Virgin Atlantic and Stobart Group, contributions.

deal that will review the regional government struck a controversial after shareholders and the Flybe staved off collapse last night.

HARRY ROBERTSON

Major shareholders, including investment fell 20 per cent and 65 countries, including in the US and China all-time high set two years earlier.

per cent year on year and breaking the previous records in the dust as investors set their sights on private markets.

London now stands shoulder-to-shoulder with San Francisco, Beijing and New York as one the top cities in the world for venture capital investment. It also far surpasses the rest of Europe in terms of the number of accelerator programmes for startups, and the number of so-called unicorns — companies valued at more than $1bn (£767.6m) — headquartered in the city.

The top performing sectors of 2019 were fintech, artificial intelligence and clean energy. Fintech continues to be the UK’s standout star, more than doubling its 2018 total to reach $5.4bn last year — three times more than in Germany, and 7.5 times more than in France.

“These numbers clearly show that if you want to invest in a high potential technology business, then you need look no further than the UK,” said Cindy Rose, the British chief executive of Microsoft. Eight unicorns were created in London last year, taking its total to 77. These included fintech startups SumUp and Checkout, as well as Ovo Energy, Babylon Health and Trainline.

The largest round in UK history also occurred last year when fintech lender Greensill raised $800m from Softbank, alongside mega rounds from Deliveroo, OakNorth, and Chlor Surgical.

“Last year was a very good year for tech,” Frederic Court, founder of Peloton Technology business, then you need look no further than the UK, “said Cindy Rose, British chief executive of Microsoft.

It will continue to do very well in terms of usage and opportunity. But the harder thing with tech, especially for those at later stages, is getting the valuation right. Many of these companies will succeed, but the tricky question for investors is what they will be worth eventually.”

Clearing for takeoff: Government strikes deal to keep troubled Flybe in the air

EMILY NICOLLE

INVESTMENT into the UK’s burgeoning tech scene grew more than anywhere else in the world last year, leaving previous records in the dust as investors set their sights on private markets.

venture capital funding for UK tech firms reached £1.01bn in 2019, rising 44 per cent year on year and breaking the all-time high set two years earlier.

Britain surpassed growth in all other countries, including in the US and China where investment fell 2 per cent and 65 per cent respectively.

The agreement has already proved controversial, however, with rivals criticising government intervention to save a failing business and environmental groups slamming the review of air passenger duty.

The government said that air passenger duty would be reviewed for the whole market ahead of the March Budget, to the chagrin of climate campaigners.

Greenpeace chief scientist Doug Parr said it was hypocritical of the government to subsidise “the most carbon-intensive kind of travel”. Chancellor Sajid Javid justified the Flybe deal by highlighting the benefit it would provide for regional connections in Britain. “I welcome Flybe’s confirmation that they will continue to operate as normal, safeguarding jobs in UK and ensuring flights continue to serve communities across the whole of the UK,” he said.
Fink is right to hail the great reallocation

WHEN you manage over $7 trillion your investment decisions don’t just move markets, they shape them. Blackrock’s Larry Fink understands this and his annual letter to CEOs tends to set out his big-picture thoughts on what companies and boards ought to be thinking about—and what they ought to be doing.

His 2018 letter focused on the need for genuine shareholder engagement, and he vowed that Blackrock would be “active, engaged agents on behalf of clients...embracing our responsibility to help drive...change”. The following year, Fink wrote about “an inextricable link” between profit and purpose, and told bosses they had a responsibility to deal with social problems “in an increasingly divided world”.

This year, in the third letter in his three-part theme, Fink confronts head on the implications of climate change. Describing it as an “unprecedented risk to markets” he insisted that “companies, investors and governments must prepare for a significant reallocation of capital”. Blackrock will now assess environmental considerations with “the same rigour is analyses traditional measures such as credit and liquidity risk”.

The world’s largest asset manager will also move investment away from companies that derive more than 25 per cent of their revenues from thermal coal and aims to increase investment in sustainable assets from $90bn to $1 trillion in a decade.

Critics are already claiming that Fink’s commitments don’t go far enough (or that they come too late) but while that argument will rage for decades, a fundamental point is worth celebrating today: this is how markets are supposed to work. As Mark Carney said last summer, capitalism will be part of the answer to problems “in an increasingly divided world”. This year’s missive brings the two previous themes together, as he confronts head on the implications of climate change. The outgoing Bank of England governor said last summer, capitalism will be part of the answer to severe bushfires across Australia. It also comes just days after it signed up to the investor pressure group Climate Action 100+, which is campaigners. It also comes just days after it signed up to the investor pressure group Climate Action 100+, which is campaigner's.
Huawei attacks US spy claims as 5G verdict nears

**JAMES WARRINGTON**

**@j_a_warrington**

Huawei has urged the government to ignore “unsubstantiated allegations” of spying levelled by the US amid fresh speculation over the Chinese firm’s role in the UK’s 5G network.

Speaking to the BBC yesterday, Prime Minister Boris Johnson insisted that his government would not compromise national security or the UK’s intelligence-sharing agreements.

However, he said the British public needed to have access to the best quality and said critics of Huawei had to come up with “alternatives”.

Top US officials reportedly warned their British counterparts that using Huawei’s equipment would be “nothing short of madness”.

During crunch meetings in London on Monday the security chiefs handed over a dossier of evidence about Huawei’s vulnerabilities in a last-ditch attempt to persuade Downing Street to ban the Chinese tech giant.

In a statement Huawei vice president Victor Zhang said his company was “confident that the UK government will make a decision based upon evidence, as opposed to unsubstantiated allegations”.

For comment made by MI5 chief Andrew Parker, who said he had “no reason to think” the UK’s intelligence sharing agreement with the US would be impacted if it collaborated with Huawei.

Leaks from a national security meeting last year suggested Huawei could be allowed to build so-called non-core parts of the network, though the UK is yet to announce their 5G networks using some Huawei equipment.

But the intervention of US security officials has reignited debate about the Chinese company’s role in critical national infrastructure.

Tory MP Bob Seely has urged the government to ban Huawei, saying: “The blunt reality is that China is a cyber risk and will remain so for years.”

A government spokeswoman said a final decision on Huawei will be made “in due course”.

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**CASE CLOSED**

Yamaha issues instrument holder warning after Carlos Ghosn escape

Ex-BHS owner Dominic Chappell ordered to pay £9.5m in pensions

**JESS CLARK**

**@jclarkjourno**

FORMER BHS owner Dominic Chappell has been ordered to pay £9.5m into the collapsed department store’s pension schemes.

The Pensions Regulator (TPR) announced yesterday that Chappell’s acquisition of BHS, the appointment of inexperienced board members and the implementation of an “inadequate” business plan were detrimental to the company’s pension schemes.

The watchdog also said the way money was extracted and distributed to Chappell, advisers, company directors and Chappell’s family members also damaged the pension pot.

Chappell referred the initial ruling, made in January 2018, to the regulator’s upper tribunal, which subsequently struck out the appeal.

Nicola Parish, an executive director at TPR, said: “We are pleased that the decision to issue two contribution notices to pay money into the BHS pension scheme stands.”

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Boeing suffers worst year for orders in 30 years amid 737 Max scandal

**STEFAN BOSCIA**

**@Stefan_Boscia**

BOEING reported its lowest number of net yearly orders in more than three decades yesterday, as the fallout from last year’s grounding of the 737 Max rolled on.

The US aerospace manufacturer had 87 more cancellations than purchases in 2019, thanks to mass rejections of 737 Max orders.

Boeing delivered 380 planes in 2019, ending the year with a backlog of 5,406 planes.

In comparison, its main rival Airbus had 768 orders, delivered 786 planes and ended the year with a backlog of 7,482. The fall means Boeing was yesterday forced to concede its title of the world’s largest planemaker to its rival.

Leaked emails this week revealed that Boeing employees joked about the technical faults of the 737 Max, with one saying it was “designed by clowns who in turn are supervised by monkeys”.

One said they would never put their family on a “Max simulator trained aircraft”.

The 737 Max was grounded in March by aviation authorities around the world, after Lion Air and Ethiopian Airlines crashes killed a combined 346 people.

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YAMAHA yesterday warned people not to try and squeeze into musical instrument cases after reports former Nissan boss Carlos Ghosn used the ploy to escape Japan.

The musical instrument maker said it had noticed increased interest in the trend.

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The musical instrument maker said it had noticed increased interest in the trend.
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Sturgeon hailed her party’s General Election result as better than expected

ANNA MENIN
@annamenin
SHARES in several major gambling companies dropped yesterday after the industry watchdog announced it would ban betting using credit card deposits.

The ban, which comes into effect from April, covers all online and offline betting, with the exception of “non-remote” lotteries including the National Lottery.

William Hill shares fell as much as 4.5 per cent in morning trading before settling 2.5 per cent down at 181.4p. Meanwhile Flutter Entertainment — which owns Paddy Power and Betfair — dropped 3.54 per cent before recovering to stand 1.2 per cent down.

Shares in 888 Holdings slid 3.54 per cent during trading following news of the ban and the departure of the company’s chief financial officer.

Gambling Commission chief executive Neil McArthur said the new ban “should minimise the risks of harm to consumers from gambling with money they do not have”.

McArthur said that research indicated that 22 per cent of online gamblers who use credit cards are problem gamblers, with more “suffering some form of gambling harm”.

The ban will be reviewed by the commission after it comes into effect on 14 April.

“We realise that this change will inconvenience those consumers who use credit cards responsibly but we are satisfied that reducing the risk of harm to other consumers means that action must be taken,” said McArthur.

