McLaren gets much-needed sales boost from rise in supercar purchases

Christian Sylt

British supercar manufacturer McLaren has revealed its revenue rose 19.1 per cent to £1bn over the nine months to the end of September, driven by a boost in the sales of its most expensive models. McLaren has four product lines, which range in price from around £125,000 up to £750,000 for the 211mph Senna. It is one of McLaren’s Ultimate series of cars and according to its latest filings, it sold three times more cars in this range over the first nine months of the year compared to the same period in 2018.

The filings said: “There were just 99... delivered [year to date in the third quarter of 2018, whereas there were 278 delivered in the same period in 2019.” It explains why McLaren’s revenue rose, despite its total sales volume falling 4.5 per cent to 3,306 units. Almost half of the deliveries were in the US, where sales increased by 20.8 per cent. However this wasn’t enough to offset a 29.9 per cent decline in Europe. McLaren said it is on track to deliver the same number of cars this year as it did in 2018, when it sold 4,829 units. It added the sales mix is deliberately skewed towards the higher-end models, as they generate more profit. This helped it to narrow its pretax loss from £104.4m in the first nine months of 2018 to £68.2m this year.

McLaren is expecting underlying profit for 2019 to be between £165m and £180m, on as much as £1.45bn in revenue.
THE CITY VIEW

What will Johnsonism look like in practice?

The ramifications of last week’s General Election will be felt far and wide. Politically, the size and nature of the new Tory majority poses questions for all parties. Labour is in its worst position for more than 80 years, and the shock of its defeat appears to have affected the party’s ability to confront reality.

While John McDonnell says he takes responsibility for the loss, he maintains that the biggest reason for it was a hostile media. While John McDonnell says he takes responsibility for the loss, he maintains that the biggest reason for it was a hostile media. He said: “We must deliver, we must deliver for these people... we can’t go back to being the Tory party of the old days.” According to the Sunday Times, he added: “This is a new audience. There is a simple question to which they will all attempt to provide an answer: what is Johnsonism? The manifesto doesn’t provide much of a clue, other than an appetite for more public spending. The document was designed to avoid making waves, but now much of the country is under a sea of blue the task of formulating a legislative and philosophical narrative becomes urgent.

Speaking to his closest aides as the scale of his win became clear, Johnson stressed the need to recognise the priorities of his new electorate, comprised as it is of many people who had only ever voted Labour before. He said: “We must deliver, we must deliver for these people... we can’t go back to being the Tory party of the old days.” According to the Sunday Times, he added: “This is a totally different party.”

David Cameron once said something similar, but he was trying to make the party more liberal. Johnson’s stunning victory was, to a large extent, in spite of this. He recognised and responded to this shock of its defeat appears to have affected the party’s ability to confront reality.

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THE TIMES

BRITISH BUSINESSMAN SHOT DEAD IN BUENOS AIRES

A wealthy British businessman was shot dead in front of his stepson outside their five-star hotel just hours after arriving in Buenos Aires on Saturday morning. Matthew Gibbard, 50, was shot through the armpit as he tried to fend off armed robbers thought to have pursued them from the airport. Gibbard was the director of Tingdene.

GETTING TO THE REALITIES OF THE BREXIT LEADERSHIP

Jeremy Corbyn was not in ‘shock’ following the defeat of the Labour Party in the General Election. He was not in shock because he has spent four years in government without a coherent vision of where Labour should be or where it should lead.

THE WALL STREET JOURNAL

CHINA PULLS PREMIER LEAGUE GAME OFF-AIR

China’s state broadcaster, CCTV, abruptly pulled an English Premier League game involving Arsenal from its airwaves yesterday, putting Beijing in conflict with a second major global sports league. Arsenal club star Mesut Ozil had criticised China’s internment of ethnic-minority Muslims.

INVESTORS EXIT HAVENS AS TRADE WORRIES EASE

Investors are pulling back from positions in haven assets like gold, the Japanese yen and dividend paying stocks, a sign of mounting optimism as recent developments ease long held worries about trade and global growth.
Boris Johnson set to push on with Whitehall shuffle

STEFAŃ BOSCIA

BORIS Johnson is planning a radical overhaul of Whitehall, with plans to abolish departments, sack a third of the cabinet and reform how civil servants are hired.

Work has begun by Number 10 on abolishing or merging several departments, including scrapping the Department for Exiting the European Union. The department’s best civil servants will instead be sent to work alongside former chief Brexit negotiator David Frost, the Sunday Times reported.

Plans are reportedly being drawn up to merge the Department for International Trade and the Department for Business, Energy and Industrial Strategy, while the Department for International Development will be absorbed by the Foreign Office.

Climate change and energy will be taken out of the business department and become a separate portfolio and immigration will be taken out of the Home Office to become its own department as well.

A senior government figure told the Sunday Times: “It will be pretty big. It will be finding the people who can do the jobs and not worry about media and short-term things. “We’re drawing up a very detailed and very revolutionary plan and then we are going to implement it.”

Johnson is expected to make a minor reshuffle next week, before making wholesale changes in February, which could include one-in-three cabinet members moved on.

Changes at Whitehall are also reported to include reform of how civil servants are recruited, including making it easier for high-ranking experts instead of lifelong civil servant mandarins.

Johnson’s chief adviser Dominic Cummings once called the idea of a permanent civil service as “one for the history books” in a 2014 lecture.

NO WAY, NICOLA

Tories tell Sturgeon the government will not allow second Scot vote

MICHAEL Gove said the Tory government will “absolutely” not allow another Scottish independence referendum during the course of this government. SNP leader Nicola Sturgeon said that Scotland was being “imprisoned” by Westminster after a strong result in the election. It is five years since Scotland voted to remain part of the union.

Former trade bosses question plan for deal by December 2020

HARRY ROBERTSON

FOUR former trade and business secretaries have suggested the Prime Minister’s plan to negotiate a new deal with the EU by the end of next year is too ambitious.

In interviews with City A.M., Sir Vince Cable, Lord Michael Heseltine, Lord Peter Mandelson and Lord John Hutton – all ex-presidents of the Board of Trade – raised a number of issues that could scupper the Prime Minister’s plans.

One was that rushed talks would not yield a good deal for financial services firms.

Former Liberal Democrat leader Cable said: “There is a big gap in expectations between what the City would like and what’s likely to come out of a trade agreement that was negotiated quickly.”

However, former trade secretary Lord Peter Lilley said a free-trade agreement is “eminently doable” in the timeframe. He said Britain would simply have to let go of the idea of “a perfect deal”.

People’s Vote campaign pivots to focus on ‘issues of social inequality’

The party will now be able to pass Boris Johnson’s Brexit deal by 31 January, however negotiations will then begin with Brussels on a free trade agreement.

People’s Vote campaign director Stuart Hand said the group would now concentrate on pursuing “social inequality” in these negotiations.

“We will put pressure on the government to stop them sacrificing opportunities for the poor and vulnerable, removing citizens’ rights, undermining the NHS and reducing job security in pursuit of a destructive Brexit,” he said.

The campaign was wracked with dysfunction over the past two months, after its two most senior staff members were sacked. This plunged the group into public turmoil, which resulted in a staff strike, sexual harassment allegations and mass resignations.

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British Steel deal could fall through as Chinese suitor Jingye hesitates

ALEX DANIEL
@alexdanieldaniel

THE TAKEOVER of British Steel by Chinese giant Jingye is said to be in jeopardy, as the government lines up alternative buyers. If the talks between the Official Receiver and Jingye collapse, it will be the second time the government’s chosen buyer for the stricken firm has fallen through.

The same happened with Turkish suitor Ataer earlier in the autumn, when the two sides could not come to an agreement before an exclusivity period ended. One government source said this time there was no “arbitrary” deadline that has been placed on this stage of the sale process. But if it fell apart it would provide an immediate headache for newly re-elected Prime Minister Boris Johnson in the industrial heartlands that catapulted him to a landslide election win at the end of last week.

Officials are said to be holding informal talks with Liberty Steel, one of Jingye’s rivals in the race to buy the steel maker. The government has kept British Steel’s running since May at a cost of half a billion pounds to the taxpayer.

The news was first reported by the Sunday Telegraph.

Ofwat ruling set to spark water firm complaints

ALEX DANIEL
@alexdanieldaniel

BRITAIN’s water companies are getting ready to launch a deluge of complaints against Ofwat, after the regulator publishes its final financial demands for the industry over the next five years.

The regulator stunned the industry in July, when it rejected all but three leading suppliers’ proposed business plans for 2020 to 2025, in a bid to clean up the firms’ acts. Ofwat demanded that water companies pay their debts faster, become more efficient and treat customers better, but it is due to publish its final ruling today.

In response, at least five companies are expected to complain to the Competition and Markets Authority. Yorkshire, Anglian, Northumbrian, Southern and Thames Water are thought to be facing the toughest hit from the settlement.

It comes after the industry cleared a potential hurdle posed by Labour in last week’s election, after the party had pledged to renationalise firms.

Investors that control suppliers including Anglian, Yorkshire, Affinity, South East and South Staffs are understood to have complained to the Treasury in October in a bid to head Ofwat’s ruling off at the pass. They complained to officials that the regulator was reacting too strongly to political pressure.

Nevertheless, they remain on collision course with Ofwat chief execu- tionist Jonson Cox, who previously led Anglian Water and has now ploughed ahead with his attempt to force the industry to put customers first.

The sector has received billions of pounds in investment from around the world since a number of former state-owned firms were privatised throughout the 1980s and 1990s. However, investors have also overseen a litany of scandals such as sewage spills and water leaks, while taking big dividends, paying minimal corporation tax and piling debt onto companies.

It comes after ratings agency Moody’s said the industry could suffer the steepest fall in credit quality in three decades after the ruling.

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Business secretary Andrea Leadsom said she was “optimistic” about the deal

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OUR CLIENTS THINK AT A SPEED VERY SIMILAR TO OUR OWN. FAST.

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THE BOARD of M&C Saatchi has been accused of backtracking on its promise to hold an investigation into the firm’s £11.6m accounting crisis.

The advertising stalwart was plunged into chaos last week when founder Lord Maurice Saatchi and three other directors resigned following a fierce row over the scandal.

In a resignation letter seen by the Sunday Times, the three non-executive directors accused M&C Saatchi management of preventing them from doing their jobs.

