

# WEEKLY BRIEFING

30 August 2024



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **UK Government Considers Right to Request a Four-Day Workweek**

The UK government is considering giving full-time workers the right to request a four-day workweek, where they would work the same total hours compressed into fewer days. This proposal aims to boost productivity and support flexible working arrangements, although it wouldn't be mandatory for employers to accept such requests. While some view the move as a significant enhancement of workers' rights, Conservative critics argue it could harm businesses and reduce productivity. Labour, which came to power promising to make flexible working a default option from day one, supports the plan as part of broader efforts to expand workers' rights and improve the economy. The details of these proposals are expected to be formalised in a new legislative package this autumn.

### **UK House Prices Experience First Monthly Decline in Four Months**

UK house prices saw a 0.2% decline in August, marking the first monthly drop since April, though the annual rate of growth still climbed to 2.4%, the highest since December 2022. The average house price now stands at £265,375, showing resilience in a high-interest rate environment that has made saving for a deposit more challenging. Despite the monthly dip, house prices remain elevated, and some experts, like those at Halifax, predict continued growth for the rest of the year as mortgage rates ease following a recent Bank of England interest rate cut from 5.25% to 5%.

## **Keir Starmer Faces Backlash Over Proposed Outdoor Smoking Ban**

Keir Starmer is facing opposition from the hospitality industry and political rivals over potential plans to restrict outdoor smoking outside pubs, restaurants, and other public areas. While these proposals have not been denied by the prime minister, they build upon existing plans to phase out smoking year by year. The hospitality industry fears such restrictions could harm businesses still recovering from the pandemic. Meanwhile, health experts support the move, and polling indicates majority public approval across most demographics. These measures, revealed through leaked documents, would be part of a broader tobacco and vapes bill aimed at gradually making smoking illegal by banning tobacco sales to anyone born on or after January 2009.

## **UK Pensioners in Europe to Retain Winter Fuel Allowance Amid Cuts for Domestic Retirees**

British pensioners residing in Europe are set to continue receiving the winter fuel allowance this year, while millions of elderly people in the UK will see the payment discontinued. The £300 handout, guaranteed to expats in the EU, Norway, Iceland, Liechtenstein, and Switzerland due to the Brexit withdrawal agreement, will not be affected by the new wealth threshold introduced by Rachel Reeves. In contrast, the Chancellor's recent decision to cut the payment for all UK residents not receiving benefits will leave up to two million pensioners in the UK struggling to heat their homes. The emergency legislation, effective from mid-September, will save the government approximately £1.4 billion this year, reducing the payment to 1.5 million pensioners who are on Pension Credit or other means-tested benefits. While retirees in 23 European countries can continue to receive the allowance until April next year, those in France and Spain are excluded from this agreement.

## **TRADE UPDATE**

### **Agents and operators report strong sales in August**

Agents have reported strong sales in recent weeks, buoyed by lates, cruises and summer 2025 bookings. Jim Eastwood, Travel Counsellors global sales director, said demand "remains strong" following record July sales, adding: "Throughout August, we've seen a significant rise in last-minute bookings and those looking further ahead, with summer 2025 bookings already up by 34%."

Gary Gillespie, The Travel Network Group product and distribution director, reported sales had slowed in August compared with July but still showed "some healthy growth", adding: "Summer 2025 has been experiencing incremental growth week on week."

### **Government provides £10.5m to help prepare for EU border checks**

The government has announced £10.5 million in funding to support the Port of Dover, Eurostar and Eurotunnel ahead of changes at the border being implemented by the European Union. The EU will introduce the Entry/Exit System (EES) – a new digital border system – in November.

Under the EES, all passengers without EU passports will be required to have their fingerprints registered and their pictures taken on arrival.

### **Iata reports 8% rise in July air traffic but warns of capacity constraints**

Global air passenger traffic rose 8% year on year in July, marginally ahead of a 7.4% capacity increase, according to IATA, but the airline association has warned of growing constraints on capacity due to problems in the supply chain.

Willie Walsh, IATA director general, issued an “urgent call” for aircraft manufacturers and suppliers to resolve the issues. Boeing continues to suffer significant manufacturing delays amid action by the US Federal Aviation Administration to address safety concerns, while engine problems on a version of the latest Airbus A320 have led to many aircraft being grounded for lengthy periods.

IATA reported member airlines’ average load factor rose half a percentage point on July 2023 to 86% and said the CrowdStrike IT outage on July 19 which disrupted technology systems worldwide had “no significant demand impact”.