The Betting and Gaming Council also welcomed the announcement. Chairwoman Brigid Simmonds said:

“We will implement a ban on credit cards which adds to measures such as age verification, markers of harm and affordability checks.”

Felix Capital is an investor in fitness brand Peloton, which went public last year

London investor in Peloton and Goop raises third fund at $300m

EMILY NICOLLE
@emilynicole
VENTURE capital firm Felix Capital has today revealed its third fund at $300m (£230.3m), targeting startups at both early and later stages across London and beyond.

The firm has previously invested in the likes of Deliveroo, Peloton and Mejari, as well as Gwyneth Paltrow’s lifestyle brand Goop.

The new fund is double that of its last raise in 2017, as Felix seeks to expand its reach across the globe.

Founder Frederic Court told City A.M. around a third of the fund would be invested in the UK, with plans to allocate around 40 per cent towards business-focused products.

Funding round likely to value Revolut at $5bn

ANGHARAD CARRICK
@angharadcarrick
UK-BASED fintech Revolut is set to hit a $5bn (£3.85bn) valuation in an upcoming funding round.

Technology Crossover Ventures (TCV) is said to be leading a funding round that is expected to close this month, according to documents seen by Financial News. The documents showed that investors had placed a pre-money valuation of $5bn on the digital bank.

Silicon-Valley based TCV raised a $3bn fund at the beginning of 2019 to back rapidly-growing tech companies. It was an early backer to back rapidly-growing tech companies. It was an early backer of Spotify, Airbnb and Netflix, and its UK portfolio includes the money transfer platform Worldremi.

Reports last year suggested Revolut had been seeking a valuation of between $7bn and $8bn for the upcoming round.

In 2019 the startup went on a hiring spree as it embarked on a global expansion drive and sought to move away from its startup roots. In November it appointed former Standard Life Aberdeen vice-chairman Martin Gilbert as its chief executive.

Revolut declined to comment.

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The better the question. The better the answer. The better the world works.
US President Donald Trump and Chinese vice premier Liu He will today sign the long-awaited phase one trade deal that will lower tariffs and see China buy more American goods— if all goes to plan.

The world’s two largest economies have been locked in an acrimonious trade war for over a year.

It has led to hundreds of billions of dollars of goods being tariffed, damaging global trade and shaking international markets.

Under the phase one deal— so called because it is by no means comprehensive— China is expected to massively increase its purchases of US agricultural and manufactured goods.

This will trim the US’s $300bn (£230bn) trade deficit with China, which has long been a bug bear for Trump and his supporters.

China has promised to buy almost $80bn more manufactured goods from the US over the next two years, a source that is briefed on the deal told Reuters yesterday. It will also buy $50bn more in energy supplies, $35bn more in services, and $52bn more in agricultural goods, the source said, although analysts questioned how realistic these targets are.

The text of the deal will be released today when Trump and Liu put pen to paper, and will be parsed by investors looking to weigh up just how far it goes.

A further round of tariffs was suspended in December when the phase one deal was struck, and the US Trade Representative’s office (USTR) said it would half the rate of tariffs it imposed in September on $120bn of Chinese goods to 7.5 per cent.

US Treasury secretary Steven Mnuchin said late last night Trump would not consider removing the tariffs entirely until phase two of the trade agreement had been completed.

Six Volkswagen executives are charged with fraud in Germany

Six Volkswagen executives have been charged with fraud, after they were accused of “deliberately misleading” authorities and customers in the months leading up to the diesel emissions scandal in 2015 by failing to tell authorities about cheating devices.

Prosecutors said three executives “knowingly and willingly participated in the development, refinement and improvement of manipulation software”.

In September 2015 the German car making giant said that 11m cars worldwide, including almost 1.2m in the UK, were affected.
Endeavour calls off merger talks with Centamin

EDWARD THICKNESSE
@edthicknesse

MINING group Endeavour yesterday called off attempts to merge with London-listed miner Centamin, after the latter said it would not extend the deadline for the Canadian corporation to make an offer.

Shares in Centamin fell nearly seven per cent to 118.35p.

The two firms have been in talks since early December, when Endeavour went public with an £1.47bn all-share takeover.

After wrangling about due diligence deadlines for much of the rest of the month, Endeavour has now decided to bring an end to its pursuit, which it has been conducting since October 2018.

The Canadian mining giant’s chief executive Sebastien de Montessus said in a statement: “We remain convinced about the strategic rationale of combining Endeavour and Centamin to create a diversified gold producer with a high-quality portfolio of assets. “The quality of information received during the accelerated due diligence process has been insufficient to allow us to be confident that proceeding with a firm offer would have been in the best interests of Endeavour shareholders,” he added.

Centamin issued a statement saying that Endeavour’s offer “materially undervalued” the firm.

Jim Rutherford, the firm’s deputy chairman, said: “After a period of constructive engagement, Centamin and Endeavour have not reached agreement on value and have therefore terminated discussions.

“We are highly confident in our growth strategy, which includes but is not limited to value-accrual diversification.”

In last week’s trading update, Centamin said that the fourth quarter saw a 50 per cent rise in production at the Sukari mine, making it one of the best quarter’s in Centamin’s history.

The firm also reaffirmed its guidance for 2020.

Co-op saviour Richard Pennycook to join UK’s biggest poultry firm

POPPY WOOD
@poppyeh

FORMER chief executive of the Co-op, who saved the supermarket giant from collapse in 2013, has been named as chair of the Britain’s biggest poultry empire.

Richard Pennycook will today replace Lord Allen of Kensington as chairman of 2 Sisters Food Group (2SFG), Sky News first reported.

The former Coop boss is widely credited as having steered the group from financial ruin, following a £1.5bn accounting black hole on the Coop Bank’s balance sheet.

Pennycook is expected to step down as chair of the British Retail Consortium in light of his new role.

2SFG, which has a workforce of around 18,000, is controlled by Ranjit Boparan, known as the “chicken king” due to his ties to the poultry production sector.

Pennycook’s appointment comes after a difficult period for the company, after it was hit by a food hygiene scandal in the wake of undercover filming in its factories.
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Boohoo hikes its guidance after revenue bounce  

JESS CLARK  
@jclarkjourno

BOOHOO raised its full-year guidance yesterday as it reported record trading during the final quarter of last year.  
The online fashion retailer’s shares jumped five per cent to £33.7p after it announced group revenue in the four months to 31 December was £473.7m, an increase of 44 per cent compared to the same period last year.  
The company said revenue in the financial year to 29 February is expect- ed to be 40 per cent to 42 per cent, ahead of its previous estimate of 33 per cent to 39 per cent.  
Group adjusted earnings before interest, tax, depreciation and amortisation (Ebitda) margin is expected to be between 10 per cent to 12.2 per cent.  
Yesterday the e-commerce platform said revenue in the US was up 57 per cent to £110.6m during the quarter.  
Boohoo’s revenue was up 42 per cent during the quarter, while Pretty Little Thing reported an increase of 32 per cent and Nasty Gal saw revenue soar 102 per cent.  
The company also completed the integration of new acquisitions Miss Pap, Karen Millen and Coast into the Boohoo platform.  
“Online ‘fast fashion play’ Boohoo shows no signs of slowing down,” said Russ Mould, investment director at AJ Bell.  
“At a time when many traditional clothing retailers are struggling, the company is continuing to prove the benefits of its purely online operation, emerging as one of the sector winners from the crucial festive period,” he added.  
Boohoo chief executive John Lyttle said: “I am delighted to report the group has enjoyed record trading in the last four months of 2019.  
“All of our brands have performed exceptionally well and delivered strong market share gains.”  
Lyttle added that the group’s newly-acquired brands are “showing great promise and open different target markets for the group, in line with our strategy to build our multi-brand platform.”

SPEAKING DIRECTLY  
Mike Ashley’s firm urges PM to reform business rates system  

ALEX DANIEL  
@alexanderdaniel

MIKE Ashley’s Frasers Group, formerly known as Sports Direct, has written to the PM to ask him to urgently review the business rates scheme. In a letter to Boris Johnson, the company said the current system means some stores pay “incorrect” rates.

Games Workshop hits record high as Warhammer sales lift first half  

ALEX DANIEL  
@alexanderdaniel

GAMES Workshop shares hit a record high yesterday after it enjoyed rising profits over the first six months of the financial year.  
In a continuation of the success which has driven its share price up more than 1,900 per cent over the last five years, the Nottingham-based company behind the Warhammer games series said yesterday that earnings rose by nearly a half over the period up to 1 December.  
Games Workshop’s stock was valued at £6.96p yesterday, marking a 9.2 per cent rise.  
Pre-tax profit rose to £58.6m for the period, a 43 per cent gain versus the same period in 2018. Revenue grew 18 per cent to £148.4m, while cash generated from its operations was £60.4m, a huge rise on the 2018 figure of £19.6m.  
Games Workshop achieved the second highest growth in value of any FTSE 250 company during the 2010s, recording a 2,630 per cent return on shareholder value.

JP MORGAN KICKS OFF US EARNINGS SEASON IN STYLE  
JP Morgan brought in a record annual profit in 2019 of $36.4bn (£33.1bn), its fourth-quarter results showed yesterday, outstripping analysts’ expectations as it kicked off the US earnings season in fine style. The US’ biggest bank was boosted by a marked increase in bond trading as tensions cooled between Washington and Beijing. Its shares finished 1.2 per cent higher in early trading to $188.80.  
Profit at the New York-headquartered lender rose 21 per cent year on year to $8.5bn in the final three months of 2019, up from $4.3bn a year earlier. This took earnings per share to $2.57, well above the consensus prediction by Wall Street analysts of $2.35. JP Morgan chairman Jamie Dimon warned that some “geopolitical issues” remained.