“Our recommendations have repeatedly not been accepted,” said the letter, signed by Lord Dobbs, Sir Michael Peat and Lorna Tilbian.

The disgruntled directors accused chief executive David Kershaw and chairman Jeremy Sinclair of backtracking on a promise to set up an independent committee chaired by non-executives.

M&C Saatchi first disclosed the accounting errors in August, which it said would lead to a £6.4m one-off charge. However, the company last week admitted the sum had risen to £11.6m following an independent review by PwC.

While the non-executives pushed for an immediate probe, Kershaw and Sinclair are said to have insisted on waiting until the full PwC report was available.

The crisis has had a catastrophic effect on M&C Saatchi’s shares, wiping almost two-thirds off the company’s value.

The Financial Conduct Authority has made a request for more information into how M&C Saatchi disclosed its accounting problems, the Financial Times reported last week. The ad agency could also face a probe by the Financial Reporting Council.

In the resignation letter the directors also wrote: “We believe that following the statement and loss of shareholder value, changes should be made to the board and executive management in the short term.”

It is understood that Kershaw and Sinclair have offered to step down, but the firm was advised that an immediate change of leadership would be badly received by shareholders.

Britbox has faced criticism over its initial selection of British TV shows, including an advertising campaign featuring Are You Being Served? – last made in 1985

Sky scuppers hopes of Britbox deal in blow for broadcast giants

ITV AND the BBC have suffered a major setback to their plans for Britbox, as the chances of securing a highly sought-after distribution deal with Sky have all but disappeared.

The streaming service, jointly run by the public service broadcasters, has already bagged partnerships with the likes of BT, Freeview and Samsung to deliver its collection of British boxsets to viewers.

However, it is understood that Sky has lost interest in a similar distribution deal with Britbox, as the platform would not offer significant additional value for its customers. Earlier this year Sky signed a deal with BBC Studios for shows including The Vicar of Dibley, while the media firm last week penned an agreement with Channel 5 for a range of entertainment and factual boxsets.

While Sky has not ruled out a future arrangement with Britbox, it is understood that a distribution deal is now highly unlikely.

Boris Johnson puts BBC licence fee in his sights as bias row ramps up

BORIS Johnson is said to be ramping up plans to decriminalise non-payment of the BBC licence fee, in a move that could spark a showdown between the PM and the broadcaster.

The Prime Minister has asked aides to launch an urgent review into whether viewers should face prosecution for failing to pay the £154.50 fee, which applies to both live TV and catch-up shows on iPlayer.

The move, first reported by the Sunday Telegraph, threatens to hamstring the broadcaster’s funding and escalate an ongoing dispute between Number 10 and the BBC.

Johnson last week hinted that he may scrap the licence fee, describing it as “effectively a general tax”, while senior aides have ramped up their attack on the BBC over perceived bias in its election coverage – something the broadcaster has denied.

Tory ministers were pulled from Radio 4’s Today programme last Friday and Saturday, and the party may withdraw from all future broadcasts.

It comes amid speculation over Johnson’s choice of culture secretary. John Whittingdale, former culture committee chair and a vocal licence fee critic, could be in the running.
THE FINANCIAL Reporting Council (FRC) is lining up significant changes to corporate governance rules after a string of scandals at Patisserie Valerie, M&C Saatchi and Ted Baker.

It is understood the accounting regulator is writing a British version of an American law passed in 2002 after Worldcom and Enron collapsed. Such a move would place the onus on directors to vouch for their financial controls, in a bid to give them more responsibility after numerous accounting scandals in recent years.

If it were passed into law in the UK, it would also open the door to potential criminal proceedings against bosses if they reported misleading statements to markets.

The FRC will likely accelerate its efforts to bring the measures in now the election is out of the way. The suggestion is just one of many recommendations made by Sir John Kingman in a wide-ranging review of the body earlier this year.

The news was first reported by the Sunday Times. In tandem, accounting firms are facing the potential of being separated into their audit and advisory businesses to remove the potential for conflicts of interest.

Roughly one in four FTSE 100 companies already follow the model set by the US law, called Sarbanes-Oxley. This is because they have exposure to US markets, where it is mandatory. Should the standard come into law in the UK it could present the remaining three-quarters with a financial hit in implementing it.

In October, Kingman warned that lack of government action risks letting the watchdog “drift on, half-reformed”. Kingman said it was “disappointing” that legislation to put the new regulator — the Audit, Reporting and Governance Authority (Arca) — was not included in October’s Queen’s Speech, setting out the government’s legislative agenda.

The FRC, which declined to comment, is chaired by former finance boss at Glaxosmithkline Simon Digemans.
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Sports Direct to play down fears over Belgian bill

SEBASTIAN MCCARTHY
@SebMcCarthy

SPORTS Direct is expected to play down concerns over a hefty Belgian tax bill in its trading statement this morning.

Mike Ashley's sportswear retailer shocked the City in the summer when it revealed it faced a last-minute Belgium tax liability worth €674m (£562m).

However, the tycoon’s firm – which is due to be renamed Frasers – is likely to say today that it now expects the final financial impact to be minimal, according to the Sunday Times.

Sports Direct has had a turbulent year as its billionaire owner Ashley waged a number of corporate battles and snapped up several troubled high street brands.

The FTSE 250 company’s share price has made gains in the last 12 months, climbing more than 50 per cent to 360p.

However, Sports Direct’s corporate governance has come under criticism from investors and analysts, most notably in July when it revealed the multi-million-pound tax bill after delaying the release of the firm’s results by 10 hours. Ashley has sought to elevate the firm’s retail offering by renaming it, and has put his future son-in-law Michael Murray in charge of directing the new strategy.

The proposed rebrand follows the news that the company is planning to launch a chain of luxury high street stores named Frasers within the next financial year.

By the side of business in London

By the side of business

LLOYDS BANK

Pressure builds on tech giants over digital ads

JAMES WARRINGTON
@j_a_warrington

THE COMPETITION watchdog is set to publish its initial findings into the dominance of tech giants in the digital advertising market this week, paving the way for a possible in-depth investigation.

In July the Competition and Markets Authority (CMA) launched a market study into Google and Facebook, amid concerns the so-called duopoly could be stifling competition online.

The CMA’s initial findings, due to be published in the coming days, will spark a consultation period that could result in an in-depth investigation into the tech giants.

While the watchdog’s study will cover a wide range of topics, it is set to raise concerns over the role of Google’s so-called black box advertising technology, the Sunday Telegraph reported.

The CMA is expected to lay out a series of legal and political recommendations to the government on how to counteract harm from a lack of competition in the market, which is likely to be centred around the firms’ use of personal data.
Ninety-six per cent of top law firms fear Brexit

JAMES BOOTH
@jamesdbooth1

NINETY-SIX per cent of the UK’s top 100 law firms say that Brexit could hit their profitability in the coming year, a survey published today showed.

The Thomson Reuters poll of finance directors at the law firms showed that 42 per cent were worried that reduced inward investment in the UK could hit law firms’ profits.

Samantha Steer, director of large law strategy at Thomson Reuters, said: “The concern is less about a slowdown in deal flow ahead of a final Brexit — it is more that [mergers and acquisitions] and other inward investment does not then snap back to normal levels.

“Transactional work feeds many other areas of law firms such as employment, [intellectual property] and tax, which is activity in this area that is watched very closely by the finance teams at law firms,” she added.

Chief executive of listed law firm DWF Andrew Leaitherland said Brexit was already having an impact on deals. “It already has [had an effect] in that from a transactional perspective we have seen a significant tail off,” he said.

The second-most frequently identified risk was uncertainty over free trade between the UK and the EU post-Brexit. Thirty-eight per cent of respondents identified this as a high-risk threat to profitability.

Further Brexit issues identified as high-risk to law firm profitability include the potential negative impact on the UK’s financial services sector, legislative and regulatory uncertainties and law firm access to the EU market.

Twenty-nine percent of respondents identified each of these threats as high-risk.

Steer said: “The fate of the financial services sector and of the bigger law firms is very closely intertwined.”

Italian government mulls €1bn rescue for ailing bank Pop Bari

GIUSEPPE FONTE

ITALY’s cabinet was expected to meet last night to approve a decree that would provide a €1bn (£825m) lifeline to cooperative lender Banca Popolare di Bari (Pop Bari), two sources with knowledge of the matter said.

The bank, which said last week it needed an urgent injection of up to €1bn, has struggled to cope with mounting loan losses during a slump that has devastated Italy’s economy, notably in Popolare di Bari’s home region in the south.

It was placed under special administration by the Bank of Italy last Friday but the government led by Prime Minister Giuseppe Conte failed to approve a rescue package as several ministers boycotted a hastily convened cabinet meeting. Conte will make a fresh attempt to push through an emergency decree.

In the year to 31 October, 12 out of 77 bids for UK businesses were hostile, including the Hong Kong Exchange’s withdrawn bid for the London Stock Exchange in September. The year before saw nine hostile bids out of 57.

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Harry Robertson asks whether a UK–EU trade deal is possible by December 2020

N

o DELAYS, no excuses. That was the mantra of Boris Johnson’s ultimately successful election campaign and one that included, at its heart, a commitment to get a trade deal done and dusted by the end of the transition period — 31 December 2020.

But the private view of Brussels bosses is not quite so optimistic. “Eleven months is very unrealistic for such wide-ranging negotiations,” was the verdict of EU negotiator Michel Barnier, revealed in leaked private remarks.

So who’s right? City A.M. asked five former UK trade and business secretaries — all of whom were president of the Board of Trade — their views.

Perhaps unsurprisingly, the group is split along Brexit lines. Remainers Sir Vince Cable, Lord Michael Heseltine, Lord John Hutton, and Lord Peter Mandelson all — with varying levels of gusto — pour cold water on the idea of reaching a satisfactory trade deal by 2021. Brexitor Lord Peter Lilley, on the other hand, deems it “eminently doable”.

However, the former cabinet ministers touch on a number of the same issues. One is the fact that the EU will happily grant Johnson a deal by the end of the year, replete with access to its deep markets, so long as he abides by its rules.

Yet another repeatedly raised issue is that the PM has no such intentions. His Brexit deal with the EU removed the chummier language Theresa May’s had included, saying the future trade relationship would be “ambitious” rather than “as close as possible”.

