty around Brexit. UK GDP unexpectedly contracted by 0.2% in the three months to June, the central bank recently downgraded its forecasts for growth in the current quarter and August’s PMI figures saw British manufacturing activity contract at the quickest pace in seven years. Nonetheless Threadneedle Street has indicated it is likely to go further against the global grain with a hike rather than a cut as its next move. The rationale is that a smooth exit from the European Union would deliver a rebound in capital spending, investment and in turn the broader economy. This could bring about some inflationary pressures, warranting higher rates to offset any overheating.

There is however a major disconnect between rate expectations from the Bank of England and financial markets, with the latter projecting a considerably more dovish path ahead. That is because traders are pricing the risk of a no-deal Brexit and an accompanying rate cut. In the case of a disorderly Brexit, there are in fact arguments for both rate cuts and increases. Governor Mark Carney estimated the worst-case scenario could shave 5.5% off the UK growth. A rate cut would help stimulate the demand side of the economy, which is likely to take a hit amid concerns by households and businesses about the future. However, a no-deal also comes with considerable inflationary risks, which could require higher rates. Similar to the aftermath of the 2016 referendum, a no-deal “crash out” Brexit is expected to bring about a sharp slump in the value of the pound. The Bank of England estimates that a 5% currency depreciation increases consumer prices by 0.9% in the long term. There could also be inflationary shocks through the supply side of the economy as Britain’s relationship comes under pressure with its biggest trading partner, the EU. If aggregate supply under-shoots demand, everything else being equal, price levels will rise.

So, with the economy and politics still plagued by an uncertain future, the Bank of England will face big decisions ahead about what to do with that famous bowl of punch.
I’ve fallen down a social media rabbit hole. I’ve been scrolling through the feed of an online influencer called “Lil Miquela”, and watching her videos on YouTube.

Her Instagram is just like any other influencer account. There are pictures of her on nights out with friends, several of her posing in trendy clothes, even a post about breaking up with her boyfriend. She’s fairly successful, having appeared in a Calvin Klein ad alongside supermodel Bella Hadid, and has 1.6m followers on Instagram.

The only thing is, she is not real. She’s a fictional character, created using computer-generated imagery (CGI). Miquela doesn’t hide this fact – she calls herself a “robot” in her bio. She is the invention of LA-based media studio Brud, which describes itself as creating “digital character-driven story worlds”. As well as Miquela, Brud is behind the virtual avatars Bermuda and Blawko.

Miquela and her CGI colleagues are the most prominent examples of an emerging category in the influencer marketing space: the virtual influencer. But they are not the only ones. There’s Shudu, who claims to be the world’s first digital supermodel, with 189,000 Instagram followers, and Noomoon, who has over 300,000 followers and is described as a “digital character, activist, and vegan”.

Despite the uncanny valley reaction triggered by their dull eyes and shiny, plastic-looking skin, these virtual characters do appear unnervingly realistic. But what’s the purpose of these CGI creations – and why are they rising in popularity?

Some have been created as art projects, drawing attention to the absurdities of social media. Others appear to be PR stunts, allowing studios like Brud to advertise their capabilities to potential clients. But many work exactly like their human counterparts, created with the intent to promote products. Virtual characters can be superimposed into any scene, wearing any clothes and holding any item, appearing alongside human models or other CGI avatars – and thus make money from the booming influencer marketing industry.

And for brands, virtual influencers do offer advantages over their fleshly counterparts. “CGI influencers will always look immaculate,” says marketing expert Scott Guthrie. “There is no need for them to succumb to perpetual dieting, gruelling beauty regimes or cosmetic surgery. They do not age or fluctuate between dress size, and they will always turn up for photoshoots on time.”

There’s also very little chance for a virtual influencer to go off-message and embarrass a client – an important benefit, given the stories of influencer-related scandals, which can create a reputation risk for brands.

“When working with a real person, there is a slight risk that that person might come out at a later date and make a comment or behave in a way that does not align to the brand’s ethos,” says Ben Jeffries, co-founder of marketing platform Influencer.

“So, content featuring virtual influencers can be perfectly edited to fit the brand’s requirements. Should content be produced and the brand want to change something, the designers can go back into the CGI and make those edits – something they’d likely be unable to do had they worked with a human being.”