CITIGROUP PROFIT JUMPS IN STRONG FINAL QUARTER  
Profit at Wall Street giant Citigroup beat expectations to post a 15 per cent rise in fourth-quarter profit, with solid growth in both its consumer and institutional banking arms. Citigroup shares ended 1.6 per cent at $81.91 as the lender continued the strong start to US earnings season. The third-largest US bank’s profit rose to $5bn ($3.8bn) in the final three months of 2019, up from $4.3bn a year earlier. This took earnings per share to $2.15, well above analysts’ predictions of $1.84. Total revenue grew seven per cent to $13.4bn, with strong growth in each of the North America, Europe, the Middle East and Africa, Latin America and Asia regions. Citi’s chief executive Michael Corbat said the results represented a “strong finish to the year.”

RETHINK AT WELLS FARGO AFTER INCOME SLUMPS  
Profit at Wells Fargo slumped 50 per cent in the fourth quarter as the US banking giant remained mired in a sales scandal.  
The results — which looked especially poor in comparison to rivals — prompted new boss Charles Scharf to promise “fundamental changes.” The Wall Street lender suffered operational losses of $1.9bn ($1.1bn) in the final three months of 2019, due in large part to the setting aside of over $1bn to deal with costs relating to sales abuses first revealed in 2016. Profit fell to $2.6bn, taking earnings per share to $1.21, below analysts expectations. Scharf said he would focus on cost-cutting. He said: “There is no reason why we shouldn’t have best-in-class efficiency with these business at this scale.”

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Nissan is ‘in no way’ mulling plans to dissolve its alliance with Renault

CHRIS GALLAGHER

NISSAN said yesterday it was “in no way” considering dissolving its alliance with France’s Renault, and that the alliance was the source of Nissan’s competitiveness.

“Through the alliance, to achieve sustainable and profitable growth, Nissan will look to continue delivering win-win results for all member companies,” it added.

Nissan, in response to “speculative international media reports,” said it was “in no way considering dissolving the alliance.”

“Through the alliance, to achieve sustainable and profitable growth, Nissan will look to continue delivering win-win results for all member companies,” it added. Renault said yesterday it will appoint a new chief executive within the next few days.

HARRY ROBERTSON AND ANNA MENIN

@harrygrobertson @annaofmenin

A FIRM at the centre of the London Capital & Finance (LCF) scandal was found to have “overvalued” a major asset on its balance sheet yesterday, meaning it was unlikely it could have paid back the money it owed LCF.

London Oil & Gas was the biggest recipient of cash from LCF, which collapsed a year ago owing £236m to more than 11,000 investors, sparking an official investigation into high-risk mini-bonds and numerous acrimonious court battles.

Yesterday’s court judgment was a section of a bigger ruling by judge Clive Jones that rejected the attempt by London Oil & Gas (LOG) former director Elten Barker to remove the administrators from his old company.

He and his fellow directors put LOG into administration last year.

But Barker then took administrator Smith & Williamson to court after it lodged an application to question him, arguing the accountancy firm should be stripped of its role.

Barker’s lawyers said London Oil & Gas should not be in administration since it could sell its shares in London-listed Independent Oil & Gas and pay off its debts.

However, Judge Jones said London Oil & Gas’s valuation of the shares of £135.65m was “unsustainable on the evidence before me.”

Jones said the valuation was based on an “unfounded” share price of 59.09p, despite its 2019 share price never having gone higher than 21.75p.

The judge said this meant London Oil & Gas had a hole of roughly £81m in its accounts, and therefore “was or was likely to become unable to pay its debts”.

The bulk of these debts were to LCF.

The judge rejected Barker’s attempts to remove Smith & Williamson as London Oil & Gas’s administrator.

Smith & Williamson partner and London Oil & Gas joint administrator Finbarr O’Connell said the “judgment makes clear that Mr Barker had no ‘legitimate interest’ in bringing his application” to have the administrators removed. Lawyers for Barker did not respond to requests for comment.

#### CITYAM. DECODES

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The 2018 ‘BAME Boss’ report published by the Equality Group found that half of ethnic minority respondents noted no prominent role models of their leadership style, philosophy, business, talent and performance planning. In this series, we will expose the reality, wrestle with the complexity and engage in debate leaving our audience with a whole host of practical ideas designed to drive change and gain an edge.

Dr Miranda Brawn
CEO, The Miranda Brawn Diversity Leadership Foundation

Hephzi Pemberton
CEO, The Equality Group

Raphael Makades
Managing Director, Rare Recruitment

Bev Shah
CEO, CityHive

Register to attend at cityam.com/events/city-a-m-decodes-january-2020/
London listings hit lowest level in over a decade

ANGHARAD CARRICK @angharadcarrick

GEOPOLITICAL uncertainty contributed to London’s subdued initial public offering (IPO) market last year, as listings fell more than 50 per cent.

In what was London’s quietest year for a decade, just 35 companies floated in the capital, raising £5.9bn — down from 79 listings raising £9.9bn in 2018.

The number of admissions to London’s junior Aim also fell, from 35 in 2018 to 11 in 2019.

The largest London floats in 2019 by funds raised were both private equity backed, with Warburg Pincus and General Atlantic-owned Network International raising £1.2bn, and KKR-backed Trainline, raising £1.1bn.

Scott McCubbin, from accountancy firm EY which crunched the numbers, said it needed to be a part of a larger strategic response.

“Fifty-three per cent of all IPO proceeds raised in London were from private equity-backed companies, compared to a global average of 29 per cent,” he said.

The UK market’s lacklustre performance last year mirrored global trends. IPOs registered globally fell 10 per cent to 1,127 in 2019, with proceeds of $202bn (£155bn), marking a two per cent decrease year on year.

Despite the blockbuster Saudi Aramco float, which raised $25.6bn in the fourth quarter, it was a disappointing year for IPOs globally.

Tech unicorns Uber and Lyft both broke below their IPO prices, while office sharing firm WeWork shelved plans for a public listing.

Gareth Jones, partner at law firm Pinsent Masons, said that fresh optimism following the General Election showed faith in the UK market and boost the number of listings.

“It may take a while before the market gets going again but people seem more positive.”

Google and Sadiq Khan join forces to create a local counter extremism fund

STEFAN BOSCIA @Stefan_Boscia

GOOGLE and Sadiq Khan have teamed up to create a counter extremism fund in response to November’s London Bridge terror attack.

The £800,000 fund, run with the Institute for Strategic Dialogue, will offer grants to local organisations to provide services and education to prevent extremism and radicalisation. Khan and Google have each contributed £400,000 to the initiative and groups will be able to bid for grants of up to £50,000.

The mayor said money would be invested in “local communities and grassroots groups”, because “evidence shows they are best placed to counter hate, intolerance and extremism”.

He added: “Violent extremism is one of the biggest threats facing London and our country.”

The fund comes after University of Cambridge graduates Saskia Jones and Jack Merritt were fatally stabbed by Usman Khan at Fishmongers’ Hall on London Bridge. The attack has been followed by a spate of antisemitic graffiti being plastered around London.

Alan Mendez, executive director of the Henry Jackson Society think tank, welcomed the initiative, but said it needed to be a part of a larger strategic response.

London cyber incubator unveils newest members

JAMES WARRINGTON @j_warrington

THE LONDON Office for Rapid Cybersecurity Advancement (Lorca) today revealed the 20 latest scale-ups to join its cyber cohort.

The government-backed incubator said its fourth intake was the largest to date, and includes companies using automation and quantum to protect UK industry against online threats.

Though the majority of businesses were British, the programme received the highest volume of international applications so far, with nine overseas firms making the list.

Among the new entries were Keyless, a London-based firm specialising in biometric authentication, and Vivida, which uses virtual reality to develop cybersecurity education.

The year-long programme is delivered by Plexal at Here East in the Olympic Park.
HOUSEBUILDING firm Taylor Wimpey yesterday said the UK housing market remained stable last year, despite ongoing economic and political uncertainty.

In a trading update the company said that conditions were more challenging in London and the south-east, but demand for homes remained strong in the face of uncertainty caused by Brexit.

The FTSE 100 firm said total home completions including joint ventures increased five per cent to 15,719, 23 per cent of which were affordable homes.

Taylor Wimpey’s net private reservation rate for the year was 0.96 homes per outlet per week and the cancellation rate was 15 per cent.

Average selling prices on private completions increased one per cent to £305,000, and the overall average selling price reached £269,000, up from £264,000 the previous year.

Taylor Wimpey chief executive Pete Redfern said: “Our results for the year to 31 December 2019 will be in line with our expectations.

“Despite an uncertain political and economic backdrop in 2019, we have continued to experience a good level of demand for our homes and trading in the second half of the year was as anticipated.”

Redfern added that the firm’s plans for the year ahead will be to “prioritise a renewed cost focus and process simplification improvements”.

Interactive Investor head of markets Richard Hunter said: “In 2020, the company’s performance will likely be second-half weighted, while there may be some headwinds developing as negotiations with Europe develop over the year... For the moment, though, those are distant clouds on the horizon with the sector showing few signs of slowing down.”

Watkin Jones’ build-to-rent profit doubles

ALEX DANIEL

HOUSING developer Watkin Jones yesterday said profit from its build-to-rent developments more than doubled in 2019.

The 229-year-old company, which also makes student housing, saw overall profit slip because of exceptional costs.

Pre-tax profit fell 8.5 per cent to £49.7m, while revenue grew 3.2 per cent to £374.8m. However, revenue from build-to-rent shot to £73.6m from just £3.8m in 2018, while profit from the arm was £13.2m.