Former Liberal Democrat leader Sir Vince Cable, former UK trade secretary under Margaret Thatcher and John Major — is in which are already tariff-free”.

US. He says a UK–EU deal could in-time” if it was “just a very simple deed be done “in a very short period of time”.

In the US, the Prime Minister’s “growing up debate” about the sort of deal it wants. Another commonly raised issue is financial services, the sector which makes up a whopping seven per cent of the UK economy.

The EU’s outgoing finance commissioner Valdis Dombrovskis warned earlier this month that the UK’s rights to access the bloc’s markets could be withdrawn if Britain engaged “in some kind of deregulation”. Former EU finance commissioner and current Tory peer Lord Jonathan Hill has argued that Britain’s financial eminence means it should go its own way and refuse to be rule-takers. Yet he has said there is a trade-off: worse market access has costs.

Cable worries about the time-frame, given the complexities of finance. “There is a big gap in expectations between what the City would like and what’s likely to come out of a trade agreement that was negotiated quickly,” he says.

Former trade secretary and deputy PM Heseltine says France, the Netherlands and Germany all “have ambitions for the market that is presently represented in the City of London”. Hutton says market access will “come with a quid pro quo: ‘you want access here, we want to do this’”. This will take time, he says.

The UK also faces another, simpler challenge. Due to EU membership it hasn’t negotiated a trade deal for itself in decades. Lilley rates current trade secretary Liz Truss but, as Hutton notes, we’re “the new kids on the block” when it comes to the nuts and bolts of negotiations.

Whether Johnson’s newfound majority gives him a stronger hand — already some hardline Brexeters within the party are pushing for Johnson to keep no-deal on the table to put the screws on Brussels — is a matter of debate. He could indelibly stamp; or, with the ability to get whatever he’d like through parliament, he may go slightly softer — as long as that doesn’t negate the chance of the other promised deal with our cousins across the Atlantic.

There is one certainty: that Johnson faces a daunting task when the post-election glow has faded. Whether he achieves it or not, 2020 will not be an easy ride for the government.
Gold-plated pensions in Whitehall prompt call to MPs for urgent reform

ARCHIE MITCHELL

THE UK’s top civil servants are sitting on an average pension pot of more than £1m, new data from neoliberal think tank the Taxpayers’ Alliance has shown.

The 23 heads of government departments will earn an average pension upon retirement of £57,717 a year — almost double the average UK salary in 2018 — and receive a lump sum of almost £150,000.

Simon McDonald, head of the Foreign and Commonwealth Office, has the largest pension pot of the senior civil servants at £2m. Others are Clare Moriarty, head of the Department for Exiting the European Union, and Mark Sedwill, the cabinet secretary.

McDonald, Moriarty, and Sedwill will earn pensions of at least £85,000 to £90,000.

Duncan Simpson, from Taxpayers Alliance, said: “Politicians need to put an end to the Whitehall pensions racket once and for all by implementing real reforms”.

Mark Serwotka, head of the PCS Union — the union representing most of the civil service — said: “In 2015 the government decided civil servants had to work longer, pay more and get less in retirement.”

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Climate summit closes in Madrid amid criticism

EDWARD THICKNESSE

THE UN climate change summit in Madrid drew to a belated and acrimonious end yesterday as a number of large states resisted pressure to boost efforts to combat global warming.

Activists and delegates from smaller nations were critical of countries such as the US, China, Australia, Brazil and Saudi Arabia, who were said to have blocked progress on climate action.

In its closing draft, the conference only endorsed a modest declaration on the “urgent need” to reduce the gap between nations’ existing greenhouse gas pledges and the temperatures set by the Paris Agreement.

The summit also failed to come to a decision on global carbon markets, which had been earmarked as a flagship issue for the conference.

UN secretary-general Antonio Guterres took to Twitter to vent his feelings. He said: “I am disappointed with the results of COP25. The international community lost an important opportunity to show increased ambition on mitigation, adaptation and finance to tackle the climate crisis. But we must not give up, and I will not give up.”

An earlier draft of the conference’s concluding text attracted widespread anger, with campaigners arguing that its wording was so weak it betrayed the spirit of the Paris Agreement.

The talks, which finished nearly two days late, stalled amid disputes over the rules for international carbon trading, with Brazil and Australia among the main holdouts.

A representative from Tuvalu, the Pacific Island nation at risk of catastrophic damage from rising sea levels, told Reuters: “There are millions of people all around the world who are already suffering from the impacts of climate change.”

“Denying this fact could be interpreted by some to be a crime against humanity,” they added.

Crossrail ‘opens’ but delays still plague central London segment

STEVEN BOSCA

COMMUTERS will now be able to travel from Reading to Paddington in 58 minutes, after a limited section of Crossrail opened yesterday.

The new line marks the largest investment in the UK’s rail infrastructure, and the largest single project in the country’s history.

The opening comes in December last year but has faced ongoing delays and faster journeys failed to deliver.

Passengers were hit with delays and cancellations that are likely to continue throughout the week.

Head basketball coach at Greenhouse Sports, Jago Streete-Campbell, discusses the charity’s impact in disadvantaged areas

E ncouraging young people to work hard and stay out of trouble has never been so important.

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We only work in schools where at least 67% of pupils live in areas of high deprivation or have high levels of special educational needs. We get to the heart of an area to ensure pupils are on, and remain on, the right track.

Coaching is a powerful tool for development that gives young people the chance to introduce structure, goals, teamwork and a sense of achievement to their lives. It’s also a way to learn mutual respect. These skills promote social integration, reduces health problems and improves attentiveness in class. It also keeps kids off the street in a bid to avoid violence and crime.

The positive effects of sport don’t happen overnight. But our programmes prioritise healthy development and are delivered by coaches in an inclusive way designed to get results.

I love what Greenhouse Sports does to keep kids engaged in school through sport. The pupils I work with at Harris Academy in Peckham come in, work hard and push themselves to reach their goals.

It’s not always about dribbling techniques and making baskets. Sometimes kids need to talk and having someone like a coach in their corner is an important part of helping them to succeed.

Last year, our coaches delivered 49,000 hours of intensive sports coaching and mentoring, and 10,900 hours of one-to-one sessions. Thanks to players of People’s Postcode Lottery, we’ve received £1.7 million through Postcode Sport Trust. Without this support, we wouldn’t be able to continue achieving the positive results we deliver. 100% of our pupils say they feel more confident in life after the programme, and 56% of sixth form pupils say it makes them want to stay in school.

We’ve been breaking down the barriers that are associated with growing up in disadvantaged or vulnerable communities for 15 years. The funding we receive doesn’t just keep the programme running, but it also helps us to continue empowering young people as we help them realise their true potential.

READ MORE ONLINE

Keep up to date on our news at: www.postcodelottery.co.uk
A GRAND’S FESTIVE LUNCH

BOTTLE OPENER
City A.M.’s wine expert spends his Christmas budget

AND SO, dear reader, the season of goodwill and merriment is upon us once again. Offices are full of elves distributing secret Santa details to colleagues, and restaurants are rammed with office workers guzzling warm chardonnay and lemonade reds from obscure parts of the planet. The days shorten as our hangovers lengthen and the high street is no doubt already starting to gear up for Easter.

A few weeks ago I was enjoying a very acceptable Albarino (Leira Reyero, Pascual 2018) with the editor over lunch at J Sheekey in the West End when he casually lobbed the conversational hand grenade that he was giving me £1,000 to spend on wines for Christmas. Once I’d picked myself up off the floor I was effusive and instant with my thanks for such unsought generosity.

However, with crushing and deliber speed he went on to confirm that I had misheard and that this was to be a fictional amount to be “spent” on recommending wines for Christmas day itself can be tricky for many reasons. Just spending a whole day with one’s relatives can raise the stakes. Indeed, I confess to having had one or two disastrous Christmas days where we adults may have overdone it slightly too early in the day and had pretty much passed out by lunchtime. It is, therefore, important to ensure that the drinks consumed on the big day are all about quality rather than quantity.

To my mind, no Christmas lunch is complete without some fizz. We generally have ours with some champagne, and leaden reds from obscure parts of the planet. The days shorten as our hangovers lengthen and the high street is no doubt already starting to gear up for Easter.

To a red at this point. Turkey’s not suited to anything heavy, so I’d suggesterrings on the side of caution and going for a light one. Perhaps a red Burgundy—or a pinot noir from elsewhere outside of France.

For the burgundy I suggest Vieilles Vignes Volnay 2008. This is at the more intense end of the red Burgundy taste spectrum—but will work perfectly with turkey. Importantly it’s not too fruity. Some burgundies can taste a little bit too much like Ribena for my palate. In terms of a decent pinot you can’t go wrong with Main Divide Pinot Noir from Canterbury, New Zealand. It’s similarly complex in its own way and not too fruity.

It’s at this stage that many of us take a break from gorging. But I’m sure that most of us will tuck into a sweet course—probably Christmas pudding during the late afternoon. Here I’m going to suggest that you try a sweet sherry—a Pedro Ximenez—or PX as it is often referred to. The one I like in particular is Salto al Cielo Estate Aged Pedro Ximenez. This stuff is a bit like a Christmas pudding in a glass so it’s definitely not a contender in flavours. It is though dark, treacly and absolutely delicious.

On to costs. All for a case of six unless otherwise stated. The Gosset Grande Reserve Brut is about £240, the Saumur Brut £65 and the Cremant de Bourgogne is about £78. A case of the Puligny Montrachet Olivier Leflaive 2017 will set you back about £375. Vieilles Vignes Volnay 2008 seems to be available for about £210 and the Main Divide Pinot £135. A case of PX will cost about £90.

Hopefully that line up gives you plenty of options around the £1,000 target. Whatever drinks you go with, may I wish you all a wonderful Christmas break with some delicious wine waiting, nicely wrapped up for underneath the tree.

Steffan Williams is a partner at Portland

Let’s keep working to #endthestigma

Over 150,000 green ribbons worn across the UK during Mental Health Awareness Week

Close to 800 organisations are registered for This is Me campaign

800 organisations of organisations who said This is Me campaign of organisations who said has raised awareness about mental health in their workplace

92% 87%

To become part of this influential and global community and to see how This is Me can support your organisation, register now at: lordmayorsappeal.org/thisisme
Daimler’s China venture ups stake to unseat Geely

YILEI SUN

Daimler’s main China joint venture partner BAIC Group has set in motion a plan to double its stake to around 10 per cent and win a board seat in the German luxury car maker, as it aims to upstage rival Geely, two sources told Reuters.

