

WEEKLY REPORT

10 December 2021

COVID-19 UPDATE

The prime minister announced on 8 December that England will move to Plan B, following the rapid spread of the Omicron variant in the UK. The most recent data suggests that Omicron has a very high growth rate and is spreading quickly. There are currently over 800 cases confirmed across the UK and early analysis from the UK Health Security Agency suggests the doubling time could be as little as 2.5 to 3 days. Currently, over 21,715,504 boosters or third vaccinations have been administered in the UK.

The government's Plan B strategy requires people in England to work from home where possible as of Monday 13 December, with face masks compulsory in most public places from today (Friday). Additionally, COVID-19 passes will be needed to get into nightclubs and large venues from next week.

The other nations of the UK had already brought in stricter restrictions, with people in Wales and Scotland already working from home where possible and COVID-19 passes required for venues in Scotland, Wales and Northern Ireland. The Welsh first minister Mark Drakeford has announced that restrictions in Wales will be reviewed weekly in the run-up to Christmas, rather than every three weeks. Whilst Public Health Scotland has asked people to defer Christmas celebrations due to a number of Omicron outbreaks that are being linked to festivities.

A nationwide trial in England of a "game-changing" antiviral pill for vulnerable people who test positive for COVID-19 is now under way. Molnupiravir is the first of several antiviral treatments that will be tested during the study, which is being led by the University of Oxford. The trial aims to recruit 10,600 people to test whether the pill reduces the need for the over 50s and those with underlying health problems to be admitted to hospital. Molnupiravir has shown in clinical trials to reduce the risk of hospitalisation or death for at-risk, non-hospitalised adults with mild to moderate COVID-19 by 30%. The first set of results from the trial are anticipated in early 2022.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Number 10 faces Tory and public backlash over Christmas party video

The prime minister and his government are facing furious Tory and public backlash against its behaviour, following the emergence of leaked video footage showing government aides joking about a festive gathering last year, when London was under strict restrictions. Boris Johnson and his aides have repeatedly denied that the event, reportedly held for staff at Number 10, broke COVID-19 rules or took place at all. However, in the leaked video of a mock televised press briefing, an adviser to Johnson is seen joking with Allegra Stratton, the prime minister's then press secretary, about "a Downing Street Christmas party on Friday night". The emergence of the video has been referred to as a "bullet to the chest" of families who have lost loved ones during the pandemic. Allegra Stratton has since resigned following the backlash and an inquiry is under way into what happened at the party and who attended. Labour leader Sir Keir Starmer has called the prime minister "unfit for office".

Households in England face 'double-whammy' tax rise next year

Families are facing a "double-whammy" of rising bills next year, as council tax across much of England is set to increase at the same time as National Insurance, according to BBC research. Two-thirds of councils in England that responded to a BBC survey said they were considering a rise in council tax to help fund services. Many other councils said they were unable to rule it out. Working households face an increase in National Insurance from next April.

Economic growth stutters before impact of Omicron

The UK economy grew by just 0.1% in October, official figures show, despite a strong performance by the health sector and second-hand car sales. A fall in people dining out in restaurants and reductions in oil extraction and gas use meant growth came in lower than expected. One economist said the figures showed the "steam has well and truly been taken out of the UK economic recovery".

UK warns U.S. of retaliation over steel tariffs

The international trade secretary, Anne-Marie Trevelyan, has warned the U.S. that the UK could step up retaliatory measures if punitive tariffs on UK steel exports are not lifted soon. "I was very clear that the pressures we are under to use countervailing measures if we can't solve the problem are becoming more acute," Trevelyan said. "I am very keen that we solve this with what is our closest ally in the U.S. through a positive removal" of the tariffs. Trevelyan said that resolving the dispute would benefit workers and businesses on both sides of the Atlantic. The Trump-era tariffs of 25% on steel exports (and 10% on aluminium exports) were imposed when the UK was part of the European Union.