Chief executive Richard Simpson said: “Despite the difficult macro environment caused by Brexit-related uncertainty, the group has delivered further profitable growth, in line with expectations.”

Simpson told City A.M. he was optimistic that the student accommodation sector is set to grow as a result of an increasing number of students entering higher education.

“Population growth is due to turn positive for next year for the 18 to 22 year old cohort and that will be sustained well into the next decade,” he said.
Publishing firm Future faces ire over senior pay

JAMES WARRINGTON

PUBLISHING company Future could face a shareholder revolt at its annual general meeting (AGM) next month after an influential proxy adviser urged investors to vote down the firm’s executive pay policy.

Future’s remuneration report outlines a base salary increase of more than 27 per cent for finance director Ben Ladkin-Brand, who is set to take home £3.9m overall in 2020.

In a note to members this week, adviser Glass Lewis cited concerns about the “significant increase” to base salary, and said Future had offered an “inadequate response” to last year’s backlash, when almost a third of shareholders voted against the pay report.

Chief executive Zillah Byng-Thorne was granted a 19 per cent salary increase after an influential proxy adviser adviser Glass Lewis said it was “sceptical” about high fixed pay raises, “as such remuneration is not directly linked to performance and may serve as a crutch when performance has fallen below expectations”.

It also urged shareholders to vote down the firm’s remuneration policy, which would increase the potential bonus payout for both the chief executive and the chief financial officer.

It comes months after the two executives cashed in bumper bonuses as they reaped the rewards of a period of rapid growth at the publisher, which owns titles such as Four Four Two and Tech Radar.

Boss Byng-Thorne cashed in £1.46m in November after selling roughly 1m shares, while Ladkin-Brand pocketed £7.7m. The executives have overseen a twofold increase in Future’s share price over the last five years, as the firm has bucked headwinds in the wider publishing sector.

But a survey of the wider industry last year revealed 94.2m entries released its annual passenger figures yesterday, revealing 94.2m entries.

ADVERTISEMENT FEATURE

It’s about building confidence and knowing that’s all there is to it. It’s just free. That’s the value.

There are fewer better opportunities to make bold changes and set the tone for what’s to come than the start of a new year. With the announcement last week that its regular investing fee is no more, interactive investor (ii) has got 2020 off to a flyer.

In the spirit of ii’s flat-fee model, which does not favour one type of investment over another, customers can invest for free regardless of whether they choose funds, investment trusts, ETFs or individual stocks – or can mix and match.

It means the previous 99p fee for regular investing is no more, leaving customers with just one easy-to-understand, pounds-and-pence monthly flat fee. The minimum amount for regular investing is £25 per month.

Chief executive Richard Wilson said: “The removal of the regular investing fee means one less thing to get confused about and one less platform fee to add up. It’s about building confidence and knowing that’s all there is to it. It’s just free. That’s the value.”

“The removal of the regular investing fee comes just over a year after ii permanently scrapped exit fees, having waived the levy since December 2017. The removal of the regular investing charge comes just over a year after ii permanently scrapped exit fees, having waived the levy since December 2017. It’s about building confidence and knowing that’s all there is to it. It’s just free. That’s the value.”

HOW DO OTHER PLATFORMS FARE?

This is the first time, it’s kind of any of the big investment platforms. Hargreaves Lansdown charges 0.35% on the lowest annualized account balance, with a €35 minimum fee for investments under €10,000. Interactive Investor charges 0.5% on the lowest annualized account balance, with a €50 minimum fee for investments under €10,000. Vanguard charges 0.04% on the lowest annualized account balance, with a €100 minimum fee for investments under €10,000. Robinhood charges 0.5% on the lowest annualized account balance, with a €0 minimum fee for investments under €10,000.

JESS CLARK

FURNITURE retailer DFS yesterday reported a dip in sales for the second half of the year following “subdued” trading in August and September.

The company said gross sales were down six per cent in the 26 weeks to 29 December, “reflecting a challenging consumer environment”. However, the retailer said order intake momentum has strengthened and the key winter sale trading period has started “satisfactorily”.

In a trading update yesterday, the firm said it anticipates low single digit revenue growth in the full year, supported by recent trading momentum and new showroom openings. Full-year pre-tax profit is expected to be in line with market forecasts.

In a statement yesterday the company said: “We are aware of the broader political and economic uncertainty that still exists. However, we have made good progress on our strategic initiatives, driving showroom conversion and online growth,” it added.

DFS sales slump but retailer lifts hopes on profit

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Jemma Jackson is head of PR at interactive investor.

KEEP THE CHANGE

After interactive investor became the first of the big investment platforms to scrap its regular investing fee, Jemma Jackson looks at what it means for customers.

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“Making permanently scrapped exit fees over a year ago and moved from a quarterly to a far more intuitive monthly flat fee last year, we are constantly exploring ways to simplify and add value. We want to do as much as we can to make investing simple. With no percentage fees, just a flat fee that stays the same as investors’ wealth grows, investors can keep more of their hard-earned cash, and keep control of their financial future.”

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Catherine Neilan asks Nickie Aiken how London can try and bridge the divide with the rest of the country

AT TIMES during last month’s General Election, City A.M. readers could be forgiven for thinking it was taking place in a different country. For much of the campaign the focus was far from London, with front-benchers and their battle buses taking them through the midlands and the north as labour and Tories fought it out for the so-called Red Wall. The Conservatives’ successful gambit, which has returned Boris Johnson to Number 10 with an 80-seat majority, means the government is now committed to investing outside the M25.

Some Tory MPs have told City A.M. of concerns that this could present challenges for the cluster of them in London and the communities where the result in December was markedly different to the rest of the country—for example losing Putney to Labour and Richmond Park to the Lib Dems.

But the new MP for the Cities of London and Westminster, Nickie Aiken—who actually increased the Tory majority despite going up against Lib Dems’ supposed star candidate Chuka Umunna—believes the country can and must move forward as one. “We’ve got to move away from this ‘us and them’ mentality,” she says in her first interview since arriving in parliament.

“It’s about UK plc... The City is the engine of UK plc, but it needs all the other elements to create a Rolls Royce. I do think ministers get that. But my job is to remind them of it.”

Plans under David Cameron and George Osborne to create the Northern Powerhouse were halted by Brexit, which “brought everything to a standstill”, says Aiken. “Now we have got [Brexit] out of the way we can get on with what we were hoping to do four or five years ago,” she adds, pointing to projects such as the Trans Pennine Railway as “a prime example of something that “just has to be done”.”

Few would agree with her optimistic assessment that Brexit is “out of the way”, but she is part of a governing party that desperately wants to focus on other things. Though she voted Remain, Aiken is now fully behind Johnson’s deal, arguing that Londoners have been living “in a bubble”. She attacks the People’s Vote campaign as “so patronising”, and says she has “some sympathy” with the anger directed towards the capital after people in parliament and other positions of power appeared to block the result of the referendum.

The “very clear message” sent through the polls in December should remove any doubt in Remainers’ minds that those who voted Leave in 2016 really did know what they were voting for. But, as Downing Street looks to keep these hard-won voters onside, won’t the resulting “rebalancing” leave Londoners feeling neglected?

“They certainly shouldn’t feel neglected, and part of my job is to ensure we do still have a voice, as I think there is an appreciation of what London does,” Aiken says.

“But there has to be a rebalancing for the greater good... I don’t think we should see it as a negative. It’s not either—it’s both.”

Aiken, who was head of PR at Bradford & Bingley for eight years before joining Westminster City Council, is planning to spend the next few months getting to know the City better, particularly with one eye on the imminent trade talks with the EU.

“I really need to sit down with the [City of London] Corporation, to understand their red lines—what they are really looking for,” she says.

Aiken is particularly conscious of working to “keep as much of our industry in the City” after Brexit, but admits she “doesn’t know enough to comment yet” on how exactly that will be achieved.

Ministers are “very keen” to understand what is required and Aiken—who is so new she hasn’t got a Westminster office, and is still getting her head around the warren that is the parliamentary estate—has met with her constituents.

Despite experts such as the Institute for Government warning that a deal involving services will be near impossible before Johnson’s self-imposed deadline of December, Aiken believes it is “surely a good thing” which will “concentrate the mind, create a clear path” towards a deal.

But the pitfalls to opportunities beyond the EU, in finance hubs like Singapore and Hong Kong, as key to the City’s future success. Sajid Javid’s first Budget, scheduled for 11 March, is expected to see a raft of measures aimed at “levelling-up” the rest of the country.

But it needs all the other parts to be a Rolls Royce...
LONDON REPORT

FTSE bags slight gains ahead of US-China deal

ONDON’s main index ended a choppy session yesterday with slight gains, as investors looked towards the signing of the phase one US-China trade deal, while betting firms lost ground after Britain banned consumers from using credit cards to gamble.

The FTSE 100 closed 0.1 per cent higher. The FTSE 250 rose 0.2 per cent, driven by a 9.2 per cent jump in miniature wargame maker Games Workshop after reporting record profit and sales. Ahead of the interim trade deal today, a senior source said China would ramp up purchases of cars, aircraft and energy supplies from the United States. Separately, Washington said Beijing should no longer be designated a currency manipulator.

Homebuilder Taylor Wimpey was the second-best performer on the FTSE 100, rising four per cent after a trading update showed that its order book surged 22 per cent in 2019, aided by the government’s Help to Buy scheme. Meanwhile, gambling firms Flutter Entertainment and William Hill gave up 1.2 per cent and 2.5 per cent respectively, on Britain’s new rule to prevent consumers from building up too much debt. Other industry players GVC and 888 recouped earlier losses to end marginally higher.