State-owned Beijing Automobile Group (BAIC), which already owns a five per cent stakeholding in Daimler, has started buying the German company’s shares from the open market, said the sources who were briefed on the matter.

BAIC is currently Daimler’s third largest shareholder but a stake of 10 per cent will make it the biggest shareholder, surpassing its Chinese car making rival Zhejiang Geely which owns 9.69 per cent of the German car maker and is seeking to expand its partnership with Daimler in China.

With the shareholding of around 10 per cent, BAIC is looking to secure a seat at Daimler’s supervisory board, which Geely does not currently have, the sources said.

HSBC, which advised BAIC on its five per cent stake purchase in Daimler earlier, is helping the Beijing-based group in the new investment, one of the sources said.

Daimler said in a regulatory filing last month that HSBC held 5.23 per cent in Daimler’s voting rights directly as well as through instruments such as equity swaps as of 15 November.

When asked by Reuters, Daimler said it had not received any notification about BAIC having raised its stake. Daimler’s China chief Hubertus Troska said on Friday “we welcome long-term investors in Daimler”. Asked about BAIC and its potential to become a larger shareholder, he added: “We like each other. Let us see how things develop.”

A third source familiar with BAIC’s thinking said that BAIC wanted to be a bigger shareholder than Geely in Daimler in order to be seen as the German car maker’s senior most partner in China.

BAIC and Geely did not respond to requests for comments made after usual business hours. HSBC declined to comment.

Reuters reported in November that BAIC had signalled intentions to extend its investment in Daimler, citing sources familiar with the matter. BAIC has been Daimler’s main partner in China for years and operates Mercedes-Benz factories in Beijing through the two car makers’ main joint venture, Beijing Benz Automotive.

Two months before its five per cent stake purchase was announced in July, sources told Reuters that BAIC wanted to invest in Daimler.

French shareholders want PSA-Fiat joint board guarantee in $50bn mega merger

GILLES GUILLAUME

French shareholders in the planned merger of PSA and Fiat Chrysler (FCA) are seeking re assurances that they will retain a numerical advantage on a combined board if chief executive Carlos Tavares leaves, two sources close to Peugeot owner PSA said.

The two companies are finalising talks after announcing a plan for a $50bn (£37.5bn) merger of equals in October that would create the world’s fourth largest car maker.

Under the terms of the draft Memorandum of Understanding (MoU), PSA and Fiat Chrysler would each have five seats on the board of the merged entity.

An eleventh seat would go to Tavares, who is chief executive of PSA and is set to take on the same role in the new group.

French shareholders view the seat held by Tavares as giving them the de facto role of senior partners and want to know this advantage would be preserved in the event of him leaving, the sources told Reuters last week.

There is no evidence that the issue has surfaced in talks as an obstacle to the deal. A source close to FCA said the draft agreement on the new group’s governance was not being questioned and that there was no issue delaying the deal.

PSA, the maker of Peugeot and Citroen, has called a meeting of its supervisory board for tomorrow which could discuss the FCA deal, two separate sources had said.

Both firms have said they were confident of reaching a merger deal by the end of the year, but the sources said the French partners were seeking clarification on the issue before a MoU sealing the deal is signed.

French shareholders want PSA-Fiat joint board guarantee in $50bn mega merger

SONY’s Jumanji: Next Level adventure sequel debuted in first place to $60m (£45m), dethroning Frozen 2 after three consecutive weeks as box office champ. The sales mark a healthy jump from the film’s 2017 predecessor Jumanji: Welcome to the Jungle. It also marks the best debut for a December comedy and a live-action movie, which stars Jack Black and Karen Gillan.

Breaking the Ice

Star-studded Jumanji: Next Level knocks Frozen 2 off box office pole position with $60m debut weekend

French shareholders want PSA-Fiat joint board guarantee in $50bn mega merger

While low carbon solutions for aviation are complex, the prospect of electric aircraft is not pie in the sky. In Norway, right now Rolls Royce and the Norwegian airline Widerøe are collaborating on producing an electric, zero emit aircraft that could carry 100 passengers by 2030. That means hybrid and electric aircraft will fly first on short-haul routes that are our bread and butter. Readers should be assured that London City Airport is doing all we can to be at the forefront and to lead these changes.

Meanwhile, there are undoubtedly things we can be getting on with in the short term and incremental change really matters. For example, while we invest in new security CT scanners for introduction in 2022, when liquids and laptops can stay in your bag, passengers will still be required to use non-recyclable plastic security bags for their liquids.

We were the first airport to ban plastic straws and we want to be the first airport to develop and use a truly sustainable alternative to plastic bags.

If you are interested, or want to know more, please email environment@londoncityairport.com
UK shares hail Boris Johnson’s massive victory

U K SHARERS focused on the domestic economy surged last Friday after Prime Minister Boris Johnson’s ruling Conservatives convincingly won the General Election, reassuring markets that Britain is likely to be headed for an orderly exit from the European Union.

The FTSE 100 index rose 1.1 per cent as a rally in utilities, retailers, housebuilders and banking stocks offset the drag from sterling, which surged to its 19-month high against the US dollar.

Housebuilders soared.

“Boris Johnson’s victory lifted nationalisation fears hanging over utility stocks, boosting National Grid and United Utilities, which rose 4.5 per cent and 6.7 per cent respectively. Opposition Labour leader Jeremy Corbyn had announced plans to nationalise utilities in his election manifesto. Mr. Corbyn said on Friday he would step down as Labour leader. That decision is likely to be the biggest factor driving banks and utilities higher, by affirming nationalisation is now “off the table”, said Citi analyst Andrew Coombs.

Among financials, RBS and Virgin Money stood out, rising 8.4 per cent and 18.7 per cent.

JP Morgan’s basket of London-listed companies that make their cash in domestic markets rose 6.3 per cent on Friday to record highs.

TOP RISERS

1. Taylor Wimpey Up 14.68 per cent
2. Barratt Up 14.01 per cent
3. Berkeley Up 13.99 per cent

TOP FALLERS

1. PolyMetrix Down 3.24 per cent
2. Fresnillo Down 3.05 per cent
3. Rolls-Royce Down 2.56 per cent

Best of the Brokers

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

Video game producer Codemasters has announced it will make a game based on the Fast & Furious movie franchise — and shareholders had better fasten their seatbelts. Shares rose 5.2 per cent on the news at the end of the last week to 260p, and Liberum analysts think they will keep gaining speed, giving it a “buy” rating and a whopping 370p target price. They say: “Owing to the widespread success of the Fast & Furious franchise, we believe this new game could bring both global appeal and major revenue potential.” Codemasters’ stock could be in for a wild ride.

Directors at the Gym Group have clearly been drinking their protein shakes, and shareholders will be feeling buoyed up too, as the coming months will see Liberum analysts’ predictions of a significant value increase are correct. They say the firm “continues to flex its model to broaden its addressable market and keep costs low”. Shares have been up and down this year, but are 4.1 per cent up compared to the start of 2019 — currently valued at 274p. Liberum brokers reckon that could swell as much as 330p, and give it a “buy” rating. Better get started on those press-ups...

Rat-catcher extraordinaires at Rentokil have had a good year. The stock has risen 28 per cent this year already, and shareholders had better fasten their seatbelts. Liberum analysts think they will keep gaining speed, giving it a “buy” rating and a 425p target price.

Brodcast shares dropped 3.8 per cent after the company provided a lukewarm revenue forecast for 2020. Oracle shares fell 3.5 per cent after its revenue fell short of quarterly estimates.

City moves who’s switching jobs

CENTAMIN

FTSE 250 firm Centamin has announced the appointment of James “Jim” Rutherford as non-executive chairman and interim chief executive officer. Jim is currently a non-executive director on the boards of Anglo American and Anglo Pacific. He has over 25 years’ experience in investment banking and investment management, specialising in the global mining and metals sector. Jim brings to the board considerable financial and capital markets insight and a deep understanding of the mining industry. Between 1997 and 2013 Jim was a senior vice president of Capital International Investors, a division of the US-based investment management firm Capital Group Companies. Prior to that, he was vice president of equity research at the investment bank HSBC James Capel in New York. Josef El-Raghy, chair of Centamin, commented: “We are delighted to welcome Jim to the Centamin board. His appointment comes after an extensive search, and with his considerable understanding and knowledge of the resource sector.”

BG Digital Ventures

BG Digital Ventures (BGDV), the global corporate venture arm of Boston Consulting Group, has announced that Nathalie Gaveau is joining the company as managing director and partner. Natalie has extensive experience building successful transactional marketplaces, including Shopcade and Pimcoinvest, which was sold to Japan’s Rakuten for over $230m ($172m) in 2018. She also is an expert in digital growth, turnaround, and exits and has extensive international experience, including six years in Asia. Commenting on her appointment, Nathalie said: “I’m incredibly proud to be joining BGDV at a time when there is unprecedented opportunity in the corporate innovation space. Joining one of the world’s most experienced business builders on the heels of them launching more than a hundred new hyper-growth businesses into the market is an extremely exciting opportunity!”