But that doesn’t mean working with virtual influencers is risk-free. As Jeffries points out, characters like Miquela are still created and managed by real people. “It could be argued that a mistake by a virtual influencer is more damaging than a human one, as responsibility lies more heavily with the brand that created the campaign,” he adds.

Regardless of the risks, these CGI celebrities are proving popular, and some brands are now creating their own digital characters. For instance, in April KFC created a virtual influencer version of Colonel Sanders.

“What KFC has done is an extremely smart way for a brand to work with a virtual influencer. They have created their own perfect influencer – one that embodies their brand, but for his lack of body,” says Jeffries.

The most prominent brand-owned virtual influencer is Daisy, who was created by online fashion retailer YOOX – part of the Net-A-Porter empire. Originally designed as an avatar for the brand’s AI-powered virtual styling app, Daisy has now “taken over” YOOX’s Instagram account, and is able to interact directly with its customers and followers, according to Giuseppe Tamola, the company’s brand and marketing director.

“Since her takeover of the Instagram account, as a result of her friendly and direct tone of voice, we have seen an incredible upsurge in the number of followers and in the engagement rate, which is exactly what we wanted to achieve,” he says.

Functionally then, is there any difference between a virtual influencer and a brand mascot like Tony the Tiger or Compare the Market’s meerkat? Yes, says Carlos Gil, author of new book The End of Marketing.

“Pre-social media, your brand mascot didn’t have a way to interact with your customers,” he says. “Today, with the rise of social media, the face of your brand should be... a face. Whether it’s an artificial influencer or a human, having a real face that resembles the likeness of your customers and who can interact with your customers can go further to driving brand loyalty than a cartoonish mascot ever did.”

The oldest part of this trend is that characters like Miquela are objectively not real, and yet are very popular, while a human influencer’s career could be ruined if they were accused of being fake or inauthentic. But Guthrie doesn’t see the problem. “I’d argue that Lil Miquela is more real than many influencers on Instagram,” he says. “She promotes positive social change, and her backstory and life arc are expertly curated to communicate what it means to be human.”

Yet these virtual influencers raise some uncomfortable questions. For a start, is there the potential for automated avatars to put their human counterparts out of a career?

More troublingly, do Miquela, Daisy, and Shudu reinforce unrealistic beauty standards, with theirstick-thin figures and flawless skin? Should we be concerned that people are so quick to follow and trust these fundamentally fake creations? Could brands misuse virtual influencers in some way to trick and misguide consumers?

Perhaps these are overreactions, but they are the fears that spring to mind whenever I see the never-ageing, ever-perfect face of Lil Miquela.
There’s a human silhouette looming out of the depths. The waves above have churned up the sand below, and now the sediment coils above the seabed like a strange mist, like something out of a Stephen King novel.

I pop my head above the surface to fill my lungs with as much air as they can carry, tip myself forwards and thrash my legs around in what I assume must be the correct fashion, swimming deeper and deeper until the figure finally becomes clear. At the bottom of the bay, between two coral reefs in a sun-dappled sandy patch, is a figure of a man, at a desk, on a typewriter.

The underwater sculpture park of Grenada is the first of its kind in the world, and one of the most popular snorkelling sites in the Caribbean. Situated in 800 square metres of protected conservation area just off the island’s western coast, this collection of ghostly statues – made of concrete and fixed to the seabed by rebar – is very slowly being reclaimed by the ocean. Shoals of fish move among a ring of children holding hands, some toppled over and caked in barnacles. It is a bizarre sight, and feels a million miles from land.

The capital of Grenada is St. George’s, a densely built town set in a horseshoe shaped bay of an old volcano crater, and overlooked by a crumbling fort built by the French in 1705. It’s now used as by the town’s police as a gym. In the centre of town, a set of converted French barracks from the same era – at one stage used as a prison, and at another as the island’s first hotel – now houses the Grenada National Museum, which on sunny weekday afternoons is staffed by a single snoozing man.

Here you’ll find artifacts and tools from the island’s ancient indigenous past, as well as its long and often violent history at the centre of the Caribbean nutmeg trade. Grenada is known as the spice island for its many nutmeg plantations, which produce not just the nutmeg spice, but the mace used in incapacitating sprays. Grenada still produces 40 per cent of the global crop today. Pub quizzers might also like to note that the nutmeg holds such a hallowed place in Grenadian society that it appears on the country’s flag.