Labour records first poll lead over Conservatives since January

Labour has recorded its first poll lead over the Conservatives for almost a year in the wake of the row over Tory sleaze and second jobs, according to the latest Opinium poll for the Observer. Keir Starmer's party recorded 37% support, a single point ahead of the Tories. It is the first Labour lead with Opinium since January, when the UK was in the grips of a COVID-19 peak and the government had imposed emergency restrictions over Christmas. The Liberal Democrats are on 9%, Greens 7% and Scottish National Party (SNP) 5%.

TRADE UPDATE

UK trade insists customers still want to travel despite testing rules

Travel agents and tour operators say consumer confidence had taken a hit amid tightening restrictions on international travel, but reported few cancellations after a second weekend of extra measures being announced by the government. All those travelling to the UK must now take a pre-departure test before travelling to the UK, a rule that came a week after the government mandated the use of PCR tests within two days for all arrivals. Speaking on a Travel Weekly webcast, Gemma Antrobus, owner of Haslemere Travel and chair of the Association of Independent Tour Operators (AITO), said only one of her customers had cancelled a Christmas trip to recently red-listed South Africa.

"Fed-up" agents plan to keep shops and offices open

Despite new work from home measures being brought in by the government, the vast majority of travel agents polled by agency group Target (Travel Agents Reform Group Engaged Together) have vowed to keep their premises open. Target surveyed agents on its Facebook page on Thursday 9 December, following the announcement that people should work from home if they can. A total of 111 agents replied to Target's poll, with just five saying they would close the shop/office and work from home. A further six said they would adopt a hybrid model of keeping the shop/office open with some staff working from home. The vast majority – 100 respondents – said they were keeping shops and offices open and fully staffed.

Government unpredictability stopping travellers, not COVID-19 risk, according to Holiday Extras

According to a new study from Holiday Extras, the UK government's "bureaucracy and renewed unpredictability" is discouraging consumers from travelling more than the fear of catching the virus abroad. The same report has claimed the spread of the Omicron variant has made "virtually no impact" on holidaymakers' travel plans. It is however "the fuff and confusion" brought about by the government reinstating red list countries and increasing testing measures which is harming public appetite to take trips abroad.

Ten trends set to shape hospitality industry in 2022

Ecole Hôtelière de Lausanne (EHL), the hospitality management university, has announced its forecast for the up-and-coming trends expected to shape hospitality in 2022. The forecasted trends include: bleisure travellers and hotel workspaces; holistic hospitality, health and well-being; digitalised guest experiences; personalisation; experience economy and essentialism; asset management strategy; solo travel; virtual and augmented reality; and travelling less/ staycations.

AIRLINE UPDATE

Aer Lingus - Aer Lingus is expanding its codeshare agreement with U.S. carrier JetBlue as part of a new bilateral deal between the airlines. Under the agreement, JetBlue will place its B6 code on four Aer Lingus transatlantic routes. JetBlue also plans to add its code to "select" Aer Lingus routes beyond Ireland in the "near future".

American Airlines - American Airlines chief executive Doug Parker has announced he will retire in March 2022 and will be succeeded by the carrier's president Robert Isom. Isom will also join the airline's board of directors with Parker continuing to serve as chairman of the airline's board. Isom, who was named president in 2016, has more than 30 years of industry experience across finance, operations, planning, marketing, sales, alliances, pricing and revenue management. He previously served as executive vice president and chief operating officer at American Airlines.

Finnair - Finnair plans an expansion of its transatlantic network next summer with the addition of a Seattle service. Flights from Stockholm to New York and Los Angeles throughout the summer are also planned. Seattle will be served three times a week on Mondays, Wednesdays and Fridays from Helsinki starting on 1 June 2022. Connecting flights from Heathrow to Helsinki rise to four a day for summer 2022, with wide-bodied aircraft operating two of the four daily frequencies.