Shares of Elementis slid 14.7 per cent to the bottom of the midcaps after the speciality chemicals company warned of a lower 2019 profit. The stock recorded its steepest one-day fall since mid-2013.

Another significant faller was gold miner Centamin, which lost seven per cent on its worst day since early December after Canadian company Endeavour Mining scrapped plans to take over the London group. Aim-listed online fashion retailer Boohoo defied high street gloom by advancing five per cent to a record high after reporting robust performance in its Christmas trading period and hiking its full-year forecast.

TOP RISERS
1. NMC Health Up 10.23 per cent
2. Taylor Wimpey Up 9.31 per cent
3. Vodafone Up 3.24 per cent

TOP FALLERS
1. Fuzco Down 4.22 per cent
2. Pearson Down 3.29 per cent
3. Mondi Down 2.57 per cent

BEST OF THE BROKERS

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

Wall St loses its nights in ‘Jason Bourne market’

S STOCKS dipped yesterday, reversing earlier intraday gains. Following a report that the United States would likely maintain tariffs on Chinese goods until after November’s presidential election, the eventual removal of tariffs by Washington would depend on Beijing’s compliance with the phase one trade accord, which is expected to be signed today, Bloomberg reported, citing sources.

With the S&P 500 at record levels, eyes are set to around 11 times expected earnings, algorithmic traders and human investors interpreted the Bloomberg report as a reason to sell, said Joe Saluzzi, co-manager of Themis Trading, in Chatham, New Jersey.

“We’re in a Jason Bourne market. The first thing Jason Bourne does when he walks into a room is look for the exit, just in case,” Saluzzi said, comparing investor sentiment to the fictional action character.

The Dow Jones Industrial Average, S&P 500 and Nasdaq each touched intraday record highs before losing ground in afternoon trade. The Dow ended the session 0.3 per cent modest gain.

Another significant faller was gold miner Centamin, which lost seven per cent on its worst day since early December after Canadian company Endeavour Mining scrapped plans to take over the London group.

FTSE

Boohoo defied high street gloom by advancing five per cent to a record high after reporting robust performance in its Christmas trading period and hiking its full-year forecast.

Coca-Cola HBC is set to maintain its fizz, according to Jefferies analysts. Following soft second and third quarters, the soft drinks bottler is still expected to deliver full-year results in line with guidance thanks to growth acceleration in the fourth quarter. Analysts say the company’s stock is “not expensive for the growth”, and that although it was held back by poor weather conditions in 2019, this is not expected to happen again this year. They rate the company as “buy”, with a target price of 2,300p.

Science in Sport may be at a five-year low, but Liberman analysts are eating the sports nutrition company up. With sales at a five-year high, they say the stock offers “deep value” and long-term growth. The business yesterday said trading for 2019 would be in line with expectations and hailed it as a “landmark” year — its first full year since acquiring protein brand Phd. Revenues for the year were around one per cent ahead of Liberman analysts’ expectations, and they rate Science in Sport as “buy”, with a target price of 850p.

FTSE 100

BEST OF THE BROKERS

WILLOW

Independent mortgage broker Willow Private Finance has hired former private banking director Alex Leget as senior mortgage and protection consultant. Alex has 33 years’ experience in financial services, having worked at Coutts, Arbuthnot Latham, and most recently as a director within the private banking team. Wesley Ranger, founder of Willow Private Finance said: “Alex’s extensive experience with [high net worth individuals] and specialist lending will provide further support to our existing division... We are delighted to have [him] join as a key member of our team.” Alex commented on his new role: “I look forward to growing Willow’s high net worth division during an exciting time in the UK market.”
Fintech can be the silver bullet to banking the UK’s unbanked

Benjamin Barnard

The key to addressing financial exclusion is to provide customers with products they both want and can understand

A tip for Cummings: Don’t hire anyone who fails to grasp the power of incentives

Paul Ormerod

The JOI advert issued by Dominic Cummings for people to work in government has attracted a wide range of comments. One particular focus has been on the sorts of skills he is looking for.

Computer science, forecasting, artifical intelligence, causality theory—all these topics excite his interest. Cummings advocates a small selection of scientific papers with which applicants should be familiar. He believes that humanities graduates are unlikely to be suitable. The papers are indeed quite challenging. Even the smartest arts graduate might struggle to cope with their content simply because of the language—in which they are written.

The implication is that those with expertise in the humanities need not apply. Indeed, economics is conspicuous by its absence from the now notorious reading list. I can empathise with his focus on the hard sciences. But economics does have one very powerful, general insight into behaviour that Cummings should heed. In fact, everyone—whether working in the civil service, libraries or university social science departments—should be familiar with it.

It is, quite simply, that agents respond to incentives. When the set of incentives faced by an individual, a company, or a government changes, behaviour changes too. Different decisions are made as a result.

Two snippets of recent news, chosen almost at random, can illustrate the power of the concept.

Beggars have started to travel from Glasgow to Carlisle to ply their trade. In Scotland, the penalty for aggressive begging is up to a year in jail and a £5,000 fine. In England, it is only a £100 fine. It is not sufficient to explain why Carlisle has become more attractive.

On a note that will be more relevant to most people, more than a million people a month now fail to turn up for GP appointments. From June to November last year, a record 8.7m patients did not attend.

This bad behaviour imposes extra costs on the NHS and makes it more difficult to be assured that everyone needs to see a GP to get appointments.

A simple solution is to charge for visits to the GP surgery. It would not eliminate the problem, but it would make a big difference. Once having paid, people will be much more likely to turn up.

Any proposal to introduce charges in the NHS causes the left to froth at the mouth. The standard argument is that charges would deter poor people from accessing healthcare. It does not seem to do so in countries such as Ireland and Sweden. Both charge people to see their doctors. The impact is mitigated in the latter by the fact that in Sweden and in the latter low-income people can visit for free. Other EU countries have similar schemes—in France, the principle of health services is pay up front, get reimbursed later.

It is not necessary to believe that people act in a completely rational way all the time. They obviously don’t. But incentives work. Empirical examples of the principle can be found every day, in every country. A simple, sensibly designed set of incentives is worth a tonne of regulation.

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WE WANT TO HEAR YOUR VIEWS E: theforum@cityam.com COMMENT AT: cityam.com/forum

WALTER Bagehot, one of the fathers of our modern constitutional structure, believed that the Cabinet was the “efficient secret” of the British state. But what if the institution is now too big to function, and that its size creates silo working across the government, which stalls progress.

The idea has developed that two years or so as a junior minister means it’s time for an MP to attend cabinet with a little bump and little of substance added to their operational brief. These are not personnel management methods which promote a well-functioning machine. Positions of power within the British state are not for merely to be given out to favourites sons and daughters – they are operational roles which require experience, discipline, commitment.

So here’s my solution. Reduce the number of both cabinet ministers and people who attend cabinet. Bolster the cabinet sub-committee structures to include the voices of junior ministers and when required. And reform government departments so they can work together under a streamlined command structure.

Consider the merger that has been mooted, between the Foreign and Commonwealth Office and the Department for International Development. Merging these departments could result in a unified international voice at the top, which may help to create a more coherent and joined-up foreign policy strategy, and better procurement of services in its delivery.

The situation now isn’t working as well as it should. These departments share two of their regional focus ministers, and there are three Lords ministers between them. There are two more regional ministers in the Foreign Office, one for Europe and the Americas and one for the Asia Pacific region.

The US, Australia, and the EU are three of our biggest partners in aid delivery, so not having these ministers sit across both departments seems an error. The absence of the Asia Pacific minister from the Department for International Development creates an additional missed opportunity, given our participation in significant aid delivery across that region.

This disjointed leadership approach results in a lack of single command structure in our overseas missions, and the imbalance in budgets creates gross disparity in pay across the civil servants from both departments. The upcoming integrated defence, security and foreign policy review provides an opportunity to develop this further. The potential for a backlash from government partners would not be to the principle of streamlining, but rather to fears that the government would attempt reform with insufficient preparation – and fail.

Previous reforms have been half-hearted and chaotic. Successful civil service reform is a moon landing – you get one shot to get it right or you’ll spend decades tinkering around the edges for little gain. But if planned and executed well, there is a huge amount to gain in considering merged departments, restructuring, and reducing the number of seats at cabinet.

There is a theory that civil servants are running amok within their departments and that, since ministers represent the will of the people against the dynamic of these ever-present out-of-touch pencil pushers, creating more ministers is therefore the answer. This is a miscalculation. I have worked with some excellent civil servants, and with some who are clearly suboptimal. There is one thing that unifies both kinds: the ministerial direction of the government. If it is unclear, chaos follows. If it is well organised, efficient, and bold, then Global Britain really will be a renewed force on the world stage.

This is its size creates silo working across the government, stalling progress. Lauren McEvatt is managing director of Morpeth Consulting, an international affairs consultancy. She is a former government adviser.

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Micromanaging your staff is a quick way to demotivate them — give them space to grow

Elizabeth Kent

It’s worth remembering that high-performing teams are rare — and that 75 per cent of them are dysfunctional. If you want to ensure that yours is one of the successful ones, you need to act as a coach, ask lots of questions, and encourage people to learn new skills.

That’s how to demotivate someone — fast. It also begs the question, if you’re doing their job, who’s doing your work? Sometimes, if a task is urgent or high stakes, it makes sense for the boss to step in, or at least ask for regular updates. But don’t assume that people understand why you’re doing this. It’s best to be explicit and coach the employee so that they understand what you’re doing and can learn to do it on their own.

Also, remember that getting the most from your people takes time. You have to allow for this. You’ve probably been promoted due to your technical skill, so it’s frustrating seeing someone struggle. But your job is different now. It’s about getting other people to do as good — or better — work than you.

