

WEEKLY REPORT

29 April 2022



COVID-19 UPDATE

The number of people testing positive for COVID-19 in the UK has decreased in the last seven days, by 32%. Meanwhile, the number of patients admitted to hospital has also dropped, by 23.2%. In regard to the vaccination rollout, 92.5% of people aged 12 and above have received their first dose, 86.5% their second dose and a further 68.2% of the population have received their booster dose.

The government has removed all remaining domestic restrictions in England and Scotland. However, both governments are strongly recommending the public to protect themselves by getting vaccinated and wearing a mask in crowded, enclosed spaces.

All domestic COVID-19 restrictions have been removed in England and Scotland. In Wales, there remains a legal requirement to wear masks in health and social care settings. If the current public health situation remains stable, the remaining restriction will be removed from 9 May 2022. In Northern Ireland, the use of face coverings is strongly recommended in all indoor settings accessible to the public.

Face masks are no longer mandatory in Ireland, however, they are still advised on public transport and in healthcare settings. There remains a legal requirement to isolate if you are symptomatic (even if you are fully vaccinated and boosted) or if you test positive for COVID-19.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Government borrowing more than halved from previous year

Government borrowing in the last financial year more than halved from the amount borrowed a year earlier when the UK saw major Covid restrictions. Figures show that

borrowing stood at £151.8bn, compared to the £317.6bn borrowed in 2020-21. This was due to pandemic schemes such as furlough, coming to an end, and the government's increase of income from taxes.

Retail sales fall as rising cost of living bites

UK retail sales dropped dramatically in March due to the rising cost of living. According to the Office for National Statistics, online sales fell by 1.4% as people cut down on non-essential spending. Fuel sales also dropped as people cut travel amid record high petrol and diesel prices. Bethany Beckett, UK economist for Capital Economics, said inflation was set to keep rising and "there's a real risk of an outright fall in consumer spending in the coming quarters".

TRADE UPDATE

£85m in unspent refund credit notes set to lose financial protection

Holidaymakers with unspent refund credit notes risk losing their money if they do not redeem them by 30 September 2022, when they lose ATOL protection, says the Civil Aviation Authority.

Unspent ATOL-protected refund credit notes currently total more than £85 million, said the regulator.

Trade reports strong late market despite tight availability

Agents are reporting strong late bookings as fears grow of increasingly tight availability for the peak summer months.

Many said consumers were waiting until the last minute to book their summer break in case of any late changes in travel rules.

Advantage Travel Partnership reported that 42% of bookings through its managed service agents last week were for travel in the next 12 weeks, adding that sales were strong across all sectors, including cruise.

Advantage reports return of corporate travel demand

Corporate travel demand is returning, according to The Advantage Global Network, which forecasts that revenues at its 83 partner businesses around the world should reach 50% of 2019 levels this year.

The network rebranded from The WIN Global Network to The Advantage Global Network last autumn. Network head John Hobbs Hurrell said: "We were always

having to explain the relationship between the UK parent Advantage and WIN, the international network. We should have done more to highlight the international element before.”

Despite the pressures of Covid, “we’ve grown the network when others retracted”, he said, expanding from 70 partners pre-pandemic to 83.

Western Australia eases entry rules for vaccinated travellers

International visitors arriving into Western Australia no longer need to test on arrival as long as they are vaccinated.

Under the state’s relaxation of the rules, which came into effect at 00:01 Western Standard Time today (Friday 29 April) people no longer have to show proof of vaccination to enter hospitality venues, while social distancing and face masks are no longer mandatory.

In line with national rules, arriving passengers need only be double vaccinated.

Minister blames ‘unprecedented surge’ for passport wait times

Immigration Minister Kevin Foster has said long waits for passport renewals is due to a ‘virtually unprecedented surge in demand’.

Mr Forster told the House of Commons that, during the whole of 2021, seven million passports were renewed. Last month, one million people applied for a new passport, with many delaying during the pandemic.

A report in *The Times* said the current 10-week target for processing passport applications was being repeatedly breached. The report says up to five million people had delayed renewing their passports during the pandemic and there is additional strain because, under post-Brexit EU travel rules, Britons must have at least three months validity remaining.

