

WEEKLY REPORT

17 December 2021



COVID-19 UPDATE

Following the prime minister's announcement on 8 December, England began Plan B of the government's strategy to reduce the spread of the Omicron variant in the UK. Plan B came into effect on 13 December with the following precautions; everyone who can work from home is advised to do so; it's compulsory to wear a face covering in most indoor public places and on public transport; it is strongly advised to get vaccinated and have a third booster dose. Any fully vaccinated person who comes into contact with someone with COVID-19 should take rapid lateral flow tests every day for seven days and if they test positive or develop symptoms, they need to self-isolate for 10 days. Some venues and events are now legally required to check the COVID-19 status of those over the age of 18. Proof of being fully vaccinated, a negative test in the last 48 hours for the unvaccinated or an exemption are also accepted.

There were 1,635,922 general tests reported on 15 December, this shows an increase of 18.5% compared to the previous seven days. Latest data reported on 16 December states 88,376 new people have received a positive test and 146 daily deaths were recorded within 28 days of a positive test.

The Joint Committee on Vaccination and Immunisation (JCVI) previously advised that those aged over 40 years and those at higher risk from coronavirus (COVID-19) should be offered a booster. New JCVI advice means those aged 18 to 39 will also be eligible for a booster when the NHS calls them forward. The booster will be offered in descending age groups, in response to the changing risk posed by the Omicron variant, the booster will now be given no sooner than three months after the primary course. More than 500,000 booster jobs were given on 13 December, as the government ramps up the booster programme, setting targets for all eligible adults over the age of 18 in England to be offered a COVID-19 booster vaccine by the end of January 2022.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Brexit: UK signs free trade deal with Australia

Described as the first post-Brexit deal negotiated from scratch and not “rolled over” from trade terms that the UK enjoyed whilst it was in the EU. The government estimated it would unlock £10.4bn of additional trade while ending tariffs on all UK exports, benefiting consumers and businesses. The government said the deal was also a gateway into the fast-growing Indoor Pacific region and would boost the UK’s bid to join the Trans-Pacific Partnership, one of the largest free trade areas in the world. Australia has also praised the deal, its second-largest trade contact with another country. The agreement was signed in a virtual ceremony by international trade secretary Anne-Marie Trevelyan and is due to come into force next year.

Clothes sales back to pre-COVID levels in November

The Office for National Statistics said total UK retail sales rose by 1.4% in November as consumers took advantage of Black Friday and started Christmas shopping early. Demand for fashion has rebounded while shoppers also spent money on toys, jewellery and in computer stores, but economists warned the lift could be dampened by the emergence of Omicron. Sales of clothing rose by 2.9% in November and were 3.2% higher than February 2020 before the UK entered its first lockdown to stop the spread of COVID-19. However, online sales continued to slip as the economy emerged from lockdown, the proportion of sales fell to 26.9% in November 2021, its lowest since March 2020.

Interest rates rise for the first time in three years

The Bank of England has raised interest rates to 0.25% from 0.1% for the first time in more than three years, in response to calls to tackle surging price rises. It came despite fears that the Omicron variant could slow the economy by causing people to spend less. The Bank’s action is set to increase the mortgage costs of some homeowners. Bank governor, Andrew Bailey, said it needed to tackle strong inflationary pressures building up in the economy. Inflation is now running at 5.1%, the highest in a decade, and he expects it to rise further early next year.

TRADE UPDATE

All countries on red list removed and travellers allowed to leave hotel quarantine early

The red list has been emptied again after 11 African countries were removed on Wednesday, 15 December after health secretary, Sajid Javid, made the announcement in the House of Commons on Tuesday, 14 December.

Travellers in quarantine hotels have been told they can leave confinement – as long as they have tested negative for Covid-19. Grant Shapps confirmed that “all current testing measures remain in place and will be reviewed in the first week of January” on Twitter earlier this week.