It’s worth remembering that high-performing teams are rare — really rare. According to the Harvard Business Review, 75 per cent of them are dysfunctional. If you want to ensure that yours is one of the successful ones, you need to act as a coach, ask lots of questions, and encourage people to learn new skills.

So even if you enjoy being a hands-on leader, getting stuck in when the going gets tough, learn to step back — so that your team can learn to step up.

Elizabeth Kent is chief operating officer at Bishopsgate Financial.
1.35%* AER

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Start the new decade with a high interest rate from Marcus by Goldman Sachs and your savings will soon add up. Plus, there’s no hidden fees or charges. Open yours from just £1 at marcus.co.uk

*Variable

Interest rate is 1.35% AER/1.44% gross, variable. Interest is paid monthly. Rate information correct as of 18/12/2019. Annual Equivalent Rate (AER) illustrates what the interest rate would be if interest was paid and compounded once each year. Gross rate is the interest you earn on your account before income tax is deducted. Marcus by Goldman Sachs® is a registered trademark and trading name of Goldman Sachs International Bank.
Franz Doerr explains how Open Banking will make things better for business and consumers

The saying that the “customer is king” has been an accepted truism for a long time. But it is only recently that this has really been the case, with technology largely driving a shift of power away from traditional providers to the consumer. Think of how music streaming services like Spotify completely changed how we listen to music. Similarly, Netflix and Amazon Prime disrupted how we consume films and television.

Over the last decade, we truly saw choice, convenience, and ease become the new normal for consumers — especially in entertainment and leisure. In contrast, services around our personal finances have arguably lagged behind. But that’s about to change. In this new decade, the next technology-driven revolution set to make life easier for the everyday consumer — from saving, to switching bank accounts, or even gaining loyalty points at your favourite lunch spot — will be based on Open Banking.

Open Banking builds on the revised European Union legislation Payment Services Directive (also known as PSD2), and since coming into force on 13 January 2018, it has required British banks to share customer data with established high street competitors and challenger banks.

Prior to Open Banking, banks would not share financial data with each other. Instead, they jealously guarded it. But by freeing up this information, products and services which rely on that data — such as fintechs and banking — can become more attuned to the individual. That will enable companies to ditch the cookie-cutter products and instead offer services and deals that are tailored to each individual’s lifestyle, preferences, and needs — as well as helping them to avoid getting into debt.

Ultimately, that will mean better access to the right products in the future for consumers, because banks better understand them. It will also allow account aggregation and instant transfers of payments.

HSBC’s Connected Money app was a good example of how this changes everyday banking: it allows customers to view all their accounts at up to 21 different banks in one place. However, Open Banking is still in its infancy. To start fulfilling its potential, widespread adoption is necessary, meaning a number of teething issues will need to be overcome.

Barriers to its full rollout have ranged from first phase bank-created systems being unreliable, through to consumer concerns around privacy and security.

Understandably, consumers have been initially wary of sharing financial information. But this will change as people become more educated about the benefits. For example, PwC reckons that two thirds of adults will adopt Open Banking by 2022.

And we are now seeing an increasing appetite among service providers to make use of Open Banking. Last year, the number of Account Information Service Provider licences (which allow a business to ask for permission to connect to a bank account and use that information in order to provide a service) issued in the UK increased from 37 to 88, according to consulting firm Penser.

I expect that rise to only continue.

Crucially, Open Banking’s impact will not be limited to just how you bank. We’ve already started to see the integration of payments into the consumer experience across areas like retail, and 2020 will be the year that this starts to become commonplace.

Over the next few years, we’ll see more and more brands accepting payment directly in their apps, and forming partnerships with budgeting tools like challenger banks and saving apps that let you round up card payments to the nearest pound for either a charity or for your own savings.

Simply put, clever companies will harness this technology, as it enables them to adapt to meet consumer demand for the seamless simplicity that they already enjoy when it comes to music streaming or ordering a cab through an app.

Even how you rent can be transformed. For example, at flatfair, we are using Open Banking to enable instant referencing to make the process of renting a property easier and faster for tenants, landlords, and agents. Eliminating needless paperwork and speeding up this process benefits everyone, and creates a more trustworthy and transparent experience. Tenants can move into a property on the same day as viewing it, and landlords and agents can rest assured that the information provided is genuine.

This simple use of a new technology is the kind of smart innovation that Open Banking empowers.

In today’s super-competitive consumer landscape, where everyone expects an individual service, being able to offer a bespoke product to the ever more tech-savvy consumer will be crucial.
THE RISE OF THE VEGANS

Whether you’re flexitarian, vegetarian, vegan or something in between, you’ll want to sample these meatless marvels. Now available everywhere.

GREGGS VEGAN STEAK BAKE
The rampant veganisation of Greggs continues apace with the launch of a plant-based alternative to its most popular menu item. The vegan steak bake employs Quorn chunks in a rich onion gravy, wrapped in a 96 layer crispy puff pastry. Like Forbes in 1994, the hotly anticipated vegan steak bake is selling out everywhere it can be found. So, to help guide you to your nearest one, Greggs has launched a vegan steak bake finder on its website.

WAGAMAMA VEGAN SUKA TUNA
The vegan revolution has generally been pretty well-received (aside from Piers Morgan pretending to puke a Gregg’s sausage roll into a waste paper bin), but Wagamama’s vegan “tuna” hasn’t fared quite so well. Crafted from dehydrated, seared and sliced watermelon, the texture is in the same ballpark as tuna, but the flavour is resolutely melon, and not in a good way. And it costs £12.95, which is... not cheap.

MOVING MOUNTAIN’S BURGER
One of the very first ‘bleeding’ burgers to reach the market, Moving Mountains made headlines with its plant-based alternative to meaty defeat from the jaws of veganism. It’s available to buy from Sainsbury’s stores.

BURGER KING REBEL WHOPPER
The burger equivalent of an own goal. Burger King’s Rebel Whopper snatches meaty defeat from the jaws of veganism by cooking its plant-based patty in beef juices and adding egg mayonnaise. Whether it’s down to the delicious taste of residual meat-grease or something else entirely, it tastes remarkably similar to a regular Whopper. If you occupy the subset of people who want to diab the amount of cow they’re ingesting while steadily refusing to reduce their patronage of Burger King, fill your boots.

BREWDOG’S SEITAN WINGS
Scottish pub chain Brewdog has teamed up with fakey fried chicken shop turned vegan junk food mecca Temple of Seitan to bring its legendary seitan wings to bars up and down the country. They come doused in Brewdog’s in-house hot sauce. Head to Brewdog Dalston, where the burger menu is supplied by Bluff’s Jack Shack, for even more vegan filth.

KFC’S ORIGINAL RECIPE VEGAN BURGER
Top vegan scientists are yet to recreate the taste of KFC’s original recipe chicken, but KFC’s vegan burger – a Quorn fillet seasoned in the unmistakable flavours of Sanders’ own spice rack – is testament to just how much heavy lifting those 11 herbs and spices do. Bite into it with a positive outlook and an open mind, and you could mistake it for a wonky Zinger.

GIZZI ERSKINE’S ‘FILTH BURGER’
Famous for her vegan junk food, Gizzi Erskine’s ‘Filth Burger’ is now available from a brand new pop-up restaurant a couple of doors down from world-renowned Lyle’s. The burger is made from black bean, black lentil, and soy patty, while the distinctive pink bun is coloured with beetroot and sprinkled with black sesame. It’s designed to taste like a regular cheese burger of the deliciously sloppy, Meat Liquor variety.

NEIL RANKIN’S SIMPLICITY BURGER
It’s not only fast and casual dining outlets with plant based burgers on the brain. Celebrity chef Neil Rankin, a man almost inextricably associated with meat, spent months devising a perfect vegan burger that would be the equal to its meat-based equivalent. It’s made using pickled and fermented vegetables and is available from Simplicity Burger on Brick Lane.

THE RISE OF THE VEGANS
CITY AM CLUB

PARTNER SPOTLIGHT

City A.M. Club partner MBER is the perfect spot for entertaining clients – and Club members get 20 per cent off their final bill. Founder Rob Pierre introduces the restaurant.

TELL US ABOUT YOURSELF

Although I was born in England, my childhood was spent in Trinidad. Trinidad is known for its diverse and eclectic food scene, with strong influences from Indian and Creole cuisines. I grew up with lots of spices and variety in my food experiences, which ignited my passion for fusion foods, and made me want to open a restaurant of my own.

WHAT MADE YOU OPEN A RESTAURANT?

I love pan-Asian and fusion cuisines, so this opportunity came up. I couldn’t turn it down. It’s been a learning curve, but I had to stay true to my motto that more is lost from indecision than wrong decisions.

WHAT’S THE STORY BEHIND MBER?

We’re located on Pudding Lane, just a stone’s throw away from Monument. The name MBER – pronounced Ember – is inspired by the historic events that took place on this street, where the Great Fire of London started in 1666. This theme runs through everything, from our menu, to our cocktails and the restaurant design, which includes lots of burnt Japanese cedar, coppers, low lighting and warm woods to create an intimate atmosphere.

WHAT ARE YOUR MUST-TRY DISHES?

The Vietnamese goat curry and the black cod are both delicious, but my top choice is our Wagyu beef and foie gras burger, which was named one of the top five best burgers in London by Visit London. Before dinner, head to the bar to enjoy one of our cocktails – the 1666 is my favourite, with the smoky flavour inspired by (you guessed it...) the location’s heritage.

WHAT’S NEXT FOR MBER?