Squire Patton Boggs

Legal firm Squire Patton Boggs has announced that Peter F. Stewart has joined the firm’s London office as a partner. He joins from Clyde & Co, with a practice spanning energy and infrastructure projects and international arbitration, with a specialty representing sovereign entities in Africa, South America and elsewhere. Lisa Hermesh, the firm’s global practice group leader for energy and natural resources, commented: “I am delighted to welcome Peter to the firm. His global perspective and diverse practice orientation make him a great fit for our firm.”
<table>
<thead>
<tr>
<th><strong>FTSE 100</strong></th>
<th>7353.44</th>
<th>79.79</th>
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<tbody>
<tr>
<td><strong>FTSE 250</strong></td>
<td>21507.99</td>
<td>714.76</td>
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<td><strong>During All</strong></td>
<td>4095.03</td>
<td>61.62</td>
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<tr>
<td><strong>Dow Jones</strong></td>
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<tr>
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<td><strong>S&amp;P 500</strong></td>
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### Electric Companies

<table>
<thead>
<tr>
<th>Company</th>
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<th>Price Low</th>
<th>Change</th>
</tr>
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<tbody>
<tr>
<td>EE</td>
<td>715p</td>
<td>670p</td>
<td>-45p</td>
</tr>
<tr>
<td>SSE</td>
<td>760p</td>
<td>718p</td>
<td>42p</td>
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### Retailers

<table>
<thead>
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<th>Price High</th>
<th>Price Low</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>Tesco</td>
<td>225p</td>
<td>215p</td>
<td>10p</td>
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<tr>
<td>Sainsbury</td>
<td>178p</td>
<td>168p</td>
<td>10p</td>
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### Brewers

<table>
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<th>Price High</th>
<th>Price Low</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>Diageo</td>
<td>1300p</td>
<td>1200p</td>
<td>100p</td>
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### Pharmaceutical Companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Price High</th>
<th>Price Low</th>
<th>Change</th>
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<tbody>
<tr>
<td>GlaxoSmithKline</td>
<td>1900p</td>
<td>1700p</td>
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### Banks

<table>
<thead>
<tr>
<th>Company</th>
<th>Price High</th>
<th>Price Low</th>
<th>Change</th>
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<tbody>
<tr>
<td>HSBC</td>
<td>275p</td>
<td>250p</td>
<td>25p</td>
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### Telecom Stocks

<table>
<thead>
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<th>Company</th>
<th>Price High</th>
<th>Price Low</th>
<th>Change</th>
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<tbody>
<tr>
<td>Vodafone</td>
<td>180p</td>
<td>160p</td>
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### Oil & Gas

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<th>Company</th>
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<td>BP</td>
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<td>650p</td>
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### Hospitality

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<td>1400p</td>
<td>200p</td>
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### Technology

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<th>Price Low</th>
<th>Change</th>
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<tbody>
<tr>
<td>Microsoft</td>
<td>1800p</td>
<td>1600p</td>
<td>200p</td>
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### Media

<table>
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<th>Price Low</th>
<th>Change</th>
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<tr>
<td>ITV</td>
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<td>1200p</td>
<td>300p</td>
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### Other

<table>
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<th>Price Low</th>
<th>Change</th>
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<tbody>
<tr>
<td>Royal Mail</td>
<td>350p</td>
<td>250p</td>
<td>100p</td>
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**Note:** The above data is a fictional representation and does not reflect real market prices or actual company performance.
This iteration of Labour has no chance of ever winning again

WINNING is the small bit that matters today for the many who want to keep power for themselves. These words, written in July by Corbynista activist Jon Lansman, summarise with chilling clarity the state in which Labour now finds itself. Still reeling from its worst election result since 1935, the buoyancy of the Labour campaign has been drained into a scrawling mess. Why did the cultish appeal of Jeremy Corbyn in 2015 disintegrate so spectacularly? How could a gaffe-prone, media-dodging Tory Prime Minister redrew the electoral map to turn vast swathes of Labour-land blue? Why didn’t the constant refrain that the Conservatives would sell the NHS to Donald Trump scare voters into Labour’s arms? Why didn’t Johnson talk tough enough to fully work out what went wrong, but for now, Labour has just one question to answer: where does it go from here?

You might have thought that an electoral defeat of this scale would necessitate some fundamental soul-searching and a top-to-bottom rethink of the party’s agenda. Unfortunately — for anyone who supports Labour or who simply believes in the importance of a robust opposition — a difficult conversation about how Labour has endeared itself to others has not been forthcoming.

In a rambling post-election op-ed for The Observer, Corbyn barely even acknowledged that Labour had lost. It seemed more, instead, about the punitively published section of灵魂: where does it go from here? 

That was after naming a plethora of other culprits: Conservative Party branding, the disquieting admission about Brexit, and attacks from the billionaire-funded media. Nonetheless, it was clear how his personal unpopularity repelled voters, even as dozens of Labour candidates and campaiggners are coming forward now to share their conversations on the doorstep with former supporters who could not stomach the thought of the party leaders heading to Downing Street.

John McDonnell, who has announced that he will stand down as shadow chancellor at the next election, has now included himself in the Labour right’s list of culprits. His statement accused Corbyn of having “lost the trust of the rank and file” and of deserving to lose the leadership.

There is a whisper, too, of whispers behind-the-scenes Labour heavy-weights like Walter Merricks, knives in the back are turning up to support the idea of a new leader, one who would draw the electoral map spectacularly. How could a gaffe-prone, badly managed, and eye-watering spending splurges all failed to have the desired impact.

And there are whispers of behind-the-scenes Labour heavy-weight’s, like John Prescott, who looked at Corbyn’s leading, key ministerial redraw the electoral map spectacularly? How could a gaffe-prone, badly managed, and eye-watering spending splurges all failed to have the desired impact.

And there are whispers of behind-the-scenes Labour heavy-weight’s, like John Prescott, who looked at Corbyn’s leading, key ministerial definition to replace him with a “Continuity Cor-

While beyond the party jokes have been flying about Michael Foot’s doomed 1983 manifesto, which included the sentences “there is no doubt our policies are popular” and “patronising [voters] will not win any seats” — even as he steadily supports Labour to recover from such a stag- gering defeat. But it cannot even be assumed that voters will now perceive Labour as the policy of the party’s offer.

Yet there is a kind of collective delusion at the top of Labour that the policies themselves were not the problem. Read Corbyn’s op-ed (“We have won the arguments... our poli- cies are popular”) and you would think that the small matter of losing the actual election was barely worth mentioning. 

Servicing the Brexit deadlock to pro- vide the clarity that people have craved since the 2016 referendum. It has to be said, however, that there is still a long road ahead, even if a withdrawal deal is passed. For the city, it is vital that the future framework agreement recognises the enormous contribution of the services sector, securing maxi- mum market access and developing a structure for the UK economy to prosper in the years ahead.

Services are the lifeblood of the UK economy, comprising two-thirds of its gross domestic product. Politicians across the spectrum should recognise that financial and professional services make a signif- icant contribution, employing 2.2m people across the country — two thirds of all London’s second- tor’s exports across the globe hit a record high of £82bn last year.

A positive future trading relationship with the European Union, as well as other markets across the globe, is vital so that firms can make long-term decisions on investment and recruitment with confidence. 

Our own skills agenda, making sure that no one is left behind amidst unprecedented technological advances.

Finally, another key priority must be major investment in infrastructure across the country — including agriculture, and fishing. The government should reaffirm its commitment to deliver- ing Crossrail 2 to reinforce London’s position as a world-renowned and accessible business centre.

Improved connectivity will not only strengthen the country’s position as a world-leading business hub, but will also help create greater shared pros- perity across the country.

Our politics has become increas- ingly divisive and partisan in recent years. Following this election, I hope that parliament can work to- gether to ensure that this new chapter brings much-needed stability and a positive vision for the City, London, and the UK.

Catherine McGuinness is policy chair at the City of London Corporation.

You have to admire the sheer chutzpah of Labour’s biggest loser, since 1980, when writing an article which includes the sentences “there is no doubt our policies are popular” and “patronising [voters] will not win any seats”. But amongst the list of culprits, including the sentences “there is no doubt our policies are popular” and “patronising [voters] will not win any seats”, was the leader. The Lab Right should recognise the explicit anti-austerity stance advocated by the Lab Left resonated far better than the tepid 2015 manifesto. The Lab Left should recognise many people who agreed with the above position, and go ahead and vote Labour, mainly citing the leadership at @reyndalsMP

Well done, Boris – now it’s time to fix the UK’s infrastructure and access to talent

This is a positive end to the year for the UK, and we could see a short-term rally. However, there remains longer term fundamental issues for the UK economy, with interest rates on hold and unlikely to change, especially as all eyes will be on who will be the New Bank of England governor. We expect investors to remain cautious with the wall of investment remaining on the sidelines over the coming period.

Stephen Bell, chief economist, BMO Global Asset Management

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Well done, Boris – now it’s time to fix the UK’s infrastructure and access to talent

It is crucial to remember, though, that these new challenges bring some much-needed stability and a positive vision for the City, London, and the UK.

The City of London Corporation will engage with the government and other mainstream political parties — as well as Nicky Aiken, the new MP for Ealing, is a key player. Catherine McGuinness, who is well known to us from her time as leader of Westminster City Council — to ensure the prosperity of the Square Mile, Lon- don, and the whole of the UK.

For the city, the three key priorities are Brexit, infrastructure, and access to talent. But the most recent election was a disaster for the party, with it suffering a record defeat accounting for the UK’s infrastructure and access to talent.

NEW THAT the dust has set- tled on last week’s elec- tion, the new Conservative government led by Boris Johnson faces the urgent task of getting on with delivering a programme that benefits house- holds and businesses across the UK. It is not going to be a cakewalk, until it has been published to formally and not have to mean a giant power- grab by the state. Maybe most people — the vast majority of whom work in the private sector — don’t have the same visceral distrust of business, profit, and the drive for success that the Labour party agenda assumed.

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Finally, another key priority must be major investment in infrastructure across the country — including agriculture, and fishing. The government should reaffirm its commitment to deliver- ing Crossrail 2 to reinforce London’s position as a world-renowned and accessible business centre.

Improved connectivity will not only strengthen the UK’s position as a world-leading business hub, but will also help create greater shared pros- perity across the country.

Our politics has become increas- ingly divisive and partisan in recent years. Following this election, I hope that parliament can work to- gether to ensure that this new chapter brings much-needed stability and a positive vision for the City, London, and the UK.

Catherine McGuinness is policy chair at the City of London Corporation.
Britain must invest to remain a leader in quantum technology

Britain has a long and illustrious history in the field of computation and information processing, dating back to the great Alan Turing. However, it may miss a unique opportunity to build on this great legacy unless future governments commit to maintaining the country’s momentum as a global leader in quantum computing—the next and most exciting technological frontier.

During the General Election campaign, the major parties’ manifestos all acknowledged the transformative potential of innovation and technology for our economy and society.

In general, everyone agrees that innovation and tech are key to national progress, and will make aspirations for health, education, security, and farming infinitely more achievable.

But it seems as though quantum (and more specifically) the translation of this technology into commercial businesses—which can propel so many areas of the UK economy—was left out of the manifestos.

While the UK government was early to understand the importance of this technology and has committed more than a billion pounds to fund research in the field, Britain could fail to fully exploit the commercial potential of British-born quantum tech.