ABTA seeks 'urgent' meeting with UK government after France tourist ban and AITO demands rescue package vital for 'badly beaten-up industry'

From Saturday, 18 December, Brits travelling to France will not be permitted entry for tourism purposes; anyone wishing to visit will have to a "compelling reason" to do so. "It is a simply devastating situation for the UK's travel industry, destroying as it does both long-planned Christmas holidays and the many ski businesses which operate in French ski resorts," said Aito chair, Chris Rowles. "Pent-up demand from UK-based skiers unable to travel last winter has meant bookings were at higher-than-normal levels this Christmas and new year, to add insult to injury." Seasonal Businesses in Travel, a coalition of some 200 outbound travel companies, has described the move as "devastating" with many firms already having planned and staffed up for the season after two curtailed winters. Club Med, Inghams and Esprit Ski have all already announced plans to suspend departures to France until the new year. The news has led Abta to make a fresh demand to Westminster for sector-specific financial help. Chief executive Mark Tanzer said that while government had “recognised the plight” of the hospitality sector, he urged ministers “the time to act is now” to save beleaguered travel firms. According to Tanzer, hospitality trading has been down by 40% in December but – despite travel business being down by almost 80% down across this year – the industry “continues to be ignored”.

Two in five UK adults likely to book overseas holidays in 2022

Two out of five UK adults are likely to book an overseas holiday in 2022 despite the continuing pandemic, according to exclusive consumer research for Travel Weekly. But 56% remain sufficiently concerned about COVID-19 to be unlikely to take a holiday abroad while the virus remains a threat. Half (47%) cited “changing UK travel restrictions” as their greatest concern when considering an overseas holiday and the same proportion cited confidence they would be refunded for a cancellation as the biggest factor when booking a holiday. The survey of almost 1,300 UK consumers by Service Science and Kantar was conducted at the end of October and the results published in the Travel Weekly Insight Annual Report 2021-22. The research suggests one in five UK adults (22%) took at least one foreign holiday in the 12 months to October and half (52%) a domestic holiday. It found 38% ‘likely’ to take a holiday abroad in the next 12 months and 21% ‘very likely’. Of these, 42% had more to spend on holidays than pre-pandemic and 43% ‘about the same’. The survey, carried out before identification of the Omicron COVID-19 variant, found two-thirds of respondents (64%) supported the UK's travel requirements.

Thousands back petition calling for free COVID-19 testing for travel

A petition calling for COVID-19 tests to be made free of charge for fully vaccinated travellers is nearing its 150,000 signature target. The Change.org petition, launched by S M Y, urges the government to make both PCR and lateral flow tests complimentary for travellers. The government reintroduced restrictions in response to the rise of the Omicron variant, with pre-departure tests in resort now mandatory before holidaymakers returning to the UK and PCR tests required for all arrivals, who must isolate until they receive a negative result. The petition, launched by a family who face spiralling testing costs for their holiday, argues: "You have made it mandatory, even for fully vaccinated travellers, yet you are forcing us to pay expensive private companies. "We should not have to pay for this. If this is mandatory then we should be able to have the tests on the NHS."

ITB Berlin cancelled as in-person show for third year

The show had been scheduled to take place from 9-13 March, 2022 and the announcement marks the third year in a row it has not been able to run as an in-person event. A statement on the ITB Berlin website published on Thursday (16 December) said the escalating spread of the Omicron variant, tightened travel restrictions in Europe and limits imposed on large events had led to the decision. ITB Berlin will instead now focus on delivering a "live-streamed convention" and Digital Business Day in March, as well as in-person ITB Berlin "satellite events" during next year. The main show is planning to return as an in-person event on 8 March 2023.

Travel industry urged to pay above minimum wage

Travel needs to pay above the minimum wage and to "focus on retention ahead of recruitment" as a key strategy for 2022, according to the boss of Blue Bay Travel. Commenting on the loss of talent from the sector and travel not being seen as an attractive industry to work in, chief executive Alistair Rowland said: "It's not looking as attractive but it's still a very powerful industry. People who are in the industry, when they go for other service-related jobs, never lose the bug for travel; that just doesn't happen." But he said employers needed to make urgent changes – and said Blue Bay Travel would be doing just that for 2022.