We will launch our new a la carte menu for any – one looking for meat-free options. It’s our Wagyu beef and foie gras burger, which was named one of the top five best burgers in London by Visit London. Before dinner, head to the bar to enjoy one of our cocktails – the 1666 is my favourite, with the smoky flavour inspired by (you guessed it...) the location’s heritage.

This A.M. Club is a new and exclusive membership programme designed specifically for you – London’s professionals. We have curated a program that matches your shared lifestyles with London’s favourite restaurants & brands, each providing a totally unique experience for City A.M. Club members.

Veganuary this year. Heck, everybody seems to be doing it... and I wasn’t going to be left out! I’ve been planning to overhaul my body and mind through a radical change in your diet, it’s really simple to knock up tasty plant-based dishes, avoiding the pomegranate and quinoa and seeds that seemed to put people off for so long. At the Tramshed and Hixter we serve Korean Fried Chicken and there will be a vegan alternative on the menu for any

WINE OF THE WEEK

Gezellig wine buyer Wieteke Teppema picks two more bottles to add to your collection

1. 2016 CHATEAU PESQUIÉ, LE PARADOU VIognier, RHONE

Sunshine in a glass. Touch of peach and honeysuckle that will remind you of long summer evenings. Perfect for a retro classic prawn cocktail.

Purchase through Stannary Wine. £10.50, stannarywine.com

2. 2017 DOMAINE DE FA, BEAUGOULAS, FRANCE

Beaujolais that’s worth getting excited about. This is a refreshing red with luscious raspberry notes. It can even be served chilled, should you save it for Spring. Great with a simple quiche and salad for a healthy option.

£15.95, yapp.co.uk

For more information on Gezellig go to gezellig.co.uk

THIS WEEK’S RECIPE:

Anybody can enjoy Veganuary – and you don’t need to resort to quinoa

E
verybody seems to be doing Veganuary this year. Heck, even I’m giving it a go. I doubt I’ll last the whole month, but I was inspired by that Game Changers documentary on Netflix, which follows a UFC fighter as he explores how different diets affect top athletes. By my calcu-

One looking for meat-free options. Here’s how I make it.

KOREAN FRIED ONIONS

INGREDIENTS (SERVES 4)

• 2 medium sized onions, peeled and cut into 1cm rings
• 1 tsp black sesame seeds (optional)
• 1 tsp white sesame seeds
• A few springs of coriander

METHOD

Mix the ingredients together for the sauce

Whisk the flour with enough water to make a smooth batter and season to taste. Separate the onion layers into rings.

Preheat about 3tbsp of oil to 160-180°C in a large, thick bottomed saucepan or electric deep fat fryer.

Test a piece of onion in the batter to ensure it sticks and isn’t too heavy, adjust accordingly with more flour or water.

Mix the onions with the batter a few pieces at a time. Fry them a few pieces at a time (depending on the size of your fryer), turning them in the oil with a slotted spoon until golden. Remove from the oil, drain on some kitchen paper and continue with the rest of the onions.

To serve, toss the onions in the sauce in a bowl then transfer to a serving plate and scatter with the sesame seeds and scatter over the coriander.

1. 23
**THE PUNTER**

**HONG KONG RACING TRADER**

**Victory looks In Hand for Highly Proactive backers**

Wally Pyrah previews today’s card from Happy Valley

Given we are four months into the season, the trainers’ championship leaderboard in Hong Kong makes for surprising reading.

The top three are all local handlers, while the likes of past and present champions John Moore and John Size are well off the pace.

Of course, the wheels of fortune can soon change in the frenetic environment of Hong Kong racing, especially when Moore and Size still have a stable full of heavy artillery who have yet to see the racecourse.

Nevertheless, Ricky Yiu with 33 winners, Francis Lui (27) and Danny Shum (24) have had their stables in great form this season, and it’s a matter of them keeping their horses bubbling over for the foreseeable future.

Affable and highly respected, Lui must be on cloud nine at present. As well as having leading HK Derby fancy More Than This and champion Golden Sixty, who heads for the Four-Year-Old Classic Series, his stable has been firing on all cylinders.

Lui has saddled an impressive 10 winners and 10 places from his last 58 runners, which is only bettered by Yui, with a dozen victories in the last 10 meetings.

The 60-year-old trainer sends half-a-dozen raiders to the inner-city track today, with a dozen in the last 10 meetings.

The top three are all local handlers, who lines up in the Hong Kong Challenge Cup (1.15pm) over six furlongs.

This progressive four-year-old landed a massive gamble over the track and trip last month, when leading all the way and then quickening clear in the closing stages to win with plenty in hand.

At 8lb penalty and an awkward draw will make life tougher this time around, especially with a couple of speedy types like Loriz and Mehboob likely to bag the rails from the off.

However, Victory In Hand has continued to impress work watchers over the last month and looks to have made substantial improvement since that victory.

If his jockey Karis Teetan can find some cover from the off and stalk the early pace until the home straight, he will be difficult to stop, especially when the ‘Mauritian Magician’ unleashes his smart finishing kick.

Teetan, who has an impressive partnership record with Lui this season, having ridden a handful of winners from just seven rides, is also aboard Lui’s HIGHLY PROACTIVE, who seeks to defy a 6lb rise in the six-furlong Chater Handicap (2.50pm).

Highly Proactive could not have suffered a tougher journey last time, when racing from the outside draw he was caught three wide for the majority of the race, but still managed to quicken clear in the closing stages to win a highly-competitive handicap.

The handicap looks to have acted on the side of leniency by only upping him 6lbs, and this time fortune has smiled on him, with an all-important inside draw in stall three.

He is mapped to get a dream journey, sitting just off the early pace along the rails and then dashing for glory turning into the home straight.

**Pointers**

- Victory In Hand 1.15pm
- Highly Proactive 2.50pm

**Trainer Ferraris can continue fine form with Bear Again**

Major feature of this season’s racing in Hong Kong has been the upturn in fortunes of trainer David Ferraris.

Former four-timer South African champion handler Ferraris has found it tough going in the territory over recent years, but has bounced back into the limelight this season.

He has trained a dozen winners so far this term and more importantly eight of them have come at Happy Valley.

A recent winner, BEAR AGAIN, will seek to repeat that triumph when he lines up in the Edinburgh Handicap (1.40pm) over the extended mile.

This lightly-raced five-year-old had served notice he was about to peak when finishing fifth in a matched finish over course and distance in October.

He subsequently returned to the Valley last month making no mistake under a fine ride by Alexis Badel, leading all the way and having most of his rivals off the bridle and going nowhere before turning into the home straight.

He looked like he could have doubled the winning margin of four lengths, and equally impressive was his closing 400m sectional time of under the magical 23 seconds.

Obviously the handicapper wasn’t happy, giving him a hefty 10lb penalty, but there are reasons to believe this highly progressive gelding is capable of stepping up in class against better company.

With the inside draw a bonus, he is guaranteed to produce similar tactics again and has last-start winner Magnificent to beat.

This former UK galloper, who ran under the same name when trained by Richard Hannon, won in impressive fashion over the track and trip at Christmas, but still needs to improve again to trouble Bear Again.

**Pointers**

- Bear Again 1.45pm
HAPPY VALLEY

Going: GOOD

10.45 MURRAY HANDICAP (CLASS 5) (3YO+) (COURSE C) (COURSE C+3) (2000M)

1. (11) GOLDEN GENERAL (01) (C) (G) (A) 7-6-11.................................
   Trainer: H T Mo (M) 56
   Jockey: J Pincion (10) 90
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

2. (1) MURPHY (01) (G) (A) 7-6-11.................................
   Trainer: H T Mo (M) 61
   Jockey: C Y Ho (10) 98
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

3. (2) PRECIOUS SWEETHEART (01) (C) 7-5-15.6............................... 0
   Trainer: C Yip (10) 80
   Jockey: K Teetan (3) 99
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

4. (3) MARSHAL BENEDICT (01) (C) 7-5-15.6............................... 0
   Trainer: C Yip (10) 80
   Jockey: K Teetan (3) 99
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

5. (4) EVEN MORE (01) (C) 7-5-15.6............................... 0
   Trainer: C Yip (10) 80
   Jockey: K Teetan (3) 99
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

6. (5) REFUSE TO PLAY (01) (C) 7-5-15.6............................... 0
   Trainer: C Yip (10) 80
   Jockey: K Teetan (3) 99
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

7. (6) BRIGHT STAR (01) (C) 7-5-15.6............................... 0
   Trainer: C Yip (10) 80
   Jockey: K Teetan (3) 99
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

12.15 I Couse STREET HANDICAP (CLASS 4) (3YO+) (COURSE C+1) (2000M)

1. (9) MAN OF HONOUR (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

2. (10) PATSY (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

3. (11) MAGIC (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

4. (12) GARRET (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

5. (13) INDIAN ACCLAIM (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

6. (14) MANGOS (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

7. (15) AMBER (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

8. (16) HANNAH (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

9. (17) JUDITH (01) (C) (G) (A) 7-5-9............................... 0
   Trainer: N C Yip (10) 80
   Jockey: T So (2) 75
   Odds: 3 Place: 3
   Wins: 1
   Places: 5

10. (18) MIDGE (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

11. (19) MERYL (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

12. (20) MIRAGE (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

13. (21) MAGICAL MIST (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

14. (22) MERCURY (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

15. (23) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

16. (24) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

17. (25) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

18. (26) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

19. (27) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

20. (28) MEETING THE MARK (01) (C) (G) (A) 7-5-9............................... 0
    Trainer: N C Yip (10) 80
    Jockey: T So (2) 75
    Odds: 3 Place: 3
    Wins: 1
    Places: 5

WEDNESDAY 15 JANUARY 2020

PUNTER | 25
Bournemouth are in trouble but Howe’s right man to fix it

Bournemouth looked desperate in their 3-0 home defeat to Watford last weekend, which saw them slide into the Premier League relegation zone.

