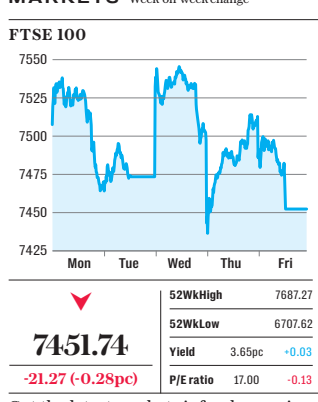


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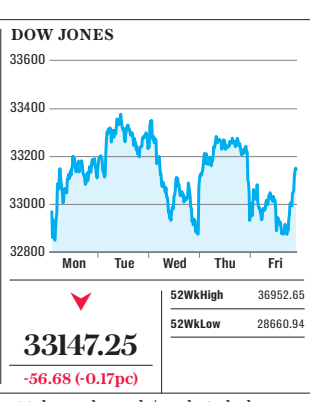


MARKETS Week-on-week change



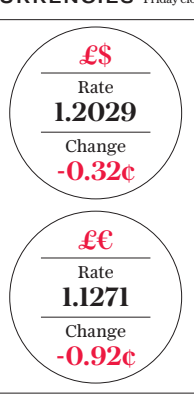
BIGGEST RISER
JD Sports Fash
126 1/8 sp
+6% (+5.52pc)

BIGGEST FALLER
Intl Cons Air
123 7/8 sp
-4% (-3.39pc)

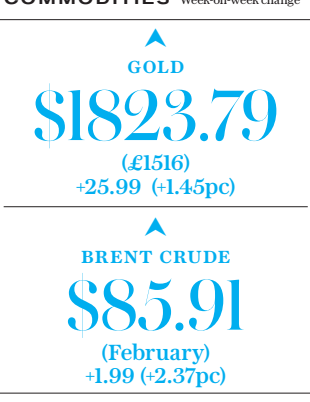


FTSE 250	18853.00	+22.92 (+0.12pc)
FTSE All Share	4075.13	-8.53 (-0.21pc)
FTSE All Share Yield	3.59	0.00
FTSE Eurotop 100	3310.08	-20.51 (-0.62pc)
Nikkei 225	26094.50	-140.75 (-0.54pc)
EURO STOXX 50	3793.62	-23.39 (-0.61pc)
S&P 500	3839.50	-5.32 (-0.14pc)
Nasdaq	10466.48	-31.38 (-0.30pc)

CURRENCIES Friday close



COMMODITIES Week-on-week change



Quiz of the year
From Twitter storms to streaming songs, put your knowledge of the past 12 months to the test

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Light at end of tunnel
When we can expect interest rates to start falling and real incomes to rise again
Roger Bootle

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Taxpayers foot the bill for Wales' 'ghost' offices

Departments costing millions to run lie empty as nine in ten civil servants work from home

By Oliver Gill
CHIEF BUSINESS CORRESPONDENT

ENGLISH taxpayers are bankrolling "ghost" government offices across Wales as nine in 10 of the country's civil servants work from home.

Some 5,287 people are contracted to work across the Welsh Government's 10 main offices, according to a recent response to a Freedom of Information Act request.

However, the figures show that the average daily attendance across the sites was just 549 people in September.

Despite the empty offices costing millions of pounds a year to retain, Mark Drakeford, the Welsh First Minister, said there were no plans to offload empty space.

Jacob Rees-Mogg, Conservative MP for North Somerset and former business secretary, said: "Taxpayers' money ought to be used responsibly. Although it seems clear that working from home has led to lower quality public services, if for ideological reasons, the Welsh Government encourages working from home, it ought to reduce its office accommodation."

"Otherwise empty space is being rented, heated and lit pointlessly which is treating taxpayers contemptuously. It is the most expensive way of delivering poor service."

John O'Connell, chief executive of the TaxPayers' Alliance, added: "If the Welsh Government is insistent on its staff working from home, then taxpayers will wonder why they are underwriting expensive office space that is sitting empty."

"Budgets are tight and families are being clobbered with sky-high taxes, so politicians and officials must live within taxpayers' means. Significant revenues can be raised for assets going to waste, easing the burden on hard-pressed families."

Mr Drakeford has said that the switch to working from home is one of the few good legacies of the pandemic. He has dismissed claims that returning to the office will drive up productivity.

A year ago the Labour First Minister fined workers £60 for turning up to the office under a strict response to the omi-

cron variant. "We definitely here in Wales want to see a future in which people can blend times when they will work from home, times when they will be in the office. There is absolutely no case that says that people don't work hard unless they are under the gaze of a government," Mr Drakeford said in May.