The top floor of the museum is dedicated to more recent history. In 1983, and over a period of four days, Grenada was invaded by the United States in order to restore power to the previous government, which had been deposed in a communist coup shortly after the country became independent from the United Kingdom. The invasion of a Commonwealth country drew international criticism at the time, including from Thatcher, though today the date of the invasion is celebrated as Thanksgiving Day, as Grenadians broadly supported the restoration of the democratic process.

Vestiges of Grenada’s communist past can be found on a drive around the north edge of the island, where taxis take a shortcut to Grenville through the abandoned Pearls Airport. Now just an overgrown strip of broken concrete bordered on both sides by low green hills and used for illegal drag races, it was captured by the Americans on the first day of the invasion in order to prevent resupplying from Cuba.

At one end of the airstrip is the hollow carcass of a Cubana Airlines passenger plane, and at another is a former Soviet crop duster with the letters CCCP barely visible on the fuselage. An unexpected piece of Cold
A ny trip around the island should include a stop at Rumboat Retreat on Mount Nesbit, where founder and rum expert Lisette Davis offers educational tasting sessions. She’s launched bars in London, and is partly responsible for bringing the third wave of tiki to the United Kingdom. If you’ve recently been inside a Polynesian-themed bar and wondered why, the answer is Lisette.

The retreat, also a boutique hotel, is surrounded by dark forests and endless views. The host doesn’t shy away from diving into some of the less scrupulous practices of the rum industry either, highlighting how loose regulations allow rum to be confusingly labelled or artificially coloured to entice customers. She rolls her eyes at fancy, attention-grabbing bottles, but is enthusiastic about her trade, demonstrating the finer flavours and nuanced textures of some truly excellent rums.

Distilled at the nearby River Antoine Rum Distillery and popular across the island is Rivers Rum. This clear spirit is distilled to up to 89 per cent ABV, so strong that airlines will refuse to allow you to board with a bottle as it poses a risk of exploding.

The drinks menu at Spice Island Beach Resort is a little more refined. It’s an elegant spot along the finest beach on the island – Grand Anse – and offers an all-inclusive service, with a daily-restocked bar in your room as well as a private terrace and swimming pool in some suites.

Along the beach is the recently opened Silversands Grenada resort which, in contrast to the traditional colonial style of the more established Spice Island, is a gleaming maze of sharp lines and architectural angles. Its infinity pool stretches from the lounge to the beach, and at one hundred metres is the longest pool in the Caribbean. The hotel’s Tesla Model X transfers you from the airport to the hotel and back, and the rum bar sells a $70,000 bottle of Hennessy cognac.

I think I’ll take my chances with the exploding stuff.

**NEED TO KNOW**

Rates at Silversands Grenada start from $800 per night, including: private airport transfers; daily breakfast; complimentary selection of soft drinks, coffee, bottled water and beer from the private bar. Visit silversandsgrenada.com

To find out more about Spice Island Beach Resort and to book your stay visit spiceislandbeachresort.com

British Airways flies direct to Grenada from Gatwick. To book visit ba.com

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LORENCE Nightingale once wrote: “Little as we know about the way in which we are affected by form, by colour, and light, we do know this: that they have an actual physical effect. Variety of form and brilliancy of colour in the objects presented to patients, are actual means of recovery.”

That’s a quote from someone who had a real understanding of how our surroundings can affect our mental health. Of course, she was speaking about medical patients in hospital, but studies continue to show that what we see and interact with directly impacts our happiness and productivity.

Over the course of the past two years, we have seen a marked uptake in businesses, hotels, and university accommodations asking to rent artworks with the sole purpose of improving the spaces for their workers, guests, and students. Companies across sectors are now actively seeking the benefits of art and art’s engagement for the workplace, as the happiness and productivity of their employees is paramount to securing a healthy bottom line.

But productivity is notoriously hard to measure. What makes me more productive in my job, compared to others? If I asked each member of my staff if they thought they were being productive, I would imagine most would say that they were. It is a natural response, and measuring our own productivity is entirely subjective.

What we do know from a 2017 study by the All-Party Parliamentary Group on Arts, Health and Wellbeing is that four out of five individuals enjoy greater wellbeing if they participate in arts and culture activities.