Travel Counsellors sales 30% ahead of pre-pandemic level

Travel Counsellors is currently seeing sales 30% higher than before the pandemic and said its technology is “key” to the company’s success.

The homeworking agency is investing a record amount of £7 million in its technology platform over the course of a year to help its agents share their expertise with each other.

The company currently has 150 Gold TCs – its top-selling franchisees – 30 of whom have achieved this status this financial year.

AIRLINE UPDATE

Airlines body seeks delay in launch of non-CO2 regulations

Europe's major carriers want a delay in regulations targeting the non-CO2 impacts of flying on global warming, arguing this could distract from the aim of reducing carbon emissions.

Airlines for Europe (A4E) managing director Thomas Reynaert told a Transport and Environment summit on aviation's non-CO2 effects: "Measuring non-CO2 is difficult. We recognise contrails and nitrogen oxides have an impact. [But] we ask to see more conclusive evidence before any regulation."

A4E represents carriers including Ryanair, easyJet, British Airways parent IAG, the Lufthansa Group and Air France-KLM in Europe.

"There is a recognition that we need to tackle CO2," said Reynaert. "This is decades of work. We are committed to net zero by 2050. It will cost us and, ultimately, passengers a lot of money. Flying will become more expensive."

EasyJet aims for hydrogen powered flights 'as soon as possible'

EasyJet has announced it is working with aerospace supplier GKN on the development of liquid hydrogen-powered aircraft to remove carbon emissions from flights.

GKN is hoping to launch its first sub-regional aircraft powered by hydrogen within the next four to five years. While initially this would have no more than 19 seats, GKN says the technology can be scaled up for larger aircraft.

EasyJet is supporting the project by providing, among other things, insights into operational requirements and economics.

EasyJet adds seven new routes for summer

EasyJet and easyJet holidays have added seven new routes for summer 2022, including to the popular Greek islands of Corfu, Kos, Kefalonia and Crete.

The airline says the new routes will make it the biggest airline to the Greek islands from the UK.

Heathrow upgrades 2022 passenger forecast but warns outlook is 'volatile'

Heathrow airport has updated its passenger forecast for 2022 from 45.5 million to 52.8 million, but says the future is still uncertain.

In an update, the airport said it expects to remain loss-making in 2022 as COVID losses top £4 billion.

Heathrow said January and February were much weaker than expected due to Omicron-related travel restrictions, while March demand increased after the unexpectedly quick removal of all UK travel restrictions on 18 March.

“We are seeing a temporary increase in demand driven by UK outbound leisure passengers taking advantage of removed UK travel restrictions and redeeming travel vouchers accrued during the pandemic” the statement said.

“As a result, we are updating our 2022 passenger forecast which represents a return to 65% of pre-pandemic traffic this year. However, demand remains very volatile and we expect these passenger numbers to drop off significantly after the summer.”

“We are already seeing airlines cancelling services into the autumn and the realities of higher fuel costs, lower GDP growth, the war in Ukraine and the ongoing pandemic will drag on demand. We are still in a pandemic with many markets still closed, nearly 80% with testing and vaccination requirements and another variant of concern could see the return of UK travel restrictions.”

Jet2 adds another Newcastle route for summer 2023

Jet2.com and Jet2CityBreaks has added a weekly flight to Verona to its 2023 schedule from Newcastle Airport.

The addition of the Italian city brings the number of 2023 summer routes from the airport to 34.

The Newcastle-Verona service will operate from 10 May 2023 through to the end of September.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Premier Holidays adds six new tours for 2023 US programme

Premier Holidays has introduced six new tours, 20 extra hotels and six extra experiences, to its 2023 range of US holidays. Other new additions include a section dedicated to the Pacific Northwest and Rocky Mountaineer’s American train itinerary.

The new products have been developed over the past two years in line with customer and agent feedback.

One of the holidays catering to clients seeking sustainable tours is the 12-night

Experience America's West self-drive itinerary, which includes hybrid car hire, stays at three Under Canvas tented properties and four other eco-conscious hotels to explore Las Vegas and the national parks of Zion, Bryce Canyon, Capitol Reef and Grand Canyon National Parks.