Like Scotland and Northern Ireland, Wales benefits from the Barnett formula. The device allocates spending according to population size rather than the amount each country needs.

Last year, Wales received a record £18bn from taxpayers. That meant people living in Wales received £120 for every £100 per person of equivalent UK Government spending in England.

In contrast to Wales, Westminster has sought to encourage people back to the office following the easing of Covid restrictions.

Rishi Sunak, the Prime Minister, said a year ago that he doubted he would have had as successful a career in finance and then in politics had he started out working from home.

He said: "I doubt I would have had those strong relationships if I was doing my summer internship or my first bit of my career over Teams and Zoom."

"That's why I think for young people in particular, being able to physically be in an office is valuable."

Boris Johnson, the former prime minister, told *The Daily Mail* earlier this year: "My experience of working from home is you spend an awful lot of time making another cup of coffee and then, you know, getting up, walking very slowly to the fridge, hacking off a small piece of cheese, then walking very slowly back to your laptop and then forgetting what it was you're doing."

Mr Drakeford responded to Mr Johnson's comments by saying: "I think he's completely wrong. We take entirely the opposite view here in Wales."

A spokesman for Mr Drakeford said: "Having the flexibility of office, remote and hybrid working brings benefits for local economies, businesses, individuals, and the environment. These flexibilities increase productivity, improve work-life balance, and deliver less air and noise pollution."

"Our vision is to maximise the benefits of office, remote and hybrid working for our people and organisation. We want to support our staff to retain the benefits of remote-working while also enabling them to come together in an office environment to connect and collaborate in person."



Second-hand chic Oxfam stylist Bay Garnett chooses clothes for London Fashion Week – when the charity will have a runway show at the event in February for the first time. The items will be picked from its warehouse in Milton Keynes.

High streets across the UK lost 50 shops each day in 2022

By Rachel Millard

ALMOST 50 shops closed down every day last year as retailers grappled with soaring energy costs, wider inflation and online shopping, according to new figures laying bare the challenges on the high street.

More than 17,000 sites across the UK shut their doors for the last time, according to figures from the Centre for Retail Research. The figure is almost 50pc higher than 2021 and marks the highest number of closures in the past five years.

Only 32pc of the closures followed insolvency proceedings. The rest were due to larger retailers deciding to close some stores to cut costs, or independents throwing in the towel.

Almost 65pc of sites were closed by

independents, and the rest by large retailers. Prof Joshua Bamfield, at the Centre for Retail Research, said: "Rather than company failure, rationalisation now seems to be the main driver for closures as retailers continue to reduce their cost base at pace."

He said the trend was likely to continue this year, but added that a few "big hitters" could also go under.

The Centre for Retail Research expects a further 15,000 to 18,000 stores to close by the end of December 2023. There were 423,690 retail sites in the UK at the end of 2022, including vacant ones.

The retail sector has been hit by huge challenges, as soaring energy prices pushed up their bills and dented consumers' spending power. That has added to pressure on bricks-and-mortar

sites from years of growth in online retailing.

More than 151,000 retail jobs were lost in 2022, including at online retailers, up from 105,727 the year before, according to the Centre for Retail Research.

Marks and Spencer is among the large chains that have been restructuring estates in recent years, while in 2021 Gap closed all of its UK stores, though it has since opened outlets inside Next.

Fashion chain Joules and McColl's were among the well-known retailers to collapse into administration last year. Joules shut 19 stores following its takeover by Next while Morrisons, which bought McColl's, said it could close 132 of the loss-making corner shops. Sofa Workshop, meanwhile, collapsed in April, closing its 16 stores.

The real estate adviser Altus Group said that retailers and landlords would have to pay close to £1.1bn from April 1 to cover the business rates on empty sites which are vacant for three months.

Robert Hayton, at Altus, said: "Rate-free periods need to be urgently extended to reflect the time that it actually takes to re-let vacant properties. The current woes facing the retail sector, driven by the war in Ukraine, mean that empty rates are ripe for modernisation."

Meanwhile, the Government help for businesses' energy bills is scheduled to be scaled back in March, adding to the pressure.

The British Retail Consortium said yesterday it expects retail sales to increase by 2.3pc to 3.5pc in 2023, with growth weighted towards the second half of the year.

Drivers clock up more miles a year in electric cars than petrol

By Howard Mustoe

ELECTRIC cars are being driven 1,800 miles more per year than petrol cars despite claims of range anxiety.

While petrol cars clock in an average of 4,200 miles, battery powered cars are being driven 6,000 miles, according to research firm New Automotive, using data from MOT tests.

Diesel and petrol cars together average 5,500 miles, the analysis found.