Qatar Airways - Qatar Airways has increased services from London to Doha for the festive season. The airline is operating five daily flights from Heathrow to Hamad International, up from four, from 2 December 2021 to 31 January 2022. It is part of a wider increase in festive flights by the Qatari carrier linking 18 destinations with its capital "to meet travel demand during the peak winter holiday season". This includes Qatar Airways' inaugural services to Odesa, Ukraine, and Tashkent, Uzbekistan. The airline recently launched direct flights to Almaty in Kazakhstan.

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

American Queen Voyages - New cruising brand American Queen Voyages has announced that former Victory Cruise Lines vessels Victory I and Victory II have been renamed Ocean Voyager and Ocean Navigator. The ships, due to resume operations next year, will offer a mix of lakes and ocean sailings in the U.S.

G Adventures - G Adventures has partnered with Hostelworld to launch 38 new tours across 15 countries in a bid to "bring a new style of travel" to 18- to 35-year-olds. The Roamies collection features 50 hostels with tours due to start on 8 May 2022. All trips are now on sale with the operators suggesting there are plans to add more tours to the portfolio across further locations in the future. Tours are priced from £149pp for a three-day trip, with countries featured including Albania, Austria, Cambodia, Costa Rica, Croatia, Czech Republic, Germany, Greece, Italy, Mexico, Montenegro, the Netherlands, Peru, Thailand, and Vietnam.

Jet2.com - Jet2.com and Jet2CityBreaks have unveiled city breaks and Christmas market trips for winter 2022-23, with 12 destinations on sale from a range of UK airports. Scheduled services will operate to popular city break destinations such as Budapest, Barcelona, Rome, Krakow, Prague, Amsterdam, Paris and Venice. Plus, a mini-Christmas markets series will operate to six cities with Jet2.com and Jet2CityBreaks, with a choice of long weekends or midweek stays. The festive market destinations are Berlin, Budapest, Cologne, Prague, Copenhagen and Vienna.

Ocean Florida - Specialist operator Ocean Florida is to scale up sales of package holidays to the UK travel trade. The move follows a successful trial introduced in July 2020 in response to the impact of the COVID-19 pandemic. Ocean Florida had previously only sold Florida holidays direct to the consumer, although it has been selling villas via the trade for several years. Following limited distribution introduced with The Travel Network Group, Advantage Travel Partnership and Barrhead Travel, the company now has more than 250 agents actively booking not only Florida, but also Caribbean beach holidays, New York hotels and California road trips.

SOCIAL UPDATE

Instagram tests chronological feed option

Instagram is looking to add a chronological feed option early next year, which has been one of the most requested features of the app. It's likely to operate the same way that Facebook's feed sorting option does right now, where users can choose to view the posts from pages and people that they follow in time order, but they can't

set it as a default. This puts the onus on platform users to manage their feed, however, the likelihood is that many simply won't do this every time they open the app, enabling Instagram to largely maintain the engagement benefits of the algorithmic feed approach.

Twitter tests new display for Explore

Twitter has launched a test of a reformatted Explore tab, which displays tweets in a full-screen, vertical scrolling format. The display is similar to TikTok, with a Twitter navigation bar at the bottom. While Twitter may be able to replicate this user interface, it will be interesting to see whether Twitter sees more Explore engagement as a result, which would see the new display rolled out more broadly.

MICE UPDATE

Plan B introduces COVID-19 passes for events in England

Prime minister Boris Johnson has confirmed that the government's Plan B is to be introduced in England in an attempt to slow the spread of the new Omicron COVID-19 variant. Proof of double vaccination will now be required to gain entry to events with more than 500 people from Monday 13 December. There is no mandate to cancel events, but uncertainty is impacting confidence in future bookings.

Simon Hughes, chair of the Business Visits and Events Partnership (BVEP), commented that "the vast majority of organised events already operate under the Plan B requirements, requiring vaccine certificates to be shown on entry." He added that Office for National Statistics (ONS) research conducted earlier in 2021 indicated that 15% of people were more likely to attend an event where COVID-19 certification measures were in place.

LIGHTER NOTE

Plans are being made to fly a stranded sea turtle back to Mexico after it was found 4,000 miles from home in Wales, following Storm Arwen disruption. Watch it [here](#)