CAA sanctions 50% hike in Heathrow landing charges from January

The Civil Aviation Authority (CAA) has given Heathrow the go-ahead to raise its charges to airlines by just over 50% from January in a move which could add £10 to the average return fare. The CAA rejected Heathrow's argument that it should be allowed to hike charges even higher, by 90%. But it dismissed arguments presented by airlines that Heathrow's charges should be cut. In doing so, the CAA questioned the carriers' forecasts of passenger numbers for the first half of next year in light of the emergence of the Omicron COVID-19 variant.

Amazon to sell low-cost PCR COVID-19 tests for UK travellers

Amazon is to start selling low-cost COVID-19 PCR test kits to travellers in a move that promises to shake up a market that has been described as a “rip-off jungle” for consumers. The government-approved tests, which will be valid for the UK’s day-two, day-eight and “test-to-release” arrivals programmes, cost £34.99 each but will also be offered in discounted bundles. The retailer’s international arrivals service could be launched and listed on the government’s approved list of suppliers as soon as today. The tests will be processed at Amazon’s lab in Salford, which the retailer set up last year to process tests for employees. It also set up a lab in the US, where it started selling home testing kits in the summer to US shoppers via its website.

AIRLINE UPDATE

British Airways/Qatar Airways - British Airways (BA) and Qatar Airways are to expand their current joint business to more destinations and routes around the world. The two airlines said the proposed expansion would give passengers “enhanced access” to long-haul destinations, such as Singapore, Sydney, Colombo and Nairobi, as well as European hubs including Amsterdam, Madrid and Dublin. The proposal comes after BA last week resumed daily flights to Doha from Gatwick for the first time since the start of the pandemic last year. BA and Qatar Airways are now offering up to six daily flights to Doha from Heathrow and Gatwick this winter.

British Airways - BA has put tickets on sale for the initial 35 destinations of its new Gatwick network, which will start from the end of March 2022. BA announced in August that it was creating a short-haul offshoot, will launch later in 2022. The short-haul services at Gatwick will be operated by mainline BA until the new entity’s Air Operators Certificate is issued. By autumn 2022 the organisation will be managed separately under the company trading name ‘BA Euroflyer’, consistent with its sister subsidiary ‘BA CityFlyer’. The brand name will remain as British Airways.

EasyJet - EasyJet and Virgin Atlantic strike ‘worldwide’ partnership. Short-haul airline easyJet and long-haul carrier Virgin Atlantic have announced a partnership whereby customers can connect between their flights at Manchester, Edinburgh and Belfast. The ‘Worldwide by easyJet’ agreement will open up more connectivity between easyJet’s destinations in Europe and the wider UK and Virgin’s in the US. Connecting destinations include Jersey to New York and Belfast to Barbados (more below). Some connections will be available on a daily basis from summer 2022, such as Belfast to Orlando via either Manchester, Edinburgh or Belfast.

Jet2 - Jet2 has put summer city break packages on sales from five UK airports for summer 2023. The city break options for Athens, Barcelona, Rome, Venice, and Pisa are on sale through Jet2.com and Jet2CityBreaks and follow the early release of the operator's summer sun programme. The programme is initially available from Birmingham, Glasgow, Leeds Bradford, Manchester and Newcastle, with further bases to be unveiled.

Oman Air - Travelport hopes to conclude a new distribution deal with Oman Air this month despite the carrier writing to trade partners to say it was "less than hopeful" of an agreement. A current deal is due to expire on December 31, and despite months of negotiations the two sides have yet to reach a new commercial arrangement for next year. In the letter, seen by Travel Weekly, the gulf carrier's chief commercial officer Umesh Chhiber advised industry partners to make alternative arrangements to manage bookings. "Oman Air is less than hopeful that an agreement can be reached with Travelport GDS by 31st December 2021," he said.

Play - Icelandic carrier Play is to launch transatlantic flights between the UK and US, via Reykjavik, from spring 2022. The start-up airline will operate the routes between Stansted and Baltimore/Washington International from April 20; and from Stansted to Boston Logan from May 11.