Another recent study by Dr Craig Knight, of the Identity Realisation Research Group, found that during a 12-year study, people worked 15 per cent more quickly in spaces with art and plants, compared to spaces containing only the things necessary to complete their tasks.

This figure doubles to over 30 per cent for spaces where participants had a say in curating the art. So if you empower your employees and give them creative agency over their environment, it has been proven to have a positive impact on productivity.

We know this, so why are the employment benefits offered to staff often limited to a gym membership, cycle-to-work schemes, fresh fruit boxes, and a team night out with the company Amex behind the bar?

As we become more attuned to our mental health and the psychological impact of daily life, stimulating our creative receptors during our working day has to be beneficial. If employees are engaged and happy at work, it follows that there is a reduction in staff turnover, and positive impact on productivity.

Anxiety UK states that a good employer “values, supports, and invests in its staff, not simply because of the impact that sickness absence has on the business and brand” but because “creating a mentally healthy workplace improves productivity and profits... and reduces significant costs relating to staff turnover, underperformance and untapped potential”.

We can certainly see that more and more employers are looking to take care of their workforce, both physically and mentally. So if seeing a few pieces of art can brighten your day, why not hang something up?

Patrick McCrae is chief executive of art rental consultancy Artiq.

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PUT PENCIL TO PAPER

SketchBook – draw and paint Free

It’s one thing to stare at a painting, but it can also be stimulating to create your own art. The simple act of doodling can allow your brain to be spontaneous and come up with new ideas and solutions.

This app enables you to turn your device into a sketch pad. Use your finger or a stylus to draw, and select from dozens of pencil, pen, and brush lines to create your own masterpiece.

Patrick McCrae is chief executive of art rental consultancy Artiq.

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COFFEE BREAK

SUDOKU

KAKURO

Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it. You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once, but it must be in a separate block.

WORDWHEEL

Using only the letters in the Wordwheel, you have ten minutes to find as many words as possible, none of which may be plurals, foreign words or proper nouns. Each word must be of three letters or more, and must contain the central letter and letters in each cell can only be used once in every word. There is at least one nine-letter word in the wheel.

Quick Crossword

Across
1 Harvested (6)
6 Type of monkey, macaque (5)
7 Correspond to (6)
9 Practice of cleanliness (7)
11 Capital of Vietnam (5)
12 Underwriter (7)
17 Clock that wakes a sleeper at a preset time (5)
18 Bank clerk (7)
20 Made a careful and critical examination (6)
21 Wash one’s mouth and throat with a liquid (6)
22 1871 Sir Walter Scott novel (5,3,3)

Down
1 Resonate repeatedly (2-4)
2 University graduates (6)
3 Squirrel’s nest (4)
4 Unit of sound intensity (7)
5 Amusing (5)
8 The thing locked (4)
11 Active (2,3,2)
13 Underdone, as steak (4)
14 Inclined beam supporting a roof (6)
15 Streaked (6)
16 Administrative capital of Bolivia (2,3)
19 At all times (4)
Nuria Tarre, chief marketing officer at City Football Group, speaks to Frank Dalleres

M Y ULTIMATE objective – day-to-day, the reason I wake up and enjoy doing the work that I do – is because I truly think we want to be there for the fans in an authentic way,” says Nuria Tarre, chief marketing officer of City Football Group (CFG).

Since joining CFG in 2015 from her role running a ski resort in Andorra, Tarre has been the woman responsible for growing the fanbases of Manchester City and the satellite clubs, including New York City FC, in the group’s global portfolio.

As such she signed off Amazon’s behind-the-scenes documentaries about City’s Premier League winning 2017-18 season, All Or Nothing, and has overseen the launch of new digital products including a children-focused app and, this summer, the club’s own OTT offering, Man City TV.

“Two football clubs increasingly see themselves as being in competition for audiences not just with their onfield rivals but also with major content platforms, such as YouTube and Netflix,” says the group looks beyond sport for new ideas.

“The way we look at innovation is that it represents a chance to turn the tide and win back the fans,” says Nuria Tarre, “where you’ll be able to see not just a single moment but full video volumetric and you’ll be able to run on the pitch with your favourite players and see what they see.”

“I think the whole CFG model is an innovation by itself. It’s in our DNA,” says Tarre. “We like looking at the world of sports from different angles.”