In October, the White House was quick to take credit for its role in helping Google achieve the major breakthrough of using a quantum computer to carry out a calculation far beyond the ability of today’s most powerful supercomputers. This significant landmark came less than a year after President Trump’s authorisation of a major $1.2bn, five-year investment programme in US quantum research. This investment in quantum tech has been mirrored by both the Chinese government and the European Commission, each of whom have committed billions to research programmes.

Britain remains home to world-class universities and is a hub for many of the best and brightest academic minds. We must ensure that the talent being developed through our universities continues to have the best opportunities for investment and development in the UK. And providing more seed capital and more commercialisation support to entrepreneurial scientists and their ventures is also essential.

So far, at least 19 quantum technology companies have secured funding or generated revenues in the UK. The Quantum Technology Enterprise Centre (QTEC) alone has enabled the creation of more than a third of these. It has acted as a successful accelerator for a total of 17 cutting-edge technology companies since 2017. These companies include the likes of FluoReSiQ, which some readers may recognise from a recent Ted Talk on the battle against superbugs; KETS and Nu Quantum, which are leading the way in quantum encryption; and QCM, which is using quantum technology to detect the lowest concentrations of natural gas leaks.

In fact, QTEC’s unique approach has achieved a 70 per cent success rate in translating research-driven ideas into funded or revenue-generating businesses within six months of finishing our year-long programme. QTEC is proud to have already played a meaningful role in helping to establish Britain as a pacesetter in quantum technologies. Our achievements, and the development of these cutting-edge companies, would not have been possible without a bold government decision back in 2016 to help establish QTEC with £4.4m of funding.

However, with other countries now committing increased investment and resources into this area, it is imperative that we collectively seize this once-in-a-lifetime opportunity to capitalise on research breakthroughs. We urge our new government and policymakers to continue to recognise the importance of investing to support British science and in particular its translation to commercial enterprises. This will ensure that Britain remains a global leader in quantum innovation for decades to come.

We urge our new government to continue to support British science

Claudio Marinelli and Yuri Andersson

Dr Claudio Marinelli and Yuri Andersson are entrepreneurs in residence at QTEC.

DEBATE

After the Tories’ landslide victory, will the next election be about something other than Brexit?

The Conservatives fought this election to effect Brexit. With a majority as strong as this, they will achieve that next month and not fight an election for five years — unless they sense victory in an earlier poll.

When that vote does come, we will have been out of the EU for years. There will be no politically credible way of reversing that. Unless the Tories somehow fail to get Brexit done, the country will have moved on.

The voters who go to the polls next time round will have everything else on their mind.

They will think about whether the Conservatives delivered the police, nurses, and hospitals that they promised. They will consider who they feel has made them and their families better off, and who will be the best guardian of public services.

Of course, these thoughts cannot be wholly disentangled from our decision to leave the EU. The transition will affect many areas of life. But we can at least look forward to the post-Brexit election.

YES

John Oxley

Come the next General Election (presumably in 2024), we will still be negotiating trade deals, the NHS will still receive less than the £350m per week extra that the bus promising, and the economic climate we are in will still be shaped by the political decisions made when unshackling ourselves from all those nasty EU laws.

Ben Loewenstein is a political consultant.

NO

After the Tories’ landslide victory, will the next election be about something other than Brexit?

Simply put, Brexit is now the cockroach of British politics.

We may be sick of talking about it, but Brexit was a major reason why voters invited the Tories behind Labour’s so-called red wall to listen to what they had to say.

Whether Brexit goes boom or bust, in five years’ time those voters will still be Brexeters.

So imagine, if you are Boris Johnson and your opponent’s supporters actually agree with you on the most prominent and polarising question of a generation. Why would you change the subject?

Brexet is also embedded in just about every major challenge that we as a nation are likely to face.

Dr John Oxley is a Conservative commentator.

Ben Loewenstein

BEN LOEWENSTEIN

Come the next General Election (presumably in 2024), we will still be negotiating trade deals, the NHS will still receive less than the £350m per week extra that the bus promised, and the economic climate we are in will still be shaped by the political decisions made when unshackling ourselves from all those nasty EU laws. Come the next General Election (presumably in 2024), we will still be negotiating trade deals, the NHS will still receive less than the £350m per week extra that the bus promised, and the economic climate we are in will still be shaped by the political decisions made when unshackling ourselves from all those nasty EU laws.
Katherine Denham meets two women who quit their City jobs to set up a floral design studio

NSIDE the hustle and bustle of The Ned, I eventually find Lil Caldwell and Mary Wood tucked away in the comparatively quiet Library Bar. The co-founders of floral design studio Grandiosa are sat on cosy sofas, and Wood, who is currently on maternity leave, has her sleepy three-month-old baby in her arms.

Judging by the way they finish each other’s sentences, I can tell immediately that this pair have been friends for a long time. And there is a good reason why we are in The Ned too, because the florists have installed a gigantic 18-foot Christmas tree in the main hall, having worked through the night so that it was ready for guests when they woke up.

It was also at The Ned where the pair got their first big break back in 2017, having quit their City jobs just a few months prior to focus on Grandiosa full-time.

Before committing to the new business, Wood had worked in marketing for Cancer Research UK, while Caldwell had been a lawyer at Freshfields for 10 years. “It is an amazing firm and I worked on extremely high-profile cases, and with top people in the industry,” she tells me. “It was great to be a part of that, and their standards are so high. But I just felt that I wasn’t doing something that I really loved.”

How did they make the leap from these sturdy, rather conventional careers to building a firm centred on the frivolity of flowers?

Caldwell tells me that something twigged on her during her day job during the week. “I mean, you can say that you like floristry, but then there is the reality. And I’ll be completely frank: people think you just arrange flowers, but it has always been quitearty, but ended up taking a more traditional career path. “I eventually decided to do a floristry course, and my employers were kind enough to let me take a month off. I don’t think they were expecting me to come back and eventually want to do it full-time,” she laughs.

With the seeds now sown, Caldwell spent the following 18 months working in a floristry shop every Saturday, while doing her day job during the week. “I mean, you can say that you like floristry, but then there is the reality. And I’ll be completely frank: people think you just arrange flowers all day, but it is hard graft.”

Her first big job was to organise the flowers for a friend’s wedding, but working a 60-hour week and travelling to client meetings made it all pretty frantic. In the end, Caldwell asked for Wood’s help.

“I was like 'sure, you can put a few flowers in my house’ but I didn’t realise my entire living room would be completely covered in them,” says Wood, chuckling.

“It really went from there, and then we just decided to do a few more private weddings together.”

The pair eventually upgraded from Wood’s living room to Caldwell’s shed, and they now operate from a studio in Hackney.

In just three years, Grandiosa has worked with clients across the hospitality, luxury, and fashion sectors, including Annabel’s club in Mayfair, Burberry, and Net a Porter.

The entrepreneurs also won both the Gold Award and the People’s Champion Award at this year’s Chelsea Flower Show for their sustainable installation, on behalf of John Lewis and Edinburgh Gin.

Did they ever have any regrets? Wood admits they had some doubts early on, which is partly why they operated out of the shed for such a long time before committing to a studio.

“We were leaving our jobs, so there was a big risk. We didn’t think we could take that overhead of a studio straight away, as we just didn’t have the confidence. But in the end, it didn’t feel like a big decision because we thought it would work out — we had one big conversation where we decided to go for it.”

Wood says that one family friend questioned their decision to leave their secure jobs, particularly during such an uncertain time.

Caldwell adds: “We are the most risk-averse people in the whole world, so we wanted to test the water in the beginning. There is the safety net of having your career, but there is also wanting to build something that you love. Law is an amazing career and I enjoyed it, but for me personally, it was missing something.”

The risk certainly seems to have paid off, with Caldwell’s husband Stuart quitting his engineering job to work full-time with Grandiosa. And the pair admit that Stuart has been particularly helpful when it comes to installing the huge facades.

“Even when something steps outside of our comfort zone structurally, he makes us feel like it can be done,” says Wood.

And Caldwell says it has made clients feel safe knowing that everything — even down to the structural aspects — had been thought through.

“Obviously floristry is about making things pretty, but the type of floristry we do — the big installations and events — it’s less about beautiful bouquets and more about the wow factor. While there is a lot of smoke and mirrors, it has to be airtight and super safe.”

Floristry isn’t necessarily known for being a disruptive industry, but the pair have arguably won these big contracts because they have been bold in their creations, offering something a bit different.

And for anyone thinking of quitting their day job to pursue their side hustle, you can take inspiration from these two. They certainly know how to brighten up a room — with or without 4,000 fairy lights.
BEST AND WORST ADS OF 2019

Luke Graham looks back at the highs and lows of campaigns in the past 12 months

It has been a year of highs and lows for adland. PRs, creative agencies, and brands will be examining their advertising efforts this month, and while some will be pleased with their work, others will be looking to improve next year.

To help with this process, I asked members of the marketing industry and other experts for their opinions on the best, worst, and most memorable campaigns of 2019.

BIGGEST SUCCESS
GREGGS’ VEGAN SAUSAGE ROLL

The bakery brand launched a Quorn-filled sausage roll in January. The new product proved wildly popular, and has helped Greggs’ share price surge more than 60 per cent year-on-date.

But why was this campaign so successful? According to James Douglass, a public relations consultant, it was because Greggs tapped into the zeitgeist of 2019: manufactured outrage.

“2019 has been a year of outrage, and the vegan sausage roll went viral all over social media precisely because it got people frothing at the mouth,” he says. “Din carnivores — apparently unaware that they wouldn’t actually be held down and force-fed — took to Twitter to scream inchoate rage (for example: ‘IT’S NOT A SAUSAGE ROLL THEN, IS IT?’), while the mischievous (or simply curious) reviewed them with varying responses. The bakery brand’s Twitter feed, gently teasing detractors rather than offering sincere apologies, kept the argument raging. ‘And loads of people tried one, even those who had never before considered either vegan food or Greggs.”

DAEMPST SQUIB
‘THE BEST MEN CAN BE’

Also released in January, razor giant Gillette’s advert attempted to challenge sexism and toxic masculinity, and demanded that its male customers step up and behave better.

While the ad received praise for its bold stance, it was also divisive, and did nothing to boost the brand’s sales. Shazia Ginai, chief executive at research firm Neuro-Ignite, has some thoughts as to why the ad ultimately failed to make a significant impact on its target audience.

