

WEEKLY REPORT

8 July 2022



COVID-19 UPDATE

The number of people testing positive for COVID-19 continues to increase across the UK. This increase is likely caused by the rising rate of infections compatible with Omicron variants BA.4 and BA.5. Figures on Monday 4 July showed that the weekly number of COVID-19 hospital admissions increased by 32.9% to 11,028 in England. In Scotland, stats recorded between 27 June and 3 July revealed an average of 125 hospital admissions per day, whilst in Wales, the number of hospital admissions patients testing positive for COVID-19, averaged 592 a day over the past week.

Vaccination rates in the UK continue to increase, with 93.2% of the population aged 12 and over having received their first dose, 87.3% have received their second dose, and 69.5% have received their booster. The government is continuing to roll out the new phase of spring booster for people aged 75 and over, residents in care homes for older people, and those with weakened immune systems

Access to free lateral flow tests has been extended in Wales until the end of July.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

House prices continue to rise, reaching a new record high in June

House prices hit a new record in June, according to Halifax, despite expectations the rising cost of living in the UK would reduce the demand. Halifax reported that the average house price reached £294,845 in June after rising by 1.8% - the steepest monthly increase since 2007. This rise in prices is due to the lack of available homes, as well as a shift towards people buying larger, detached homes. Northern Ireland saw the largest rise in house prices, with an increase of 15.2% in the year to June to take the average to £187,833.

Pound slides to two-year low against the dollar

The pound has fallen to two-year lows against the dollar, dropping below \$1.19 on 5 July, for the first time since the first UK Covid lockdown in March 2020. This reflects the government's increasing concerns about recession around the world, as energy prices continue to soar. This drop in the value of the pound will make imports such as food and fuel more expensive, and mean that British tourists who travel abroad will get less for their money.

Boris Johnson to stand down as Tory leader after wave of resignations

Prime Minister Boris Johnson is to stand down as Conservative Party leader, but intends to carry on as prime minister until a new Tory leader has been elected to replace him in the autumn. This announcement on 7 July follows a dramatic 48 hours which saw over 50 ministers, including Chancellor, Rishi Sunak, Health Secretary, Sajid Javid and Education Secretary, Michelle Donelan, resign in protest at his leadership.

TRADE UPDATE

Government must do more to boost inbound tourism, urges Select Committee

A government minister was told he must do more to promote the UK to international visitors as the tourism sector recovers from the pandemic. In a Digital, Culture, Media and Sport (DCMS) Select Committee meeting on July 5, tourism minister Nigel Huddleston was told the UK is lagging behind other countries in terms of visitor numbers and questioned why government spending on international marketing is so low. Huddleston explained that although the £41m British Tourism Association (BTA) budget is "relatively low" compared to that of "many, many other countries", it is difficult to make a direct comparison as some UK regions do their own marketing outside of the budget.

Top travel firms for customer satisfaction revealed

Marriott, Jet2holidays, Booking.com and Trivago have been named as the top rated travel companies for customer satisfaction at a time when consumer complaints across all sectors hit a record high. In the tourism sector, 12.9% of customers experienced a problem; below all-sector average of 16%, a bi-annual study by the Institute of Customer Service reveals today (Tuesday). However, no travel businesses made the overall top ten ranking of organisations rated as best for customer satisfaction, headed by utilities firm UK Power Networks, followed by Timpson, John Lewis, Tesco Mobile, Suzuki and M&S (equal fifth), Ocado, Waitrose,

Apple and First Direct.

'Multiple concerns' voiced over expected level of business travel

Many business travellers now have multiple concerns about the return of corporate trips following the pandemic, new research reveals. The top perceived threats to business travel include health and safety concerns from Covid-19 (54%), the cost of oil prices and inflation (48%) and the conflict in Ukraine (42%). A majority (83%) said their company had already adopted a 'more travel on fewer shoulders' approach, returning to pre-pandemic levels of business travel but with a smaller group of travellers and 99% are willing to travel in the next 12 months.

BA strike threat suspended by unions representing check-in staff

Trade unions have suspended the threat to strike by British Airways check-in staff at Heathrow after BA made an increased pay offer. The 700 check-in staff who are members of Unite and the GMB union will now vote on the offer. The check-in workers are seeking restoration of a 10% pay cut imposed by BA during the pandemic under threat of being fired.

AIRLINE UPDATE

British Airways - British Airways (BA) has announced it will cut a further 10,300 short-haul flights between now and the end of October. The news came as it emerged the carrier has recruited René de Groot from KLM as chief operating officer, who will join on October 1 to help tackle the problems causing the continuing cancellations. BA confirmed the latest round of cuts, affecting almost 50 return flights a day, this afternoon.

Flybe -Flybe has been forced to cancel flights and cut frequencies this summer due to late aircraft deliveries. The schedule is being reduced between July 28 and October 29. Routes from Belfast City to Aberdeen, Inverness and Newcastle and Birmingham-Aberdeen have been suspended for the summer. Flights are also being trimmed from Belfast City to Birmingham, Edinburgh, Glasgow, Manchester and Southampton as well as Birmingham to Edinburgh and Glasgow.