Electric cars are about £10,000 more

expensive to buy than combustion cars, but offer considerably cheaper mileage.

Ben Nelmes, chief executive at New Automotive, said buyers of electric cars are likely to be using them for frequent, short trips.

He added: "Range anxiety has been significantly overstated, probably for a number of years. But a few years ago, it was probably more of an issue when batteries were smaller, and the charging network was more sparse."

Most people charge their cars at

home, which industry watchers have said has helped ease pressure on the public network.

Mr Nelmes added: "If you're able to charge up overnight on your driveway, then even if you've got a car with quite a small battery size, then you can do a significant number of miles every day."

But it also means that a looming limitation on adoption could be on the horizon because of the gap in price between public charge points and home chargers. This makes an electric car less

attractive for those who live in flats or other housing that lack charging points.

According to the AA, charging to 80pc at home costs about £21 based on

the current price cap for electricity, whereas a fast public charge costs an average £30, but as much as £46.

Charging at home means each mile driven costs 8 pence compared to 14.6 pence per mile for petrol and 13.3 pence for diesel.

New Automotive data also suggests that electric cars with medium-sized batteries with 40-50kwh of capacity, such as the compact Nissan Leaf, travel just as far as the models with the biggest batteries, suggesting there is little con-

cern about small batteries being useful.

"I think they're being bought by people who need a car that's a real work-horse, looking for something that is going to save them money. And of course, it saves them money if they do a lot of miles," said Mr Nelmes.

New vehicle supply is a bigger constraint in the growth of electrics, he said. EV drivers are likely to be benefiting from higher ranges for electric cars, which has risen from 180 miles four years ago to 260 miles today.

Norton's wine maker hunts for more vineyards

By Hannah Boland

THE maker of Graham Norton's wines is racing to snap up more land in New Zealand in anticipation of a sharp rise in sales.

Invivo, which produces the Graham Norton sauvignon blanc, shiraz, prosecco and rosé, said it plans to be selling "at least three to four times the amount of wine compared to what we're selling now" before 2027.

Currently, New Zealand-based Invivo sells 15m bottles of Graham Norton wines annually across the world, with the sauvignon blanc by far the biggest seller.

This is compared with the 12,000 bottles it sold in 2014 when Invivo first partnered with the celebrity presenter, and 1.5m bottles in 2017.

Revenues at Invivo have more than doubled since the pandemic hit. Invivo, based in Auckland

and which initially raised cash through a crowdfunding campaign, struck the deal with Mr Norton after supplying his green room on *The Graham Norton Show*.

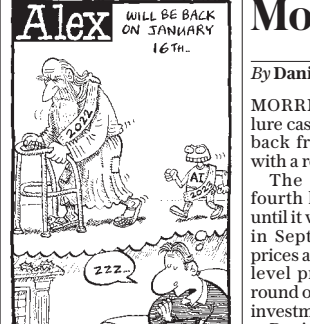
The presenter works in partnership with Invivo to pick the blend of the wines that are then bottled up.

Rob Cameron, Invivo's co-founder, said the company was securing more vineyards in New Zealand to be able to ramp up production. The

move to shore up supplies follows a "really tiny harvest" in 2021, he added, which was hit by spring frosts.

Mr Cameron said: "[Over] the last 12 to 18 months we've been working really hard to ensure much more supply for 2022 but even more for 2023, and now for five years ahead."

Invivo recently struck a similar partnership deal with the actress Sarah Jessica Parker.



Morrisons starts £16m price-cut war

By Daniel Woolfson

MORRISONS is hoping to lure cash-strapped shoppers back from the discounters with a round of price cuts.

The retailer – Britain's fourth largest supermarket until it was overtaken by Aldi in September – is cutting prices across 130 of its entry-level products. It said this round of cuts represented an average of £16m.

David Potts, chief execu-

tive at Morrisons, said: "Our customers will see a noticeable impact on their budgets."

Morrisons has battled the discounters in the past year to cling onto its market share, down from 9.1pc to 8.3pc over the 12 weeks to Dec 3.

Over the period its sales fell 3.3pc compared to the same period last year, while Aldi and Lidl's sales were up 12.4pc and 12.9pc respectively. Both Morrisons and rival Asda ran price-slashing

drives in 2022. In April Morrisons slashed the cost of 500 items – some 6pc of its range, targeting goods such as cereals, rice, eggs and coffee.

This round of cuts from Morrisons will target fresh products, tinned and household goods.

Data from Assosia compiled for trade magazine *The Grocer* shows Morrisons cut the number of SKUs, or stock-keeping units, by 8pc this year.