“Men experienced approach when watching the ad (which means that they liked the message), but personal relevance levels were low, showing that they didn’t actually identify with the issues explored,” she explains.

“The results bring home the reality for advertisers that making an impact on your target audience (especially when it comes to driving bottom-line sales) isn’t as simple as it seems — even if the ad does get people talking on social media.”

BEST ADVERT
RENAULT CLIO’S ‘30 YEARS IN THE MAKING’

In November, Renault released a touching video to promote its new Clio model. To mark the evolution of the car’s design over 30 years, the ad charts a love story between two women.

“Less of an advert and more of an indie short film, it is impossible to watch this video without tearing up,” says Rachel Gunliffe, comment and features editor at City AM.

“At just two minutes and 10 seconds, ‘30 Years In The Making’ manages to pack in three decades of a cross-border lesbian love story: from first meeting on a school exchange trip, to heartfelt teenage experimentation, a harrowing coming out scene, an ill-advised wedding, through to the joyous happy ending where the couple reunite and run away together — in a Renault Clio, of course.

‘Will it make me want to buy the car?’ Possibly not. But only a few years ago, queer relationships like this just weren’t shown in adverts, certainly not for mainstream products (that, in the case of the Clio, are clearly intended to represent ‘the family’).

‘As a queer woman, this advert makes me deeply proud, and more than a little emotional, to see how far we’ve come. I challenge anyone to watch it with dry eyes.’

PRIZE FOR SNATCHING VICTORY FROM THE JAWS OF DEFEAT
INNOCENT’S CONKER MILK

In October, smoothie maker Innocent got into trouble after promoting a fake product called Conker Milk. It was intended as a joke, but users on social media quickly pointed out that milk made from conkers is poisonous.

Innocent was forced to admit its mistake. Now we’re trying to put things right — on social media. ‘Please do not eat our conkers’. The campaign probably reached more people than it could have had an advert titled ‘Good on Innocent for pushing creative ideas and staying true to its brand.’

WOODEN SPOON FOR SEXISM
PELOTON’S CHRISTMAS AD

A tough competition this year. It looked like it would be between Volkswagen and Philadelphia, after the Advertising Standards Authority banned adverts from both in August because they depicted harmful gender stereotypes of women and dads.

But Peloton stole the prize with a larky advert in December. The 30-second ad, which shows a woman receiving an exercise bike from her husband, sparked a fierce backlash, and was labelled not only sexist but actually dystopian.

“Peloton really made a hash of its latest ad: it’s old-fashioned, tone deaf, and cringeworthy,” says Ash Bendeelow, managing director of creative agency Brave. “Some have questioned whether the brand intentionally caused controversy with this ad under the mantra that ‘no news is bad news’. I find this hard to believe. No brand would knowingly and deliberately cause itself a nine per cent drop in share price overnight.” Chief executives get fired for less than that.

“The lazy stereotypical interpretation seems to stem from such an overzealous salesman’s focus on the ‘product’ and gift-giving that it failed to see the blindingly obvious PR disaster elephant in the room.”

WORST SPEND
THE UK GOVERNMENT’S ‘GET READY FOR BREXIT’

In August, the government unveiled its “Get Ready for Brexit” campaign urging people and businesses to prepare for leaving the EU on 31 October.

That date came and went... and the UK had not left the EU. Figures released in October revealed that the Cabinet Office had spent almost £5m on the campaign in just one month. Not exactly an efficient use of taxpayers’ money.

“Are you ready for Brexit? The billboards demanded of us. ‘Not really, Andy?’ was surely a response felt by many,” says Alex Blyth, editorial director and co-founder of Red Setter PR.

How did it inspire people to review their preparedness? What exactly were they meant to have done? If the Tories succeed in ‘getting Brexit done’ in January, we’re going to need every penny we can find — let’s hope that we won’t see a rerun of this total waste of public funds.”

So that was the year that was. Let’s hope we see more great ad campaigns next year, and fewer terrible ones.
WHERE TO STAY
In the midst of a rapid regeneration, Margate is being called Shoreditch-by-the-Sea. It’s not a totally inaccurate moniker, and The Reading Rooms B&B is ideally situated for discovering why. Visit thereadingroomsmargate.co.uk

WHAT TO SEE
The Turner Contemporary spearheads the area’s rejuvenation as a hub for the creative arts. The building sits on the coast like a stoic behemoth, as though Turner himself transformed into a great steel box. Visit turnercontemporary.org

WHERE TO GO
Many attempts have been made to resurrect the amusement park at Dreamland, but the latest incarnation has stuck, drawing visitors from across the UK to its wooden rollercoasters and popcorn stands. Visit dreamland.co.uk

WHERE TO EAT
The best place to shelter from the biting winds of the Kent coast, The Greedy Cow serves restorative toasties in what looks to be somebody’s front room. Good vegan options here, too. Visit thegreedycow.co.uk

MARGATE, KENT

HOURS IN...

CAN YOU TOUR JAPAN WITH A KID IN TOW?

Japan with kids could be every parent’s travel nightmare. Julian Harris hops on a 12-hour flight to find out.

The looks of incomprehension became commonplace, from colleagues, friends, neighbours and, most severely, my mother-in-law. “You’re taking her… to Japan?” they asked, through a variety of similar rhetorical questions.

A trip to Japan should surprise no one, these days. The island state is undergoing an eye-watering boom in tourism, with visitor numbers soaring from 13m four years ago to more than 30m today. Events such as this autumn’s rugby world cup and the upcoming Olympic games have added to the feelgood factor, with Prime Minister Shinzo Abe – who has built his reputation on a determination to reverse Japan’s decades-long economic slump – planning to attract 40m tourists in 2020.

But while the destination may be increasingly on-trend, most visitors, one suspects, do not choose to drag a 20-month-old toddler alongside their luggage.

First of all there’s the flight eastwards – in this case a 12-hour night journey across Siberia. Our primary fears were realised when the infant in question woke, crying, with five hours still to go. Thus I was introduced to Japan’s famous levels of hospitality and sheer politeness while still at 30,000 feet; the Japan Airlines crew ushered us into staff-only areas, helping ensure that as few passengers as possible were disturbed by the irritable child.

There is no way to sugarcoat (or matcha-coat) a 24-hour round-flight with a toddler, however. It is tough, but achievable. Stack up on snacks, toys, books, stickers, downloaded cartoons and bank on the airline granting you an empty seat even if you are only paying for two. Crucially, of course, children travel for free (bar taxes) up until their second birthday, so it really is worth considering a long-haul trip of a lifetime. In our case it saved over £1,000 on the flights.

Japan is ideal for such an adventure, partly due to all the boring stuff that suddenly becomes important when you have kids. Cleanliness, reliability, famously good transport, and an almost total absence of petty crime. Thus we were able to plan the entire trip in advance, taking in Tokyo, Mount Fuji, Osaka and finally Kyoto. The folk at travel agency Inside Japan arranged minicabs at every juncture and our hotels provided a luggage-forwarding service for each leg of the trip. You make a plan and everything works. Welcome to Japan.

I had only vaguely heard about luggage forwarding services but they took on a whole new significance. As with many Japanese ideas, it makes you wonder what on earth we’re doing back home in London as we tut-tut behind “stupid” tourists on the Tube with their coffin-sized suitcases. Put simply: your hotel will forward your luggage to your next hotel, for around £15-£30 depending on weight. Levels of smug as we boarded the stunningly beautiful Fuji-express train with just a rucksack each, a pushchair and a child, were combined with the knowledge that there’s no way we could have manhandled two massive suitcases in addition. As well as seeing the awesome and
almost haunting Fuji-san – Mount Fuji – from the train, we also experienced the equally exciting Thomas Train, a special shuttle to the place of joy that is Thomas Land! Exactly as you might imagine, though with far less Kingo, Thomas Land will force you to learn all of the names of Thomas the Tank Engine’s friends as you feed thousands of yen into the machine to purchase tickets for little Sebasti-ons as you feed thousands of yen into the place of joy that is Thomas Land! Exactly as almost haunting Fujisan – Mount Fuji – from the lakes around Fujisan we traveled to the cities and attractions in the years to come. The increasingly-popular destination is not just for its singular, island culture, but also for how exceptionally suitable it proves for a young family. From the common-place, epic playgrounds to the tolerance of the children being whisked around Japan’s major cities and attractions in the years to come.

THE WEEKEND: It’s not quite a midnight plane to Georgia, but the flight to Tbilisi, the country’s capital city, is the last flight out of Gatwick. While there is plenty to see and do in the capital – from visiting ancient churches (Anchiskhati, the oldest Orthodox Church, dates back to the 6th century) to tasting the local (and lethal) brew that is chacha (a ‘vine vodka’) – a side trip to Georgia’s wine area of Kakheti is a must. A two-and-a-half hour drive out of the city and through picturesque hills and valleys brings you to the vineyard covered foothills of the majestic Caucasus Mountains.

WHERE? Found in the historic Tsinandali Palace, for a sublime wine-tasting experience.

THE FOOD: Georgians are known for their warm hospitality and feasting culture – known as ‘super’. While the all-day diner, Prince Alexander, serves a range of international crowd-pleasers – such as pasta and club sandwiches, and Le Bistro, is good for light bites, it is the Kakheti Restaurant which is the highlight. Typical Georgian dishes from the local region include crisp shoti bread, pigmant mountain cheese, chakapuli (lamb or veal stewed with herbs), mtsvadi (typical meat skewers roasted over coals) and khinkhali (meat dumplings). There’s plenty of wine to try, of course. Try the smoky and deep (meat dumplings). There’s plenty of wine to try, of course. Try the smoky and deep

ASK ABOUT? The Mystery Room – a hidden, private dining room, which is accessed via a secret door, is a dramatic space. The long table is by suspended candles hung on invisible wires as if floating in air. It’s the perfect place to experience a traditional ‘super’ – which involves an endless array of sharing dishes and copious amounts to drink, led by a ‘tamada’ or toastmaster. If you are lucky, your meal will be accompanied by local acapella polyphony singers for a moving experience.

NEED TO KNOW: Rooms at Tsinandali Estate are available from £590 per night on a room only basis. Flights from Gatwick to Tbilisi with Georgian Airways depart twice a week, on Wednesdays and Saturdays, for £329 return.
Prison break: Hiring ‘alternative’ talent

Restaurants and bars can serve up plenty of lessons on why to employ ex-offenders

The HOSPITALITY sector is serving up more than Christmas parties this month. In the face of intense staffing challenges, employers in the industry can also serve up a lesson in how to effectively hire alternative talent.