Football clubs increasingly see themselves as being in competition for audiences not just with their onfield rivals but also with major content platforms, such as YouTube and Netflix. Tarre, who also worked in aviation and telecoms before switching to the football industry, says the group looks beyond sport for new ideas.

“The way we look at innovation is like one. They would scrape 1–0 back”

T WAS Arsenal who broke Ole Gunnar Solskjær’s Manchester United towards the end of last season, or so the theory goes. United arrived at Emirates Stadium on 10 March at the height of Solskjær’s reign, just days after their improbable Champions League comeback at Paris Saint-Germain – their 14th win from 17 games under the Norwegian.

They lost 2–0 at Arsenal, Granit Xhaka’s sending off the grizzly of a tailspin, losing eight and winning just two of their remaining 12 games of the campaign in an alarming run that raised uncomfortable questions about the stance with which Solskjær had been proclaimed sauvio.

But did United also break Arsenal – not in that same game, but in the league meeting at Old Trafford three months earlier?

The Gunners, too, were riding a wave of optimism about a new regime when they travelled to Manchester in early December.

In their previous fixture they had won the north London derby 4–2, scoring three times as they overran Tottenham after halftime in what remains probably their best 45 minutes under Unai Emery.

It was their 15th win of a 19-game unbeaten run that stretched back to August and seemed to confirm the wisdom of hiring the Spaniard to succeed Arsene Wenger in the summer of 2018. United, meanwhile, had won once in four matches and were limping to the end of the Jose Mourinho era.

In the Wednesday night match at Old Trafford Arsenal lost both Rob Holding and Aaron Ramsey to injury before halftime.

Holding’s emergence had been one of the unexpected highlights of the unbeaten run. He would not play again for nine months and his enforced withdrawal saw Stephan Lichtsteiner thrown in at centre-back.

Twice Arsenal took the lead, through Shkodran Mustafi and a Marcos Rojo own goal, but on both occasions they conceded an equaliser almost instantly, to Anthony Martial and later Jesse Lingard.

It ended 2–2 – not a defeat for Emery’s men, but a result that felt a lot like one. They would scrape 1–0 wins in their following two fixtures, against Huddersfield and Qarabag, but the United game seemed to have taken some wind out of their sails and they fell into a run of seven defeats in 14 matches.

United host Arsenal tonight and this time there is nothing to break, with both teams having lost their way to varying degrees. A series of insipid displays and a goal drought have left United in the bottom half of the table and faith in the man at the helm at an all-time low. Among Arsenal fans, patience has begun to wear thin with a manager whose incessant tactical tinkering suggests indecision or ineptitude.

How much they derailed each other remains debatable, but for Solskjaer and Emery, this latest meeting represents a chance to turn the tide of opinion back in their favour by launching the sort of formidable run that gave their tenures credibility in the first place.

‘WE LOOK AT SPORT WORLD FROM DIFFERENT ANGLES’

Our fans want. I think it opens a new set of possibilities that we’re going to be experimenting with.”

The feature is available through City’s app and made its debut in the 86th edition of Watford last week. The club aims to publish the immersive highlights the following day or the day after – any earlier is currently prohibited due to broadcasting contracts.

“This is glimpse into the future,” says Intel Sports’ European managing director Jonathan Levine, “where you’ll be able to see not just a single moment but full video volumetric and you’ll be able to run on the pitch with your favourite players and see what they see.”

Intel approached City about developing True View because of the English champions’ “culture of innovation”, says Levine. The club were the first in the UK to have a fully wi-fi enabled stadium, have broadcast matches in virtual reality and earlier this year became anchor investors in a new sport venture capital fund.

“I think the whole CFG model is an innovation by itself. It’s in our DNA,” says Tarre. “We like looking at the world of sports from different angles.”

Football clubs increasingly see themselves as being in competition for audiences not just with their onfield rivals but also with major content platforms, such as YouTube and Netflix. Tarre, who also worked in aviation and telecoms before switching to the football industry, says the group looks beyond sport for new ideas.

“The way we look at innovation is like one. They would scrape 1–0 back.”