In a wholly disappointing performance the Cherries looked disjointed, low on confidence and were overpowered by a physically superior Watford. It feels as though there is a disconnect within the club and they are no longer playing like the team we have come to expect.

Prior to the match, manager Eddie Howe appeared tense, as though he recognised the importance of the game against a side that had previously spent all season below them. Those nerves translated onto the pitch and there was a feeling of desperation as the players struggled to get a grip on the match.

A real sticking point has been up front. They’ve scored just once in five league games and there is no sign of where the goals are going to come from. Callum Wilson and Harry Wilson have six league goals each this season, while £19m signing Dominic Solanke hasn’t scored once in 19 top-flight appearances.

Part of the problem is a lack of belief, but against Watford Howe’s side also looked lightweight in midfield with Dan Gosling and Jefferson Lerma not providing enough aggression. With two weeks left of the transfer window Bournemouth ought to be looking to bring in some signings on loan at the very least. They need players who can add physically to their starting line-up but who also have experience of fighting relegation and turning that situation around, perhaps from another Premier League club.

This weekend is the first of two cup finals for Bournemouth. They face Norwich away and Brighten at home within the next week and the results could determine the trajectory of their season. Carrow Road has proven a difficult place to go and it will be a vital game for the two sides currently vying for the league table.

Any of the bottom seven teams will be concerned about relegation, but we are just over halfway through the campaign and it is not the time to panic. Watford’s transformation under Nigel Pearson has been Jekyll and Hyde and their victory over Bournemouth made it four wins in five, lifting them to 17th. It now looks like they’ll be okay, while I also expect West Ham to stay up and enter David Moyes and Burnley to be safe with serial survivor Sean Dyche in charge. The table doesn’t lie and presently all of Norwich, Bournemouth and Aston Villa look in trouble. They are not competing in matches regularly enough, but things can change quickly and the Cherries are just three points off safety, this time next week they could be out of the relegation zone.

I still believe Howe is the right man to lead them through this challenge. Although he is young, he has walked the walk and has plenty of experience at this level. He knows the club inside out and is a great fit. And if the worst comes to worst Bournemouth get relegated, I expect he’ll stay and fight to get them back in the top division.

Trevor Steven is a former England footballer who played at two World Cups and two European Championships. @TrevorSteven63
HAZARDOUS Air quality issue casts a shadow over Australian Open

The start of the Australian Open yesterday was overshadowed by the poor air quality caused by the ongoing bushfire crisis in the country. Slovenia’s Dalila Jakupovic said she was “angry and sad” after she had to be helped off court after retiring from her qualifying match against Beth Mead. Henderson said he was “very honoured and humbled” to receive the award and Bronze thanked the “fans who stuck by” the Lionesses.

SPOR Digest

Spanish giants sacked Ernesto Valverde late on Monday. The former Real Betis manager signed a two-and-half-year deal to take over Barcelona, who are top of La Liga. “Yesterday, I was walking around my hometown with cows around me and now I’m here at Barcelona managing the best players in the world,” Seben said. “Not even in my greatest dreams could I have imagined this.”

MURPHY COMES FROM BEHIND TO BEAT TRUMP

Defending champion Judd Trump was knocked out in the opening round of the Masters by Shaun Murphy yesterday. The world No1 lost 6-3 at Alexandra Palace as 2015 Masters winner Murphy rallied to come from behind. Trump hit three centuries in the match but a 3-2 loss in the next four frames saw him lose a quarter-final meeting with No15 seed Joe Perry. “I didn’t really do that much wrong,” Trump said. “It felt like I didn’t play that bad and 6-3 was maybe a little flattering for him.”

HENDERSON AND BRONZE SCOOP ENGLAND AWARDS

Jordan Henderson and Lucy Bronze have been named as England’s players of the year for 2019. Liverpool midfielder Henderson beat strikers Raheem Sterling and Harry Kane to the award, while Lyon right back Bronze won the women’s award ahead of forwards Ellen White and Beth Mead. Henderson said he felt “very honoured and humbled” to receive the award and Bronze thanked the “fans who stuck by” the Lionesses.

England’s record scorer is pulling midfield strings in Derby’s push for promotion, says Michael Searles

T HAS been a difficult season so far for Derby County. They have been off the pace required to clinch promotion to the Premier League, while the drinking-driving incident that saw Tom Lawrence and Mason Bennett charged by police and former club team-mate Richard Keogh sacked has also cast a shadow.

But the New Year has brought reasons for optimism. Wayne Rooney became eligible to play for his new club this month and has already helped steadied the ship with successive wins against Barnsley and, in the FA Cup. Crystal Palace before a 2-2 draw at Middlesbrough last weekend.

The 35-year-old joined Rams manager Phillip Cocu at the start of December in a player/coach capacity but was confined to the dugout until he could officially register as a player following his return from the USA and an 18-month spell with DC United.

His last stint in England came to an end in April 2018, with Everton deem- ing him to be no longer at the level re- quired to play in the topflight.

Rooney disagrees. But if the Rams are to be promoted this year and he is to have the chance to prove otherwise it will need to be via the play-offs, with the club currently 17th in the Championship and 18 points off the automatic promotion places.

So congested and competitive is Eng- land’s second tier, though, that Derby are just eight points off sixth place – a margin that could easily be over turned with a positive run of results.

SHREWS FACE LIVERPOOL AFTER FA CUP WINNER

League One side Shrewsbury Town scored a late winner to beat Bristol City 1-0 last night and set up an FA Cup fourth-round tie against Liverpool. Aaron Pierre smashed in a 25-yard shot in the 89th minute to win the replay for Shrewsbury, who will now host the Premier League leaders on 26 January. Elsewhere in the FA Cup, Reading beat Blackpool 2-0, Newcastle eased past Rochdale 4-1 thanks to three quickfire first half goals, while Coventry set up a home tie against landlords Birmingham City by beating Bristol Rovers 3-0. Coventry, who are ground-sharing with Birmingham, will now host the Blues at St Andrew’s in the next round.

LEACH DEPARTS SOUTH AFRICA DUE TO ILLNESS

Spinner Jack Leach has been forced to return home from England’s tour of South Africa following a struggle with illness. Leach missed the final Test match in New Zealand with a virus and has not featured in South Africa due to gastroenteritis and flu. The left-arm spinner is one of 11 players to have been affected by illness, while Rory Burns and Jimmy Anderson have sustained injuries. England levelled the four-match series at 1-1 with a win in Cape Town and begin the third Test in Port Elizabeth on Thursday.

SETEN: BARCA JOB BEYOND MY WILDEST DREAMS

Quique Setien says not even his “wildest dreams” had allowed him to consider becoming Barcelona manager. Setien, 62, was unveiled as Barça’s new head coach after the臨时 head coach of Barça club, Quique Setien, was appointed as the new head coach of the club.

Passing:

Player-coach Rooney has been operating as one of two deep-lying central midfielders in Phillip Cocu’s Derby team.

There is little doubt that Rooney’s addition to the team has enhanced that prospect. England and Manchester United’s all-time top scorer came straight into the starting line-up against Barnsley as captain two weeks ago and inspired his side to a 2-1 win.

He assisted Derby’s opening goal with a free-kick delivered into the penalty area from deep that found forward Jack Marriott with pinpoint precision. It was the perfect example of the range of passing Rooney has at his disposal and why he shows signs of evolving well into a midfielder.

So far at Derby he has been operat- ing even deeper than we have previ- ously seen in the Premier League, playing alongside a fellow central midfielder in Tom Huddlestone or Max Bird. In the FA Cup tie with Palace, he and Huddlestone pulled the strings from midfield and Derby did not look out of place against a Premier League side that they would beat 1-0.

TACTICAL AWARENESS

It is testament to Rooney’s knowledge of the game that he has adapted to a new position well and, although early days, bodes well for his planned fu- ture in coaching.

What has also been evident is his willingness to pick up the ball under pressure and drive the team forward, playing between the lines and get- ting it to forwards like Lawrence, Marriott and Martyn Waghorn. It was his initial pass in the build-up that led to Derby’s goal against Palace.

One caveat to his performances so far is that, while he has worked hard to press and close opponents down, his defensive positional awareness has been lacking at times, which is not ideal for a deep-lying midfielder.

Against Middlesbrough he could have done more to prevent the shot from which the hosts took the lead and some of his tracking back was found wanting.

However, he has shown a capacity to coach from the pitch, shouting at teammates and directing instruc- tions in attack and defence. He clearly has a tactical awareness, even if he does not always adhere to it himself. It is a promising sign for his coach- ing ambitions, but it is still his tech- nique and ability on the ball that stands out most of all and exemplifies the old cliche that while form is tem- porary, class is permanent.

With 19 games to go, there is plenty of reason to believe that a Rooney-inspired Derby could break into the upper echelons of the Championship, and perhaps even have an outside shot at promotion.

THE SECOND COMING OF WAYNE ROONEY

Player-coach Rooney has been operating as one of two deep-lying central midfielders in Phillip Cocu’s Derby team.

ROONEY PULLING THE STRINGS

Player-coach Rooney has been operating as one of two deep-lying central midfielders in Phillip Cocu’s Derby team.

POSESSION:

Derby have averaged 50 per cent possession since Rooney’s arrival, compared with 40 per cent in the previous three games.

PASSING:

They have also averaged 340 passes a match, up from 295.

GOALS:

With Rooney in the side the Rams have scored five in three games, while they only managed three in the previous three, despite having four more shots per match.

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