

# WEEKLY REPORT

12 November 2021



## COVID-19 UPDATE

Despite COVID-19 cases in the UK remaining high, England has recorded its longest run of daily falls in cases since February this week and hospital admissions have also dropped for 18 days in a row. These statistics are based on those who have actually chosen to be tested whilst others choose not to, especially if their livelihoods depend on being free of COVID-19. Thus, the statistics do not provide the absolute truth regarding the number of confirmed cases. The Office for National Statistics (ONS) estimates that one in 55 people in the UK (1.27 million) has the virus whether they know it or not.

Professor Tim Spector, who analyses the data at King's College London, conveyed optimism in relation to the drop in cases, stating "hopefully we're over the last great peak of COVID-19 in 2021". However, Professor Mike Tildeley from the University of Warwick, has urged people to not focus solely on the broader statistics, as "putting those figures in the public's eye every day does distract from what we should be looking at". He went on to argue that, instead, people should take note of two further epidemics: unvaccinated school children and those currently receiving their booster jabs (at-risk groups). The number of cases in school children surged through September and October but is now in decline, whilst there has been a steady increase in older age groups month-on-month since June.

Meanwhile, the UK's vaccination program continues to be rolled out, with a total of 50,336,130 first vaccine doses, 45,894,237 second doses and 10,920,416 booster doses now being administered in the UK. The health and social care secretary, Sajid Javid, also announced this week that vaccination will soon be mandatory for all frontline health and social workers to be allowed to carry out their work. Javid said "many of the people being treated in hospitals or cared for at home are the most vulnerable to COVID-19. We have a responsibility to give patients and staff the best possible protection".

The latest data shows that 92.8% of NHS staff have had their first jab, 89.9% are double jabbed whilst 83.7% of domiciliary social workers have had their first dose and 74.6% their second dose. The deadline for care home workers to ensure they are fully vaccinated was Thursday 11 November and the responsibility to ensure this new legislation is adhered to will fall on the health and social care providers.

## ECONOMIC POLITICAL AND SOCIAL UPDATE

### **UK economic growth hindered by supply chain issues**

UK economic growth has slowed from July through September as supply chain problems hinder the recovery, latest official figures show. The Office for National Statistics (ONS) said consumer spending increased as Britain continued to emerge from lockdown, but that was offset by falls in other areas of the economy, leaving growth for the three months at 1.3%. It means the economy is 2.1% smaller than in the final three months of 2019, before the COVID-19 pandemic hit. The pound fell to its lowest level of 2021 against the dollar on Thursday, following the news. Grant Fitzner, ONS chief economist, said service growth expanded, helped by house buyers rushing to do deals before the end of the stamp duty holiday. "However, these were partially offset by falls in both the manufacture and sale of cars. Notably, business investment remained well down on pre-pandemic levels in the three months to September," he said.

### **UK job adverts at record high in build up to Christmas**

With just over six weeks until Christmas, the growth in job adverts is rising quickly and showing no signs of slowing down ahead of the festive season. Active job postings reached 2.68 million last week with another 221,000 being added during that week alone, according to the Recruitment and Employment Confederation (REC). This highlights that the worker shortages that have hampered the UK's recovery have not eased. The likes of driving instructors (+32%), prison officers (+13%), secondary school teachers (+9.1%) and fork-lift truck drivers (+9.1%) have all been subject to a spike in demand. Whereas construction vacancies have been hit by the growing supply shortages, which the REC states have led to a "notable fall" in adverts for construction sector roles.

### **Bank of England takes next steps in digital money plan**

The Bank of England is to launch a formal consultation on a UK Central Bank Digital Currency (CBDC). This evaluation of the design and possible benefits of a new kind of digital money is a further step towards its possible creation. The currency, for use by households and businesses, would sit alongside cash and bank deposits, rather

than replacing them. No decision has been taken on whether to have such a currency in the UK, but the consultation in 2022 will form part of a "research and exploration" phase and will help the Bank and government develop the plans over the following few years. Central banks around the world are developing or exploring digital currencies after the rise of crypto currencies, such as Bitcoin. China, for example, is a front-runner in this global race, and is in the process of testing a digital Yuan in major cities including Beijing, Shanghai and Shenzhen. The UK's effort is not as advanced as China's with the earliest UK launch date coming in the second half of the decade. Financial services minister John Glen stated that a retail CBDC would be used by people and businesses for everyday payment needs and help Britain stay at the forefront of innovation and technology in the financial sector.

### **Brexit: Labour opposes the triggering of Article 16**

Shadow Northern Ireland secretary, Louise Haigh, has this week warned against the triggering of Article 16, saying it would provoke great uncertainty at a time where both the UK and Northern Ireland require stability. If Article 16 was to be triggered it would allow Northern Ireland to trade with the Republic of Ireland as part of the EU's single market, meaning goods could flow freely between the Republic of Ireland and Northern Ireland, thus removing the threat of a "hard border". However, Haigh made the case for not enacting Article 16, stating that "with tension rising in Northern Ireland and a cost-of-living crisis across the rest of the UK - the last thing that is needed is more poisonous instability and the prospect of a damaging trade dispute with our nearest trading partners".