Two stuttering sides and their under-pressure managers seek a lift tonight, writes Frank Dalleres

United and Arsenal: the rivals who broke each other? Two stuttering sides and their under-pressure managers seek a lift tonight, writes Frank Dalleres
Gatland’s side can determine their own pathway after vital Australia win, writes Felix Keith

After Wales’s hard-fought Rugby World Cup win over Australia yesterday, Warren Gatland followed the ascribed path of response in his post-match interview, talking up the credentials of next opponents Fiji, but his wide grin and description of the result as “massive” told the real story. Wales have overcome their first major hurdle in Japan, showing their class, grit and determination to take full control, not just of Pool D, but of “our own destiny,” as Gatland put it.

Although no head coach would openly admit to it, being on the opposite side of the draw to defending champions New Zealand is desirable. Victory in their second game, with just Fiji and Uruguay to come in Pool D, opens up a potential pathway to the business end of the tournament.

CAPTAIN FANTASTIC

If the win was massive for Wales, it was even more special for captain Alun Wyn Jones, who surprised Gethin Jenkins as his country’s most-capped player on his 130th Test appearance in Tokyo.

The giant second-row forward put in a typically powerful and selfless performance, getting through the unglamorous yet essential work in defence.

Having led 23-8 at half-time, Wales knew they were in for a bruising second-half. Australia were always going to hit back, but Jones stood firm, making 23 of his team’s 153 tackles – six more than the next man – as Wales weathered the inevitable storm.

While his workrate can be gauged by statistics, the 34-year-old’s leadership qualities are quantifiable but just as important.

DROP IT LIKE IT’S HOT

In the end it came down to just four points and upon reflection the small margin of victory made one of Wales’s eye-catching tactics more impressive.

Drop-goals remain a rare, arguably underused method of scoring points, but Dan Biggar, just 30 seconds in – a typically powerful and selfless performance, getting through the unglamorous yet essential work in defence.

As well as a drop goal, Biggar produced a well-measured cross-field kick for Hadleigh Parkes’s opening try (pictured above), while Patchell nearly did the same for George North later. It was a strong showing from Wales’s fly-halfs.

DO OR DIE FOR SCOTLAND

Scotland face a “do or die” situation against Samoa this morning, according to winger Darcy Graham. Japan’s shock win over Ireland on Saturday has thrown the Pool C match could be abandoned

Red LETTER DAY

Australia won against the hosts to move up to second in Pool A, while the Pool C match could be abandoned due to Typhoon Mitag. World Rugby issued a statement confirming that if the tropical storm hits the city the fixture would be abandoned and recorded as a 0-0 draw – an eventuality which would damage France’s hopes of progression, giving them two points, rather than the five they would hope to achieve for a bonus-point win. "The latest information indicates that the typhoon is moving further away from Japan’s coastline than originally predicted and the impact risk is reducing," read the statement.

FRANCIS ESCAPES BAN

England received a boost yesterday after centre Piers Francis escaped a ban for his high tackle in Thursday’s comfortable win over USA. Francis was put before a disciplinary panel for his poor challenge on Will Hooley in the first contact of the 45-7 victory. But the Northampton centre breathed a sigh of relief after the panel deemed his tackle a yellow card, not a red, meaning he avoided following the fate of Australia’s Reece Hodge and Samoa’s Roy Lee Loe of Samoa, who received three-match bans after being cited for high tackles.

Japan loss a blessing

Johnny Sexton believes Ireland’s shock defeat by Japan on Saturday could be a “blessing in disguise” for his side. Sexton is set to return at fly-half for Thursday’s must-win Pool A clash with Russia after missing the 19-12 loss against the hosts, and he is sure Ireland can bounce back to reach the quarter-finals. "The only blessing in disguise is that in the last two World Cups I’ve been involved in, we’ve not been through the group, but we’ve had everything go our way in the pool stages," he said on Sunday. “And then we had the day we had yesterday in the quarter-final. And we’d be going home today. So the great thing now is that we’ve got the rest of the pool to get things together.”

