₩ Hills Balfour WEEKLY REPORT 5 August 2022

COVID-19 UPDATE

The number of COVID-19 cases are decreasing in England, Scotland and Wales. In England, between 23 July 2022 and 29 July 2022, 65,125 people had a confirmed positive test result, showing a decrease of 34.3% compared to the previous 7 days. During the same week, 7,870 went into hospital with coronavirus, showing a decrease of 22.2% compared to the previous 7 days.

In Scotland, in the week ending 31 July 2022, there was an average of 904 new cases a day, showing a 30.3% decrease from the previous 7 days. During the same week, Scotland had an average of 123 hospital admissions per day, showing a decrease from the previous 7 days.

Wales has also seen a decrease in hospital admissions, with an average of 199 admissions per day in the week ending 24 July 2022. Vaccination rates continue to rise as governments in England, Scotland and Wales encourage the population to get their booster vaccinations.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Young people grapple with cost of living crisis

The majority of UK young people in low-income households are going without essentials, while others use their savings to pay bills. Living payday to payday is becoming the norm for many young people as the cost of living crisis intensifies. As inflation hits a 40 year high, people are having to take out consolidation loans to pay off rising debts. The trend of Britons in precarious positions has worsened in recent months as the increased cost of living puts a strain on living standards, with the lowest-paid and most vulnerable suffering the most. According to a recent survey by Deloitte, nearly half of the Millennial and Gen-Z population spend their entire monthly income on living costs, with two in five taking on additional work to make ends meet.

Tory leadership vote delayed after GCHQ hacking alert

The delivery of ballot papers to Conservative Party members are on hold after GCHQ warned that cyber hackers could change people's ballots, causing chaos to the democratic process. The ballots had been due to be sent out from Monday, but members have now been warned they could arrive as late as 11 August. Under the original plan, Tory members were to be issued with a postal ballot with a specific code. They could then vote by post or – for the first time in a Tory leadership race – online. Under the new system, each member's unique code will be deactivated once they vote, meaning it will not be possible to change that decision later in the race. The decision came after weeks of discussion between Tory party figures, national security cyber experts and the company producing the ballot papers for the race. Rishi Sunak currently trails Liz Truss in the polls, with a new YouGov survey giving her the backing of 60 per cent while he is on 26 per cent.

Russia bans several Scottish politicians from country

Russia has banned several Scottish politicians from the country over their stance on the invasion of Ukraine. Holyrood finance secretary Kate Forbes, constitution secretary Angus Robertson and the SNP's Westminster leader Ian Blackford, were placed on the country's "stop list"; Moscow said those involved in the "mechanism of sanctions" against Russia had been added to the list. A similar ban was imposed against First Minister Nicola Sturgeon in April. In response to being banned from Russia, constitution secretary Angus Robertson said on Twitter: "The Russian foreign ministry clearly doesn't like criticism of Moscow's invasion of Ukraine and dislikes those who support Ukrainian freedom".

TRADE UPDATE

Amadeus reports 'extraordinary' demand for 'buy now, pay later'

Three out of four consumers planning international travel in the next 12 months could opt to pay by instalments, according to research for Amadeus. The travel technology firm described the level of demand for flexible payment options in travel as "extraordinarily high" as household budgets come under increasing pressure. The company commissioned research on the spending and payment intentions of 4,500 consumers in the US, UK, Germany, France and Singapore in June and found two out of five (42%) rated international travel a "high priority" for the coming year. Respondents expected to spend an average \$2,670 (approx. £2,190) on international travel in the next 12 months, somewhat down, considering inflation, on the \$2,780 (approx. £2,290) spent on average in 2019. However, 75% said they were more likely than previously to choose a payment-by-instalment option or 'buy now pay later' to fund travel.

