

WEEKLY REPORT



MMGY
Weekly Report for UK & Ireland
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ECONOMIC, POLITICAL & SOCIAL UPDATE

Reeves could face £20bn Budget hole as UK productivity downgraded

The UK government is facing a larger-than-expected shortfall in public finances ahead of the November 26 Budget. A downgrade to the UK's productivity outlook by the Office for Budget Responsibility (OBR) could create a gap of around £20 billion in meeting the chancellor's tax and spending rules, according to reports. Chancellor Rachel Reeves has said that both tax increases and spending reductions remain under consideration for the Budget. Persistently high inflation and the Bank of England's decision to maintain higher interest rates to contain it, have added pressure to the government's efforts to balance its fiscal plans.

Source: [BBC News](#)

Equinix announces £4 billion investment to expand UK data centre capacity

Data-centre operator Equinix has announced a £4 billion investment to build a new data centre at South Mimms, Hertfordshire - aiming for 250 megawatts of processing capacity and completion by 2030. The project would double Equinix's UK footprint, with the site already having a grid connection and plans to operate on 100% renewable energy. The UK government has welcomed the move as a strong signal of confidence in the country's tech infrastructure, with ministers highlighting its potential to support jobs, economic growth and future innovation.

Source: [Sky News](#)

Record numbers of Brits give up on NHS to seek healthcare abroad

A record 523,000 Britons travelled overseas for medical treatment in 2024 - a 50% rise in two years - as long NHS waiting times continue to drive patients to seek care elsewhere. Popular destinations include Turkey, Poland, Romania, Portugal, India, and Italy, offering cheaper hip and knee replacements, cataract operations, dental work, and cosmetic procedures. Health Secretary Wes Streeting called the situation "appalling," saying the government is working to cut waiting lists and raise awareness of the risks of unregulated overseas clinics. Despite a £25 billion funding boost and efforts to deliver more appointments, NHS waiting lists have risen to 7.41 million, prompting warnings from health experts that many patients are risking complications abroad out of desperation.

Source: [The Telegraph](#)

Plan to cap ground rents causes concern among UK landlords

The UK government is considering legislation to cap ground rents for leasehold properties, prompting unease among landlords over potential financial implications and compensation liabilities. The proposed changes aim to address critics' concerns about excessive ground rents burdening homeowners, particularly in newer developments. While supporters see it as a move toward fairness in the housing market, property investors warn it could affect the valuation and viability of leasehold investments.

Source: [The FT](#)

TRADE UPDATE

Airlines face levy to guarantee sustainable aviation fuel price

The government's new consultation on a levy to fund a support scheme for sustainable aviation fuel (SAF) producers confirms that the costs, amounting to tens of millions of pounds each year, will be passed on to air passengers. The Department for Transport (DfT) proposes a variable levy on suppliers in the consultation published this month, with the costs passed "through the supply chain and on to consumers". It notes the extent to which costs are passed on will depend on "consumers' sensitivity to price changes" and the level of competition, suggesting: "It will be a commercial decision for aviation fuel suppliers whether they pass on some or all costs to airlines." An indicative table of levy payments based on 2024 data suggests the costs will amount to more than £55 million a year for large fuel suppliers, £22 million for medium-size producers and £5.5 million for small producers.

Source: [Travel Weekly](#)

Travel agents '14 times more popular than use of AI', study finds

Travel agents remain the most popular holiday booking method amongst UK consumers, and are 14 times more popular than the use of AI, new research claims. A study of more than 2,000 people, commissioned by Brightsun Travel revealed that around one in two people booked their last holiday through an agent. Only 3% turned to AI, despite its rise in popularity as a search assistance tool. More than a third (39%) of digitally fluent Gen Z'ers also used agents and consultants for their travel needs in the year to July 2025, versus 6% using AI instead. While AI could help with recommendations for destinations, activities and booking platforms, or even provide users with a comprehensive packing list, Brightsun Travel suggested its data shows a "clear preference" for human expertise when it comes to booking a holiday. Trust is yet to be earned by AI systems as a reliable source of information for UK travellers, according to the operator.

Source: [Travel Weekly](#)

Virgin Trains clears major hurdle to start competing with Eurostar

Virgin Trains have won the go ahead from the rail regulator to challenge Eurostar's monopoly on passenger services through the Channel Tunnel by 2030. The Office of Rail and Road (ORR) described access to the Temple Mills facility as "an important first step" towards being able to operate cross border train services using the Channel Tunnel. Virgin Trains plans to carry six million passengers a year, invest £700 million and create 400 new jobs in the UK. Virgin Group founder Sir Richard Branson said: "The ORR's decision is the right one for consumers - it's time to end this 30-year monopoly and bring some Virgin magic to the cross-Channel route."

Source: [TTG](#)

WTTC confirms plan to quit London head office

The World Travel & Tourism Council (WTTC) plans to close its London headquarters and is consulting its London staff on compulsory redundancy, with a move to Madrid considered most likely. The WTTC confirmed "it is likely to move its head office" and "is considering whether to locate its headquarters in Italy, Spain or Switzerland" following a request for comment by Travel Weekly on Tuesday. However, employees were informed of the decision within an hour of the WTTC global summit in Rome ending on September 30. They had no prior warning, believing the online meeting was for incoming WTTC chairman Manfredi Lefebvre to thank them for a successful summit. The WTTC operating committee took the decision to shut the London office following a proposal by Lefebvre and outgoing chair Greg O'Hara.