French typhoon worry

France’s hopes of reaching the World Cup knockout stages could be dented by the weather. Les Bleus are scheduled to play USA in Fukuoka on Wednesday, but the Pool C match could be abandoned due to Typhoon Mitag. World Rugby issued a statement confirming that if the tropical storm hits the city the fixture would be abandoned and recorded as a 0-0 draw – an eventuality which would damage France’s hopes of progression, giving them two points, rather than the five they would hope to achieve for a bonus-point win. "The latest information indicates that the typhoon is moving further away from Japan’s coastline than originally predicted and the impact risk is reducing," read the statement.
**HAMILTON BACK ON TOP AFTER FERRARI DRAMA**

Lewis Hamilton moved a step closer towards securing a sixth Formula One world title after Ferrari's implosion handed him victory at the Russian Grand Prix yesterday. Sebastian Vettel disobeyed team orders and was then forced to retire after an engine problem, with the resulting virtual safety car hindering his team mate Charles Leclerc and ending Ferrari's three-race winning streak. Despite the good fortune Hamilton, who now leads the championship by 73 points, praised his Mercedes team for “pulling more” out of the car. “We pulled ourselves a little bit closer to the Ferraris this weekend and it was just enough to get ahead,” the 34-year-old said.

**ASHER-SMITH SPRINTS TO 100M WORLD SILVER MEDAL**

Britain’s Dina Asher-Smith claimed a silver medal in the women’s 100m at the World Athletics Championships in Qatar last night. The 23-year-old ran a British record time of 10.83 seconds to finish behind Jamaica’s Shelly-Ann Fraser-Pryce, who won her fourth world 100m gold medal in 10.71 in a near-empty Khalifa International Stadium in Doha. “I’ve worked so hard for this,” said Asher-Smith, who will compete in the 200m today. “Hopefully I’ll go on to bigger things.”

**PEDERSEN WINS AS RAIN CAUSES CYCLING CHAOS**

Mads Pedersen came through brutal conditions to claim a shock win at the Road World Championships in Harrogate. Poor weather saw the course shortened by 23.5km, with just 46 of the 197 starters crossing the line. “This is unbelievable,” he said. “I didn’t expect this and it wasn’t the plan.”

**HOLLY BRADSHAW FINISHES IN FOURTH IN POLE VAULT**

Holly Bradshaw finished fourth in the pole vault with a jump of 4.80m.

**TOON TONKED**

Leicester put five past sorry Newcastle to go third

Jamie Vardy scored twice as Leicester thrashed 10-man Newcastle 5-0 to move up to third place in the Premier League yesterday. Right-back Ricardo Pereira rifled the hosts in front early on before Isaac Hayden was sent off for a poor tackle just before half-time. Leicester made the advantage count as Vardy slotted in at the near post to double the lead and Paul Dummett deflected Dennis Praet’s cross into his own net for 3-0. The striker headed in a fourth (pictured) before Willfried Ndidi added a late fifth with a smart finish on the turn to secure the Foxes’ biggest ever Premier League win. Leicester, who scored from all five of their shots on target, are third, just two points behind defending champions Manchester City in second. Newcastle manager Steve Bruce accused his players of a “complete surrender” after the hammering.

**MORRIS WATKINS HEADS BEES PAST BARNSLEY**

Ollie Watkins scored a hat-trick of headers to help Brentford beat Barnsley 3-1 in the Championship yesterday. Cauley Woodrow curled the home side ahead inside the opening minute, but the Bees fought back well. Watkins converted from Mathias Jensen’s cross to make it 1-1 at half-time and the 23-year-old nodded in a delivery from Sergi Canos right after the restart. Canos provided for the third too as Watkins completed his hat trick to move Brentford up to 14th.

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**SPORT DIGEST**

Yorkshire yesterday, The 23-year-old overhauled Italy’s Matteo Trentin and Switzerland’s Stefan Küng to become the first Dane to claim the elite men’s world road race title in rain-soaked Harrogate. Poor weather saw the course shortened by 23.5km, with just 46 of the 197 starters crossing the line. “This is unbelievable,” he said. “I didn’t expect this and it wasn’t the plan.”

**HAMMERS LOSE IN FRONT OF IMPRESSIVE CROWD**

The second biggest crowd in Women’s Super League history watched Tottenham beat West Ham 2-0 at the London Stadium yesterday. The Hammers followed Manchester City, Chelsea and Bristol City by staging a game at their male counterparts’ stadium and an attendance of 24,790 saw goals from Rianna Dean and Lucy Quinn settle it for Spurs. Elsewhere, Chelsea beat Bristol City 4-0, Arsenal overcame Brighton by the same scoreline and City defeated Everton 1-0.
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