Jet2 - Staff at Jet2.com and Jet2holidays have received a pay rise of 8% and will have a further £1,000 bonus at the end of this summer.

News about the pay deal came as the group announced it had trimmed annual operating losses by 4% to £323.9 million for the 12 months to March 31. In the results announcement, chairman Philip Meeson slated the preparations made by suppliers and airports in the UK but commented: "I want to record the board's huge appreciation for all our colleagues' tremendous support and efforts over recent months."

SAS - SAS has filed for Chapter 11 bankruptcy protection in the US as a strike by its pilots added to its financial concerns. The move will allow the carrier to continue operating, although the industrial action has grounded about half of its flights.

Virgin Atlantic – Virgin Atlantic is continuing its transatlantic expansion with a new direct route from Heathrow to Tampa, launching on November 3. The year-round Florida service will initially fly four times a week before increasing to daily from November 28, complementing the airline's up to four daily flights to Orlando and double-daily flying to Miami. Flights go on sale from next Wednesday (July 13) with return economy fares starting from £436.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Holidaysplease - Holidaysplease believes it will have restored its pre-pandemic financial position by the end of the year, provided summer departures go ahead as planned. Speaking on a Travel Weekly webcast, director Charles Duncombe credited the homeworking company's proactive approach during Covid for its current healthy position. The company now expects to return to "sustainable, steady growth" of 15% to 20% a year.

Intrepid Launches - Intrepid Travel has introduced a Bosnia and Herzegovina Expedition (eight days, priced from \$1,600 per person land only) as part of a wider project to develop sustainable tourism to the country. The trip offers an insight into local life in the country 30 years after the start of the devastating conflict. Intrepid is working with USAID and The Global Travel and Tourism Resilience Council to support the sustainable growth of tourism to Bosnia and Herzegovina post pandemic. This five-year \$20 million project aims to enhance the quality and diversity of tourism products, professionalise the tourism workforce and businesses, and creatively brand and promote the country to visitors.

Ocean Holidays - Florida specialist Ocean Holidays says demand for long-haul holidays is “skyrocketing” as consumers seek better-value holidays with less risk of disruption. Its US holiday bookings increased 25% following the lifting in June of pre-departure Covid tests, with growth of 170% for departures between May 1-October 31, compared with the same period in 2019. George Hastings, Ocean Holidays’ managing director, said: “Airlines are rightly recognising that their salvation lies in long-haul, which is where they are investing. We’re seeing the likes of BA and Virgin upgrading their fleet and unlocking significantly more capacity and better value flights to popular long-haul destinations like Florida and New York.”

White Desert – White Desert offers the Perfect Place for a “White Wedding”. White Desert, pioneers of luxury travel in Antarctica, has launched its newest itinerary “The Happiest Day,” which has been created for guests wanting to celebrate a special occasion with a truly rare backdrop, such as birthdays, anniversaries and for the first time, the opportunity for wedding celebrations on ice. For centuries the Last Continent has held a special place in our imaginations, and even now, long after the first explorers reached the South Pole, access to the interior of Antarctica is still only for the very few. It sets the perfect scene for an exclusive group of up to 12 friends or family looking to turn a “Happiest Day” into the journey of a lifetime. Regardless of the length of the trip, all guests will begin their trips from Cape Town, enjoying the hospitality of a boutique hotel partner before boarding one of White Desert’s private jets to Antarctica.

SOCIAL UPDATE

Instagram expands access to Reels templates and adds music recommendations

Instagram has been giving more users access to its Reels templates option. This update enables users to select a format for their Reel based on popular trends and then take them through a frame-by-frame process to create a similar-looking clip. Instagram will also now recommend songs for content, based on the video uploaded.

YouTube launches updated Shorts analytics

In order to help Shorts creators maximise the performance of their clips, YouTube is updating the design of its Shorts analytics in the main app. The new visual display will help users get a quick snapshot of performance. YouTube is also adding more advanced audience behavior data into YouTube Studio allowing users to see ‘new’ and ‘returning’ viewer stats. This will provide more detail on how different users are

responding to content. It will also help users to better understand how audiences are discovering a channel and if they are coming back for more.

MICE UPDATE

UK business travellers are keen to travel according to recent research

US-based company SaaS has commissioned new research revealing that 99% of business travellers in the UK are willing to travel in the next 12 months. 98% of the 300 business travellers and 100 travel managers surveyed had reported they are keen to travel again. For 54% of participants, the top perceived threats to business travel include health and safety concerns from Covid-19. A further 48% were concerned of the cost of oil prices and inflation and 48% reported a concern about the conflict in Eastern Europe. The research also showed that 83% of respondents believe their company has returned to pre-pandemic levels of business travel but with a smaller group of travellers. Key factors to those surveyed include sustainability and safeguarding.

LIGHTER NOTE

Rhinos are returned to Mozambique for the first time in over four decades. Nineteen white rhinos were relocated from South Africa to Mozambique Zinave national park this week, and black rhinos are set to follow. For more information see [here](#).