## **TRADE UPDATE**

### **UK travel industry hails 'very welcome' U.S. border reopening**

The relaxation of restrictions for tourists entering the U.S. has seen a sharp rise in scheduled flights and bookings from the UK and Europe, according to data. U.S. restrictions on international travel were relaxed on Monday 8 November, following confirmation in October that fully-vaccinated visitors from the UK and EU could enter. Travel data and analytics firm Cirium compared scheduled flights in November against last month, showing 928,559 seats available on 3,688 flights between the UK and U.S. compared with 771,587 seats on 3,041 flights in October – a 21% increase.

### **U.S. top of Britons' long haul wish list**

After a 20-month ban, UK travellers are making up for lost time with U.S. borders

open again. New research from Holiday Extras found that the United States is the long-haul destination topping Britons' bucket lists. When asked which long haul destination travellers would like to return to first, almost a quarter (23%) of Britons put the United States over trips to the Caribbean (14%), the Maldives (13%), Australia (11%) and New Zealand (7%). New York City (14%) also topped the list of cities holidaymakers missed travelling to the most while restrictions were in place, beating popular European destinations including Paris (13%), Barcelona (10%) and Rome (9%).

### **European travel recovery 'not expected until 2024'**

European levels of travel are not expected to surpass pre-pandemic volumes until 2024, according to the latest projection by the European Travel Commission (ETC). The forecast comes despite the sector being poised for major recovery. Volumes are still far from the pre-March 2020 days even though Europe has the highest vaccination rate of the world's regions, which is expected to release significant pent-up demand.

### **Government issues more detail on expanded vaccine list for inbound travel**

An expanded range of vaccines will be accepted by the UK to enable more fully jabbed travellers to enter the country, the government has confirmed. Vaccines on the World Health Organisation's Emergency Use Listing (WOEUL) will be recognised from 4:00 GMT on 22 November. Transport secretary Grant Shapps said: "In practice, this means that Sinovac, Sinopharm Beijing and Covaxin will be added to our list of approved vaccines for inbound travel, benefitting more fully vaccinated people from countries around the world." These are in addition to the existing vaccines the UK recognises at the border – Oxford/AstraZeneca, Moderna, Pfizer BioNTech and Janssen (Johnson and Johnson).

### **Simon Applebaum appointed Gold Medal managing director**

Simon Applebaum will take up the role of managing director at Gold Medal on 30 November, succeeding Lisa McAuley, who announced in March she would be leaving the trade-specialist operator. Gold Medal has said that McAuley will stay on in a part-time capacity until the end of the year, to ensure a smooth handover to Applebaum. Applebaum has previously worked for a health technology business, and formerly held senior roles at Thomas Cook and Attraction World Group, where he was managing director of Attraction World until 2018 and Days out with the Kids until 2020.

### **Ethos Travel closes with 'great sadness' after 13 years**

Southeast Asia specialist Ethos Travel has ceased trading after 13 years because of the travel restrictions imposed amid the COVID-19 pandemic. A message on the operator's website said: "It is with great sadness that we have had to make

the decision to close Ethos Travel after 13 amazing years (and 18 very difficult months). This is not a choice we have made lightly but the reality is that we cannot foresee a future that would enable us to trade our way out of Covid uncertainties.

## AIRLINE UPDATE

**Air Transat** - Air Transat will increase flights to Canada from the UK next year with the launch of a new Gatwick-Quebec City service. Non-stop flights from the London airport to Montreal will also resume in May 2022, with daily services from June to September. The weekly flight from Gatwick to Quebec will operate every Thursday from May to September. The new routes follow the Canadian carrier's return to the UK last September, with a three-times weekly service from Gatwick to Toronto, which will be upgraded to a daily flight from May 2022.

**British Airways** - British Airways has registered the name of its new short-haul subsidiary at Companies House, naming it BA Euroflyer. The offshoot is set to start operating from Gatwick next year. British Airways ceased operations at Gatwick during the early stages of the pandemic and the airline has repeatedly insisted it would only be able to return to Gatwick if it could reduce the cost structure of such an operation to compete with Gatwick-based easyJet and other low-cost carriers. The new BA subsidiary is set to solve this issue.

**Delta Air Lines** - Delta will reinstate key U.S. services next summer following the reopening of borders to UK travellers. Heathrow-JFK flights will operate twice-daily next summer, compared to pre-pandemic, when the route was operated up to three times a day. In addition, the five-times weekly service from Edinburgh to JFK will restart on 2 May, with an upgraded Boeing 767-300 aircraft. The Edinburgh-Boston service will recommence on 28 May on a 767, while the Dublin-JFK flight is upgraded to a larger Airbus A330-300 aircraft. Services to Delta's main hub in Atlanta will operate twice daily from Heathrow.