Qantas - Qantas said it has seen "a significant drop in booking momentum" for international flights because of news about the Omicron variant of COVID-19 and additional travel restrictions. Alan Joyce, Qantas Group chief executive, said: "The news of the Omicron variant had a clear impact on people's confidence to book international trips in particular, but we haven't seen large numbers of cancellations. "Many customers have strong intentions to travel if the border and quarantine settings are right."

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Blue Bay Travel - Blue Bay Travel has begun selling its accommodation-only service via all travel agents with the launch of Blue Bay Hotels. The new Blue Bay Hotels service allows any agency with an account to access the firm's inventory. Those with an Atol licence can use the hotel products as part of a package holiday booking.

Globus - Cosmos, Globus and Avalon are giving away free flights with bookings made up to the end of February. Escorted tours to Italy and Ireland booked with

either Cosmos or Globus are included in the deal, as are Jersey tours booked with Cosmos. Cosmos and Globus are also offering £150 per person off 2022 escorted tours to North America. Meanwhile, river cruise line Avalon is offering free flights to customers who book their 2022 Rhine and Danube sailings before February 28.

Great Rail Journeys - Great Rail Journeys has launched a flexible booking offer enabling customers to adjust their 2022 holiday dates for free if their plans need to change. It applies to bookings made between December 8, 2021, and January 31, 2022, for Great Rail Journeys and sister brand Rail Discoveries and is valid for all 2022 departure dates for Europe, UK, cruise, winter and worldwide trips.

IntelTravel - IntelTravel has opened a UK-based call centre to support its homeworking agents in this country. The US-based company, which revealed plans for the centre at its recent conference, said the move represents the next stage of its growth in the UK. It means the company can now offer help specific to homeworkers in the UK, and allows them to speak to someone in their own time zone instead of US-based support staff. The centre has three fully-trained staff to support the group's more than 10,500 home-based agent advisors in the UK.

Uni-Travel - Lancashire-based Uni-Travel Limited, trading as the Independent Traveller and Ranch Rider, called time on Wednesday (15 December), the CAA has confirmed. The company also traded under Farm Tours and Uni-Travel and operated several websites, including www.itiscanada.co.uk, www.itissouthafrica.co.uk, www.ranchrider.com, www.unitravel.co.uk. In a message posted to its various websites, the company's directors and staff thanked clients for their support over the past four decades.

SOCIAL UPDATE

Instagram adds Reels replies

Instagram has officially announced that users can now reply to post comments with Reels. This is another way that Instagram has integrated video and will help to boost engagement whilst also leaning into the short-form content trend. With millions of users interacting with Reels every day, Meta CEO, Mark Zuckerberg, noted that Reels are now "the primary driver of engagement growth" on the platform.

Twitter adds auto captions for all video uploads

Twitter has announced that all videos uploaded within tweets will now have auto captions enabled, providing more ways for users to consume video content. The

auto captions are available in 37 languages, however both translation and editing tools are still in development so they are not editable at this stage. This new addition could also be particularly valuable in Twitter's revamped Explore tab, which is currently in testing, and presents tweets in a more TikTok-like full-screen, vertical scrolling format.

MICE UPDATE

Q2 is the one to watch according to the Hotel Booking Agents Association

According to Callum McLean, membership director of the Hotel Booking Agents Association (HBAA), the emergence of the Omicron variant has had a significant impact on consumer confidence within the business events industry, with the number of cancellations indicating that recovery in 2022 will be slower than previously forecast. However, there is an expectation that demand for a return to live events will drive recovery in Q2 of next year. Based on recent enquiries, trends indicate that brands will be seeking to recognise employees and celebrate their survival after the previous 18 months with live events.

LIGHTER NOTE

A polar bear cub has been born at the Highland Wildlife Park in the Cairngorms National Park, Scotland. The zoo is the former home of Hamish, who in 2017 was the first polar bear cub to be born in the UK in 25 years. See it [here](#).