Source: [Travel Weekly](#)

AIRLINE UPDATE

American Airlines - The airline has announced this week they will start flying from Edinburgh to New York JFK next year. The carrier, which will sell tickets from November 3, will operate the seasonal service from March 8 until October 24, 2026, using Airbus A321XLR aircraft. It follows the resumption of the Edinburgh-Philadelphia route in May this year.

Source: [Travel Weekly](#)

Eastern Airways - The suspension of Eastern Airways flights could have a “major effect” on travel, the Business Travel Association warned today. The concern was raised by BTA chief executive Clive Wratten less than 24 hours after the Civil Aviation Authority confirmed that the regional airline suspended operations. He revealed that members of the association supported more than 1,600 Eastern Airways passengers this year, “meaning we anticipate a major effect on both business and leisure travel”. This was especially on vital routes between the northeast and Aberdeen, and Gatwick and Newquay.

Source: [Travel Weekly](#)

Lufthansa - The Lufthansa Group has recorded the ‘best summer’ of operations in a decade, achieving the strongest quarter in its history over the summer with revenue rising to more than €11 billion. The 4% year on year rise enabled the German company to report an operating profit of €1.3 billion - in line with last year. Operating profit for the first nine months of the year reached €1.5 billion, up €300 million on the previous year. The group’s passenger airlines - including Lufthansa, Swiss, Brussels Airlines, Austrian Airlines and Eurowings - carried 42 million passengers, up from 40 million in the same quarter in 2024.

Source: [Travel Weekly](#)

Virgin Atlantic - The carrier has announced it will be launching direct flights between Heathrow and Phuket for winter 2026. From October 18 next year, the airline will operate the only non-stop service from the London airport to the Thai city. Flights will take off three times every week during the season to “capture the growing demand for luxury winter escapes”.

Source: [Travel Gossip](#)

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Hays Travel - Hays Travel has acquired Polka Dot Travel for an undisclosed sum. The Sunderland-based agency will take on the miniple's 15 branches and 74 employees, with no jobs at risk. The 15 shops, which are spread across the northwest, the Midlands and North Wales, will continue to trade as Polka Dot Travel. The deal means Polka Dot Travel will leave the Advantage Travel Partnership. Source: [Travel Gossip](#)

Intrepid Travel - The tour operator is expanding its range of family adventures and cutting the cost of child places by 20%. Ten new tours are being added for 2026, bringing the family range to 50 trips worldwide. The move comes on the back of a 31% rise in family bookings over the last year. The 20% child discount is being introduced following new customer feedback showing that travellers prioritise value for money, creating memories and learning about other cultures when planning a family holiday. The 10 new trips include Greece, Slovenia, Turkey, India, Botswana, Kenya, Tanzania and Ecuador. Source: [Travel Weekly](#)

Newmarket Holidays - Newmarket Holidays has launched its 2028 long-haul programme in response to a growing demand for ultra-early bookings via the travel trade. Nineteen of the operator's most popular tours are now available to book for 2028, offering a collection of journeys across North America, Asia, India and Africa. The updates reflect Newmarket Holidays' ongoing investment in product development, with each tour designed to deliver exceptional variety, expertly curated experiences and hand-picked accommodation in some of the world's most inspiring destinations. Source: [ITG](#)

MEDIA & SOCIAL UPDATE

Threads reaches 150M daily active users

Threads now has 150 million daily active users, up from 100 million back in December 2024. Users are also spending more time on the app, which Meta has put down to its evolving AI recommendations engine. The growth milestone also comes as Threads' monthly active users reaches 400 million. For comparison, X reportedly has 600 million monthly active users, and 250 million daily active users. The quick growth of Threads has also indicated the strong market demand for an alternative to X, enhanced by Elon Musk's changes at the app.

Source: [Social Media Today](#)

Key Media Movers and Shakers:

- **Johnny Davis promoted to Luxury Director:** Formerly Style Director at Esquire, Johnny has been promoted to Luxury Director.
- **Stephanie Bridger-Linning to become Acting Digital Director:** Formerly a freelance journalist, Stephanie has been appointed Acting Digital Director at Tatler.
- **Milo Boyd promoted to Deputy Travel Editor:** Formerly Digital Travel Editor at Reach Plc, Milo has been promoted to Deputy Travel Editor.

MICE UPDATE

BCD Meetings & Events releases 2026 global trends guide

BCD Meetings & Events (BCD M&E) has released its annual What's Trending 2026 guide, sponsored by Minor Hotels and Hilton. What's Trending 2026 provides global insights, regional trends and practical guidance for organisations adapting to ongoing shifts in how meetings and events are planned and delivered. According to the guide, economic uncertainty and budget constraints continue to shape the industry, prompting organisations to consolidate suppliers, optimise spend and focus on high-impact experiences that deliver measurable ROI. Immersive and inclusive event design—rooted in behavioral science, accessibility and storytelling – is fast becoming the gold standard for engagement. The guide also outlines trending destinations for meetings, events and incentives for 2026: Scottsdale, Arizona; Manchester, UK; Berlin, Germany; Kuala Lumpur, Malaysia; and Mexico City, Mexico.

Source: [Conference News](#)

LIGHTER NOTE

Rare wolf spider rediscovered on Isle of Wight after 40 years

A critically endangered spider, not seen in the UK for 40 years, has been rediscovered in a remote nature reserve accessible only by boat. *Aulonia albimana*, which was last recorded in the UK in 1985, was uncovered at the National Trust's Newtown nature reserve on the Isle of Wight - about 2km (1.2 miles) from the spider's former colony. See more [here](#).