



related to the founders, who included John Bird Fuller in 1845

amazing company who is not a member of the three founding families but he is family in all but name. I am delighted to be handing over the reins to such a strong successor." Emeny described the move as an "evolution, not revolution".

As part of the reshuffle, Fred Turner, who has been in charge of Fuller's managed pubs and hotels business since 2019, will become the chief operating officer.

The company, now purely a pub and hotel operator, was founded

in 1845 by John Bird Fuller, Henry Smith and John Turner to run the Griffin Brewery in Chiswick, west London, where beer had been brewed since the days of Oliver Cromwell.

The management reshuffle was announced alongside the group's better-than-expected full-year results.

The group, which operates 153 tenanted inns and 185 managed pubs and hotels comprising 1,028 bedrooms, reported a 5.2 per cent increase in like-for-like sales for the year ended March 29. Its strong performance across the estate lifted revenues 4.8 per cent to £376.3 million. Pre-tax profit for the period rose to £33.8 million, from £14.4 million a year earlier. Like-for-like sales have grown

4.2 per cent in the first ten weeks of the new financial year, which was slightly slower than the 4.4 per cent sales growth seen a year earlier. The shares closed down 30p, or 4.7 per cent, at 614p.

Health check for the London market



BUSINESS COMMENTARY Alistair Osborne

Just what the doctor ordered: a health check for the UK stock market, starring a contested bid for Assura, the property outfit whose 603 buildings house GP surgeries and private hospitals.

No one really needs Rachel Reeves's spending review to spot the favourable climate for this sort of business. The chancellor has just promised £29 billion a year of extra NHS funding, including plans for "the training of thousands more GPs". On top, there'll be a shift of healthcare onto their doorstep: from "hospital to community". And, even with all that extra public money, there'll still be heaps of demand for private hospitals: a waiting list of 7.4 million people will see to that.

In short, just the sort of backdrop for Assura to thrive — not least when real estate investment trusts (Reits) are getting a fillip, anyway, from lower interest rates. So, maybe it's no shock to find the company at the centre of a £1.7 billion bid battle between two quite different sorts of suitors: the private equity duo of KKR and Stonepeak offering a cash exit from the London exchange; and its listed rival Primary Health Properties dangling a cash-and-shares bid to create a bigger quoted healthcare Reit, 48 per cent owned by Assura shareholders.

No, the surprise, at least on the face of it, is that the Assura board, chaired by Ed Smith, reckons it has no better option than to be recommending the private equity bid. Worse, a low-ball one at that.

The pair's "best and final" offer at 52.1p a share, including two already announced 0.84p quarterly dividends, is at a pitiful 3.4 per cent premium to Assura's 50.4p share net asset value. Or, to put it another way, the best the board thinks it can get for a group that's spent 22 years building its portfolio is a teensy bit more than it paid for the properties.

In a sense, it gets worse, too. The board has an alternative option in PHP's offer, largely in shares: 0.3769 new ones for each of Assura's plus 12.5p cash and both dividends. And, after a 3 per cent rise in PHP shares to 103.2p, probably due to merger arbs, its bid is now marginally higher: almost 53p per share.

So, why not take that, share in £9 million of mooted synergies, and be part of a bigger Reit capitalising on an ageing population, extra NHS spending and a rising, index-linked rent roll for GP practices that's underwritten by the taxpayer?

The short answer is the London market. You can disagree with the stance of the Assura board, and some investors do, but it's not irrational. The UK market has long undervalued both these businesses. Until KKR showed up, Assura traded at a hefty discount to NAV: the reason the private equity bid is still at a 39.2 per cent share price premium. PHP was also trading at a discount, meaning neither could raise equity for investment. Will merging them make any difference?

Possibly not. Both companies have a fair bit of net debt (Assura, £1.49 billion; PHP, £1.32 billion). A merged group would have a loan to value ratio topping 50 per cent. Getting leverage down depends on

selling Assura's private hospitals. And who knows what price they will fetch, not least with a Malaysian fund trying to offload a portfolio operated by Spire Healthcare, valued at £1.4 billion. You can see why the Assura board sees "material risks" in merging with PHP.

Crucially, the private equity duo have also switched their bid from a scheme of arrangement, requiring 75 per cent investor backing, to an offer needing only majority support. So, it will need a big rebellion to block it, while PHP looks maxed out. Assura shares rose 2 per cent to 49.9p, not signalling a higher bid.

Yes, there's a danger here in conflating the UK stock exchange's interest with the national interest. It's hard to argue that KKR, home to an \$83 billion infrastructure fund, isn't better placed to invest. Even so, this bid risks turning into a right downer for the London market. If investors won't back businesses with such obvious growth prospects, it must be pretty sick.