## **AIRLINE UPDATE**

**Aer Lingus** - Aer Lingus is offering winter flights from Manchester to Barbados, New York and Orlando from £359 return as part of the carrier’s September sale.

The deals, which were introduced on August 26 and will end on September 16, are available for travel between October 2024 and March 2025, with promotional prices including taxes and charges. Aer Lingus chief customer officer Susanne Carberry said: “More and more people from the north of England are considering transatlantic holidays in recent years, so we are very proud to deliver direct routes from Manchester airport to New York, Orlando and Barbados.

**Norse Atlantic** - Norse Atlantic Airways trimmed half-year losses to \$75.7 million but is to cut capacity after the summer peak. Three Boeing 787-8 Dreamliners are to be returned to their leasing firm during the autumn, leaving the carrier with a uniform fleet of 787-9s. This will leave Norse with a “more uniform, flexible and cost-efficient fleet”.

## TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

**Audley Travel** - Tailor-made operator Audley Travel has expanded its European offering to include the Balearic islands of Ibiza, Menorca and Majorca, plus the Greek island of Corfu.

Alex Bentley, head of global product at Audley Travel, said: "As we've seen demand for destinations closer to home grow, it made sense to encompass these islands into the Audley mix. "Our country specialists are excited to be able to share their expertise and knowledge with agents to curate unique and meaningful experiences for their clients looking to explore these exceptionally charming parts of Europe."

**Hays Travel** - Hays Travel's 15 top homeworking cruise sellers have been rewarded with a seven-night sailing along the Danube with Ama Waterways. The 'Captain's Table' trip is awarded to the top cruise sellers over the previous year from the agency's Personal Travel Consultant and Explorer Franchise teams.

The seven-night river cruise on Ama Viola included daily free excursions such as walking and cycling tours, theatre trips and music festivals.

Tanya Cooper, head of PTC at Hays Travel, said: "Over a 12-month period, the agents have an opportunity to drive their cruise sales with the chance of securing a place on the 'Captain's Table' trip."

**Jet2** - Jet2.com and Jet2CityBreaks have unveiled their biggest programme of Christmas market trips to date with their 2025/26 range. Eight destinations are available from across 12 UK airports, representing a total of 50 routes and 250,000 seats on sale – a capacity increase of 16% compared with winter 2024/25.

Services to Prague and Vienna from the new base in Bournemouth are among eight new routes introduced.

**Travel Den** - Travel Den has joined The Advantage Travel Partnership as agency owner Gilli Knight aims to grow her business and recruit homeworking colleagues. Dorset-based Knight, who set up her travel business in 2019 after a career in financial services management, has signed up with Advantage under its managed services model. Knight said: "With the support of Advantage, my goal is to grow my business and offer homeworking travel advisors a great place to come and work with me.

Advantage Managed Services (AMS) was introduced 15 years ago to help run the operational side of travel firms while they focus on sales and customer service.

## SOCIAL UPDATE

### **Instagram adds new creative features**

Instagram has added several new features to make content more engaging for users. Stickers can now be added to photos and carousel posts, text can now be animated, and new fonts have been added. These new updates are part of a drive to retain their young user base and to rival other apps like TikTok and Snapchat.

### **TikTok rolls out an AI voice simulator**

TikTok has introduced an update allowing creators to make AI simulations of their voice to use in their own content. When a user speaks into their device, an AI version of their voice will be created. Users can then use this as a voiceover for their own videos. The option also allows for translation into different languages, allowing for a creator's content to be viewed by wider audiences and increase their reach.

## MICE UPDATE

### **BestCities and ICCA award 2024 Incredible Impacts Programme seed grant**

BestCities Global Alliance and the International Congress and Convention Association (ICCA) have awarded the 2024 Incredible Impacts Programme (IIP) Seed Grant to the International Cartilage Regeneration & Joint Preservation Society (ICRS).

ICRS will use the \$5,000 USD fund to create the Global Access Fellowship. The fellowship will enable two delegates from underrepresented regions worldwide – including South America, Africa and Asia – to attend a 2025 ICRS educational event, with fully covered travel, accommodation, event registration, and social and network events. In addition to the seed grant, the Incredible Impacts Programme awards a main grant of \$20,000 USD to an association working to make a lasting difference in the world. Three finalists will be selected to present their entries during a plenary session at the annual ICCA Congress in October 2024.

## LIGHTER NOTE

Marmosets use vocal labels for social bonding, challenging old views on primate communication.

Find out more [here](#).