**Emirates** - The Emirates Group has reported a 2021-22 half-year net loss of AED 5.7 billion (\$1.6 billion), compared to an AED 14.1 billion (\$3.8 billion) loss for the same period last year. The airline said it saw a "strong revenue recovery" underpinned by the easing of travel restrictions and corresponding increase in demand for air transport as COVID-19 vaccination programmes made progress. Group revenue was AED 24.7 billion (\$6.7 billion) for the first six months of its 2021-22 financial year, up 81% year-on-year. The group reported earnings (ebitda) of AED 5.6 billion (\$1.5 billion), described as "a dramatic turnaround" from a negative AED 43 million (\$12 million) figure.

**Etihad Airways** - Etihad Airways' environmental footprint will be measured using Microsoft advanced analytics and AI, following a collaboration with the tech giant. The results will allow the Gulf carrier to implement and assess carbon efficiency savings across its operations. The collaboration will focus on cutting-edge tools and technologies which will turn data into "actionable insights" and unlock scenarios that will help Etihad reduce its carbon footprint.

**Finnair** - Finnair is raising capacity between Heathrow and Helsinki next summer to cope with an expected rise in demand. Four flights a day are scheduled with wide-body Airbus A350 and A330 aircraft deployed on two of the four services. The 2022 schedule compares with around three flights a day currently with smaller narrow-body aircraft.

**LATAM** - Latin American carrier LATAM is reinstating flights between London and Sao Paulo next month. The airline will serve the Brazilian city with an initial four flights a week from 3 December. The evening Boeing 777 departures will operate from Heathrow Terminal 3, with return fares starting at £507.

## TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

**Audley Travel** - Audley Travel has launched a new online agent hub as well as a trade-focused destination campaign for Canada. Agents will have access to a suite of free marketing materials through the new hub, which includes window posters, mini-brochures, social media adverts, logos and images. It will also give agents access to Audley's trade sales team to ask their advice about itineraries. The operator has partnered with Destination Canada to promote the country to the trade throughout November and into December.

**Brightsun** - Hounslow-based travel agency Brightsun Travel has launched a marketing campaign in partnership with the Saudi Tourism Authority. The Middle Eastern destination opened up to international leisure travellers in 2019 and aims to achieve 100 million annual visits by the end of 2030. The Saudi Tourism Authority (STA) opened a UK and Ireland commercial office in March 2021, as part of its strategy to engage the tourism trade. Brightsun Travel said it already had a relationship with Saudi Arabia as it has promoted pilgrimages as part of the growing halal tourism sector, which caters to Muslim travellers who follow the rules of Islam.

**Wild Frontiers** - Adventure tour operator Wild Frontiers has launched its first U.S. group tour which will depart 6 March 2022. The company will host a 13-day 'Journey

Through America's Deep South' tour, with stops in South Carolina, Georgia, Alabama, Mississippi and Louisiana, from £5,195pp. The price includes all accommodation, meals as per the itinerary and private transfers to and from the airport. Travellers will be able to take a walk through Charleston led by a local history professor, discover the architecture and city squares of Savannah and sample a "jazz lunch" in New Orleans.

## SOCIAL UPDATE

### **YouTube tests quick access to Shorts feed**

Much like Stories, short-form video is now the key social media trend of focus, with Instagram, Facebook, Snapchat and Pinterest all adding new options to lean into the format. Following the roll out of 'Shorts' in March 2021, YouTube is carrying out a test which would see users who regularly engage with Shorts have their YouTube app open directly to the Shorts feed, as opposed to the regular YouTube display. This would make Shorts the key focus of the YouTube app for those users. With Shorts now surpassing 15 billion daily views, this is a major shift in UI for the platform, and a huge endorsement of the significance of the short-form video shift.

### **YouTube announces removal of video dislike counts**

YouTube has announced that it's changing the dislike count on videos to be private. The change comes as a result of the dislike option sometimes being used to harm a video's performance. Both Facebook and Twitter have experimented with down votes in varying forms in order to entice feedback from users, however, YouTube notes it can have negative impacts. While creators will still have access to their exact dislike counts in YouTube Studio, it is thought that the removal of this insight of a video's performance will alleviate misuse of the option.

## MICE UPDATE

### **Global Recovery Insights study reveals how corporates feel about returning to live events**

The Global Recovery Insights study by Explori indicates that corporates are optimistic about the return of trade show activity and have been unable to replicate the value of trade shows in key areas during the pandemic. Seventy two percent of pre-pandemic trade show visitors responded that they plan to attend trade shows

at the same or increased frequency, indicating a strong demand from attendee audiences to return to the show floor.

Across the entire survey, there is no evidence to suggest a wholesale shift away from live events towards digital – budgets for virtual events have remained flat. Whilst visitors appreciate the time and cost savings offered by digital and find it a convenient way to consume content, live events are still preferred across every aspect of the experience due to their unique ability to offer a high quality of networking and overall experience.

## LIGHTER NOTE

Celebrity bear takes her cubs for a stroll in town. Watch it [here](#).