Home truths

Listen to the chancellor and she's just delivered "the biggest boost to investment in social and affordable housing in a generation". And Greg Fitzgerald, the Vistry boss, called it "a game-changing announcement", while shares in the group that's hitched its strategy to working with housing associations rose 6 per cent to 693p. Yet, is Reeves's "£39 billion" over ten years all it was cracked up to be? Present spending in the affordable sector is around £3 billion a year. Adjust for inflation and you'd get a good way to her big figure anyway. And it's backed loaded. It picks up to £4 billion in 2029-30, implying there won't be much of a rise until then.

As Daniel Austin, the boss of independent property lender ASK Partners, pointed out, too: "Investment must now be matched by urgent planning reform, proper resourcing of local authorities, and meaningful support for SME housebuilders." Simply dangling a big figure won't raise the roof.

Flying a kite

Not "an honest conversation", surely? What from Heathrow, an airport that low-balled its traffic forecasts during Covid to try and hoodwink the regulator into doubling landing charges? True, that was under the previous boss, not the sparko Thomas Woldbye. Yet, if the "space-constrained" airport breaking monthly traffic records really does want a frank chat over its third runway plans, there are obvious places to start.

What about the cost of it? Airlines reckon it'll be £40 billion to £60 billion, potentially raising ticket prices by £100 a pop. Or how about explaining how a business with almost £17 billion net debt can even afford it. Or the likely disruption from diverting all 12 lanes of the M25. Lots to be honest about here.

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Cost of mass lawsuits could rise to £18bn

Jonathan Ames Legal Editor

Class action lawsuits targeting businesses could blow an £18 billion hole in the UK economy, researchers claim.

The European Centre for International Political Economy believes the costs of "mass litigation" in the UK could rise to nearly £18 billion, a figure that "dwarfs many sector-specific public investment programmes".

The think tank warns in a report that class action legal claims could trigger a loss of more than £11 billion in market capitalisation across UK companies.

Class actions were seen as weakening the UK's capital markets at a time when ministers were aiming to make them more "internationally attractive".

US-style class actions were rare until the Consumer Rights Act 2015 gave the green light to claims for alleged breaches of competition law.

In an introduction to the report, Baroness Bowles of Berkhamsted, a former

MEP and non-executive director of the London Stock Exchange Group, said: "What is particularly galling is that these economic costs are not matched by proportional gains for claimants".

She argued that "in too many cases, legal fees and funder profits consume the majority of settlement sums, with claimants receiving far less than is justifiable".

As a result there were "uncomfortable questions about alignment of interest, value for money, and the effectiveness of redress mechanisms", she said.

The report said that unless reformed, class action litigation backed by third-party funders could damage the UK's competitiveness in areas including life sciences, clean energy, advanced manufacturing and digital services.

The report went on to brand the UK as the most litigious jurisdiction in Europe for mass actions, with the researchers stating that 47 competition claims were filed last year alone.

Critics of class action claims say that often the majority of settlement funds are devoured by lawyer fees and returns to specialist funding companies.

Seema Kennedy, head of the campaign group Fair Civil Justice and a former Conservative minister, said: "This is no longer just a legal issue, it's a matter of economic resilience".

She added that if policymakers failed to act, "the UK risks becoming a hostile environment for innovation, long-term investment, and fair access to justice".

The report coincided with the revelation that the litigation funder in the nine-year Mastercard litigation has challenged a judge's ruling on the allocation of the £200 million settlement.

Innsworth Capital, the US-based funder of the action, has told the High Court that it should not be handed less from the deal than the Access to Justice Foundation, a charity, which is also set to benefit from millions of pounds of unclaimed cash.

Europe has the answers on AI, says Huang

Katie Prescott Technology Business Editor

Nvidia has announced a raft of partnerships with European countries and businesses at its first developers conference in the region since 2018.

Sovereign ownership of AI infrastructure was a key theme of Jensen Huang's keynote speech in France as the tech giant's boss told the packed auditorium: "Europe has now awakened to the importance of the AI infrastructure and I'm so delighted to see so much activity here".

Fresh from his appearance at London Tech Week with Sir Keir Starmer, Huang's announcements included plans to build and expand AI

technology centres in seven European countries, including the UK, in order to further skills and scientific discoveries.

Nvidia has become one of the most valuable companies in the world because of its development of the powerful infrastructure which is enabling the AI revolution.

Huang said that he was travelling the world meeting heads of state "because they all want AI factories", as he described sophisticated data centres.

He said that Nvidia was working with companies to improve "sovereign large language models" in Europe, which would better reflect local languages and culture.

In Paris Nvidia announced a partnership with the French AI company

Mistral in order to build cloud infrastructure on the continent.

Arthur Mensch, 32, Mistral's chief executive, said he was launching the European cloud service because there was huge demand for local AI services, especially from industries like defence.

Despite the discussions about the importance of sovereignty, the topic of trade tensions was largely swerved. During a press conference held after his speech, Huang said he was happy the US and China were engaging in trade talks, but refused to be drawn further.

He has said that the US has shot itself in the foot by restricting sales of high-powered AI chips to China, as it forces Beijing to develop its own products and cuts the market for US businesses.