Restaurants, bars, and hotels are in the midst of the biggest skills shortage in decades — almost 80 per cent are on the hunt for new staff, with a staggering 74 per cent struggling to fill roles. With the dark clouds of Brexit uncertainty and possible tighter immigration criteria drawing in, the industry could have a 1.3m staff shortfall by 2024.

But this resilient sector is finding ways to look beyond traditional workforces to talent pools that might have previously been overlooked, including those recently out of prison.

The stats behind this trend are compelling. In spite of the staff shortages in hospitality — alongside many other industries — just 17 per cent of the 70,000 ex-offenders released from prison each year are on a payroll within 12 months. Most end up reoffending — costing taxpayers up to £13bn annually.

Research shows that an employed ex-offender is up to 67 per cent less likely to reoffend than one who is unemployed, and that having a job is a key step in rehabilitating back into society. Understandably, some offenders of more serious crimes will not be suitable for employment, and rehabilitation is no mean feat. However, with the right tools, there is an opportunity for employers to rethink recruitment and help to plug the skills gap, while also enabling ex-offenders to avoid committing another crime.

Hospitality is paving the way when it comes to hiring these groups, and research from Caterer.com has revealed that a third of hospitality businesses already have support programmes in place, while 81 per cent of employees say that they’ve worked alongside ex-offenders and are comfortable doing so.

There are some key catalysts driving this. Only A Pavement Away is a charity that assists ex-offenders and people who have experienced homelessness in finding hospitality jobs by providing training and guidance to help them rebuild their lives, confidence and self-worth. The charity has engaged big brands, including The Ivy, Franco Manca, Honest Burger and Greene King pubs.

Elsewhere, Social Pantry, Key4Life, and The Clink are also helping to drive change.

Crucially, these charities act as a conduit between vulnerable groups and employers. Every individual is different, and the first step is meeting the candidate to better understand their history and interest.

A key point is trying to actively put aside any unconscious bias and look at individual skills, regardless of backgrounds.

To support the industry, we have created a downloadable toolkit. Central to this is advice on interview processes and how to provide the right training. Alongside developmental support, fundamentals like uniform or help with accommodation can go a long way.

Hospitality might be a natural fit for this strategy, but hopefully this trend will inspire those outside of the sector. The benefits are clear, as it helps to plug the skills gap.

Our research shows that the social impact of a restaurant is among the top priorities when it comes to deciding where to eat.

Around 72 per cent would be more likely to visit a restaurant if they knew it helped support vulnerable people get onto the career ladder.

Hiring is never easy for any employer. But in today’s challenging recruitment climate, I hope that other sectors take note to help drive change while stopping staff numbers from going off the boil.

Neil Pattison is director at UK hospitality job board Caterer.com.

Neil Pattison
Industry insiders pick the trends that defined the year. By Frank Dalleres

IZZY WRAY
Consultant &
Deloitte’s Sport
Business Group

WOMEN’S FOOTBALL
The growing popularity of women’s football has been one of the defining sports trends of 2019. The Women’s World Cup smashed TV audience records, with a reported 1m people watching it worldwide and over 28m people tuning in to the tournament on the BBC. Numerous attendance records have been broken, including 77,768 people attending Wembley to see England play Germany in November.

This rising popularity has not gone unnoticed by major financial service organisations and consumer brands, who have signed up as sponsors. Three fifths of top flight women’s football clubs globally currently have front-of-shirt sponsors that are different in the men’s equivalent, but we can expect this to reach 100 per cent by the 2023 Women’s Cup.

DIGITAL CONSUMPTION
Pay-Tv has been a key driver of revenue growth for major sports leagues and competitions in the last decade. In 2019-20, revenue from Premier League domestic rights dipped slightly to £1.7bn, indicating a cooling of the market and reflecting changing consumer demands for live sport content. Fewer people are purchasing linear pay-TV subscriptions, with a growing number instead choosing to follow sport through online channels such as social media.

ATHLETE INFLUENCERS
The growing dominance of social media has fuelled a trend for athletes as influencers. To reach fans in a crowded digital world in which attention spans are waning, athletes are becoming increasingly important to reach and engage with fans.

Athletes’ social media channels provide leagues and clubs with a low-cost method to build stories around individuals, bringing fans closer and creating emotional connections with their idols. This is not only a powerful method in which to build a fanbase, it also provides an opportunity for brands to create authentic and valuable sponsored content.

NEIL HOPKINS
Global brand strategy at M&C Saatchi Sport and Entertainment

TIPPING POINT
We have been predict- ing the breakthrough of women’s sport for years now but there is no doubt that from a marketing and sponsorship point of view 2019 represented the tipping point.

For the first time, The Women’s World Cup was aware with sponsors, including Visa and Adidas, determined to embrace the diversity and inclusivity of a sport that has, in the likes of Megan Rapinoe, some genuinely progressive role models.

Their enthusiasm is well-founded. In the UK alone, the coverage of women’s sport is on the rise. The Telegraph launched a devoted supplement, attendances continue to grow and the popularity of women’s cricket and rugby union are growing apace.

BET REGRET
This year saw the first real attempt to untangle the relationship between betting companies and sport with the introduction of a whistle-to-whistle ban on gambling advertisements before the 9pm watershed.

This comes as part of a concerted effort by the industry to persuade responsible gambling and is supported by campaigns such as GambleAware’s Bet Regret, which found that just 13 per cent of football fans are happy for their club to be sponsored by a gambling company.

COKE FLOAT
Whatever the headwinds facing Britain’s economy as it approaches Brexit, it can still boast an undisputed, world-leading cultural phenomenon that was described this year as its most successful export since The Beatles. The Premier League has come to define global Britain and its popularity overseas has added buoyancy to the UK sponsorship market. Nothing else comes close in terms of commercial value and opportunity.

To underline this, 2019 saw Coca-Cola celebrate its return to UK football sponsorship for the first time in a decade as it became a partner of the Premier League and embarked on a mission to celebrate the game’s inclusivity through its Where Everyone Plays campaign.

SIMON LEAF
Sports lawyer, Mishcon de Reya

HI TO CBD
This year it has been impossible to avoid the hype surrounding the use of cannabidiol – commonly referred to as CBD – in sport. Not only have athletes started working closely with CBD brands, some, such as Saracens duo Dominic Day and George Kruis, have even founded their own CBD supplements business. This has arisen after the World Anti-Doping Agency relaxed its rules, meaning many CBD products became exceptions to its list of banned substances.

Given the hype, but also due to strict rules on certain ingredients, it is perhaps only a matter of time before we see a high-profile breach of Wada’s rules, as there are still relatively few regulations governing the provenance, quality and composition of CBD products on the market.

A RIGHT TO MATCH?
A major legal talking point was the High Court showdown between Liverpool and New Balance. The club claimed victory over its current kit sponsor as New Balance was unable to show that Liverpool had failed to comply with a broadly drafted “matching rights” clause in the contract when it opted to make Nike its new supplier.

These clauses are common in sponsorship agreements and are designed to protect existing partners but the problem is that often deals are difficult to compare. In this case, the court agreed that New Balance was incapable of matching Nike’s “offer on marketing”, which included the promise of using “three non-football global superstar athletes and influencers of the calibre of Serena Williams, LeBron James and Drake. Going forward, it is likely that similar disputes will crop up as these types of clauses have become increasingly prevalent in sports contracts and are ripe for challenge.

MATT FLETCHER-JONES
Director of communications at Engine Sport

WOMEN’S SPORT
It’s been a game-changing year for women’s sport with a huge increase in awareness, rising viewing figures, record breaking attendances and sponsors making significant commercial investment.

There may be no major women’s football tournament next summer, but the domestic product is stronger than ever before and attendances will continue to grow along with local commercialisation.

Euro 2021 will be hosted in England and brands will want to be established in the game ahead of the tournament. Keep an eye on the big clubs too – how long before a Premier League side announces that their women’s team will play all their home games at the men’s stadium?

JAPANESE OUTLOOK
This autumn’s Rugby World Cup in Japan will have a significant long-term impact, especially on the international game where sponsors will be more than keen to access the growing Asian market and the international calendar might well be restructured accordingly.

With the Olympics to come next summer too, Tokyo could join London as a go-to sporting destination where crowds and big viewing figures are guaranteed.

GOING OTT
Football is becoming all about three letters: not VAR, but OTT. Amazon Prime’s first Premier League games this month promise to show us whether UK football fans have the appetite – and pockets deep enough – for another provider. If deemed a success, the broadcast landscape will change forever and quickly.

Linear TV broadcasting is dependent on big advertising bucks – a model that OTT providers have circumvented and in the long term there may only be one winner.

Furthermore, we are already seeing shifts away from exclusivity and rights will be cut differently in the future, especially with highlights and clips, which are being accessed immediately by younger generations.

Clockwise from above: Megan Rapinoe helped elevate women’s football at the World Cup; England lock George Kruis has started a CBD business; Japanese fans embraced the Rugby World Cup this autumn; Liverpool won their court case with kit manufacturer New Balance; Bron James and Drake.
De Bruyne destroys a dispirited Arsenal with a first-half blitz at the Emirates, writes Felix Keith

B eing torn apart by a player as brilliant as Kevin De Bruyne is not in itself embarrassing. But the ease and speed with which the Belgian playmaker ended Manchester City’s trip to Arsenal as a content was dispiriting.

As the popular refrain goes, Gunners fans arriving at the Emirates Stadium yesterday afternoon expected little and yet still managed to leave feeling let down.

Someone as talented, multi-faceted and intelligent as De Bruyne does not always need space and time on the ball to operate, but he was afforded it by Arsenal’s ramshackle midfield. Matteo Guendouzi against De Bruyne was simply not a fair fight.

He blasted a cut-back into the roof of the net after just two minutes before making a mockery of the theory that his left foot is weaker, crossing for Raheem Sterling to tap in a second just 15 minutes in. A driving run and precision finishing once again on his left foot, saw the three points gift-wrapped and ready to go by half-time.

Arsenal are not many things, but they are clearly accommodating hosts during the festive period.

**SOFT CENTRE**

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