Part of strict new EU entry rules delayed

The European Union (EU) has reportedly delayed part of its plans to tighten entry rules. The introduction of a new European Travel Information and Authorisation System (Etias) from May 2023 has been pushed back until November. Britons will be required to apply online for an Etias at a cost of €7 which will last for two years. It will be similar to the Esta visa waiver scheme, which tourists require to enter the US. Besart Bajrami, founder of SchengenVisalnfo.com, said: "Having an Etias means that Britons will be able to skip some of the checks they undergo now, as all their information will be available in their Etias. Border guards won't even have to ask the questions that they ask now." But an automated Entry/Exit System (EES), which will require all non-EU arrivals to have four fingerprints scanned and a photograph taken, is still due to come into force in May 2023. Passengers' biometric data will be captured on their first entry to the bloc after the system is introduced. It will also register the name, travel documents and date of place of entry and exit. The EES system will replace stamping of British passports when entering the EU.

France removes all Covid entry rules

France has removed all COVID-19 entry restrictions for visitors, regardless of their vaccination status. As of 1 August, all arrivals in France can enter without needing to show proof of vaccination, a negative COVID-19 test or fill in any COVID-19-related forms.

AIRLINE UPDATE

British Airways

British Airways has paused sales of short-haul flights from London Heathrow until 15 August. No new bookings can be made on imminent short-haul departures, though bookings can be made for inbound flights. The move comes as the carrier aims to adhere to a cap on departures introduced by London Heathrow, which was accompanied by a request for airlines to curtail new bookings in the peak summer season. London Heathrow previously announced it would cap the number of departures at 100,000 per day until 11 September 2022.

Jet Blue

JetBlue will offer five daily flights between the UK and the US by October with expansion of its transatlantic network to serve both New York and Boston. The US low fares carrier has added a non-stop Gatwick-Boston service to flights to New York JFK from both London Heathrow and Gatwick Airports which were introduced last year. The carrier also plans to add a Boston connection from London Heathrow from 20 September and an additional Gatwick Airport service to New York from 29 October.

Norwegian Air

Norwegian Air flew the highest number of monthly passengers in July since the outbreak of the pandemic. The Scandinavian budget carrier's passenger levels rose to more than 2.2 million against less than 700,000 in the same month last year. The load factor was close to 95%. Norwegian Air entered into agreements with regional carrier Wideroe and long-haul start-up Norse Atlantic Airways last month.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Audley Travel

Audley Travel is seeing an increase in group size and average selling price as it emerges from the pandemic. The luxury tailor-made specialist travel agency is also seeing responsible travel becoming more important in customer surveys. Chief executive Nick Longman said average group sizes had increased from 2.4 to 2.6 "which may not sound much but it's a 10 per cent increase". He said the company had been selling more 'closer, short-haul, straightforward destinations in 2021,' but that long-haul destinations were becoming more popular as countries opened up.

SOCIAL UPDATE

YouTube launches updated editing UI to help creators move into Shorts

YouTube is adding a new 'Cut' section to the platform which will enable more fine grain time editing, while also making its editing features easier to find in the YouTube Studio app. The Company has also updated the presentation of the Cut process, now displaying the edges of the trim and cut features in alternate colours making them easier to delineate. The width of the overall UI has also increased, giving users more capacity to hone in on specific sections and elements.

MICE UPDATE

Cost and venue quality are the top concerns for UK planners

The IACC has published its latest Meeting Room of the Future barometer, presenting a mixed bag of positivity and caution as the international meeting venue recovery continues. Issues such as rehiring and reskilling the venue workforce continue to cause venues to place limits on business before reaching usual capacity.

Mark Cooper, CEO of IACC said: "The start of 2022 has shown some excellent progress in recovery however, there are still some key areas where venues need support, particularly in staffing. IACC will support its members and community over the next year, by providing important personal and professional development opportunities as the industry continues to repair the skills and knowledge shortfall that exist."

LIGHTER NOTE

On a lighter note...

A Shetland Pony called Patrick was elected mayor of Cockington, a town in Devon, and then barred from his local pub! See a photo of the mayor himself <u>here.</u>