Kensington Tours expands to offer new Hawaii programmes

Kensington Tours, a leader in custom private-guided luxury travel, has released a collection of private-guided itineraries on the four main islands of Hawaii, giving clients an opportunity to travel with the state's top local guides. With an emphasis on cultural touring, historical sites, and active adventures, this is no ordinary way to experience Hawaii.

In the company of a private guide, clients will gain a deep understanding of Hawaiian perspective and local culture, all through the eyes of an impassioned local. Plus, they will gain access to extraordinary landscapes that are otherwise unavailable, ensuring that they are experienced in an environmentally and culturally respectful way.

The collection of itineraries features touring on four main islands: Oahu, Maui, Kauai, and Big Island, with the option to personalise the route, duration and day-to-day activities. A Kensington destination expert will work with clients to design their ideal itinerary, from the islands visited, to the best time of year to travel based on the experiences that mean the most to them.

Brand USA confirms date and place of Travel Week UK & Europe

US marketing body Brand USA has announced that it will hold its Travel Week UK & Europe 2022 in Frankfurt on 26-29 September.

The in-person event will bring together more than 450 tourism industry professionals from the US, UK and Europe.

Brand USA is also launching an inaugural media forum on 26-28 September and it will hold its second annual Brand USA CEO Summit UK & Europe on 26-27 September.

A&K unveils £110k tour to celebrate 60th anniversary

Luxury tour operator Abercrombie & Kent has unveiled a round-the-world itinerary priced from £110,000 as part of its 60th anniversary celebrations.

To celebrate the company's 60th anniversary, A&K has selected tours representing the past six decades for the Greatest of All Trips (GOAT) to create a tailor made itinerary showcasing 13 countries.

It begins where A&K started in 1962, on an Ultimate East Africa Safari, then features Egypt, the operator's first destination outside sub-Saharan Africa. India became A&K's next destination, and the holiday features the Classic Northern India tour, with opportunities to see the Taj Mahal and visit national parks. Also featured in the itinerary are tours in Indochina, Australia, Peru, a luxury expedition cruise to Antarctica, national parks in the US and the Italian cities of Venice, Florence and Rome.

SOCIAL UPDATE

Elon Musk buys Twitter

Elon Musk is set to become the sole proprietor of Twitter, after Twitter's board met to vote on accepting his \$44 billion takeover offer. Based on his public statements so far, Musk's intentions range from restoring 'free speech' to combating bots. While the deal is still subject to various approvals and processes, we will soon find out what Musk's exact plans are for the app.

Facebook continues to grow

In its first performance update of the year, Meta has once again underlined its enduring performance capacity, even as it focuses on the next stage of digital connection. With 1.96 billion daily active users on average in March 2022, it saw an increase of 4% year-on-year. This highlights the connective role that the app now plays on the modern interactive process.

Instagram launches test of pinned posts

Some Instagram users are now able to select a 'Pin to Your Profile' option on Instagram posts, similar to TikTok's Feed. This will enable them to dock their chosen updates to the top of their profile display highlighting key elements such as special offers, product displays and best performing posts.

MICE UPDATE

Meeting venue revenues set to recover to 2019 levels next year

Two-thirds of meeting venues say they will recover to 2019 revenue levels in 2022 or 2023, according to international venue association's (IACC) annual Meeting Room of the Future Barometer 2022. Respondents reported that meetings and business events revenue levels will surpass 2019 levels for the first time in 2023 with varied predictions by country.

The study supports the return of in-person events as respondents report a decrease in the offered virtual access of meetings and events in 2022. In 2021, 30% of respondents reported that more than 90% of their meetings and events offered a virtual component. In 2022, this percentage has dropped to 19%. Sustainability also continues to be a focus with increased requests for social responsibility and environmental credentials from clients.

Mark Cooper, CEO of IACC, commented "The study clearly points to the fact that recovery is moving forward, and the future looks bright for our industry, with a renewed value placed on face-to-face events."

LIGHTER NOTE

Organisations and volunteers are saving animals in Ukraine, coordinating daily rescues to transport thousands of animals to EU countries. See more [here](#)