

# WEEKLY BRIEFING

21 October 2022

## COVID-19 UPDATE

The percentage of people testing positive for coronavirus (COVID-19) continued to increase in England and Northern Ireland, increased in Wales, and the trend was uncertain in Scotland. In England, the estimated number of people testing positive for COVID-19 was 1,513,700 (95% credible interval: 1,428,900 to 1,604,500), equating to 2.78% of the population, or around 1 in 35 people. In Wales, the estimated number of people testing positive for COVID-19 was 74,900 (95% credible interval: 60,700 to 90,900), equating to 2.47% of the population, or around 1 in 40 people. In Northern Ireland, the estimated number of people testing positive for COVID-19 was 45,100 (95% credible interval: 35,300 to 56,100), equating to 2.46% of the population, or around 1 in 40 people. In Scotland, the estimated number of people testing positive for COVID-19 was 109,700 (95% credible interval: 90,400 to 131,200), equating to 2.08% of the population, or around 1 in 50 people.

## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **Liz Truss resigns as UK prime minister**

Liz Truss has resigned as prime minister, announcing outside Number 10 yesterday that her successor will be elected in another Conservative leadership contest next week. Taking office just 44 days ago, she will become the shortest-serving prime minister in UK history. The 47-year-old said she will stay on until her successor is chosen. Truss's resignation comes after several weeks of political and economic turbulence. On the day before her resignation, she told MPs she was "a fighter, not a quitter" during Prime Minister's Questions.

Labour leader Sir Keir Starmer has called for an immediate general election following Truss' resignation speech. He said his party was on an election footing with a manifesto at the ready. Liberal Democrat leader Sir Ed Davey, Scottish first minister Nicola Sturgeon and Welsh first minister Mark Drakeford have also all demanded that the British public decide the next prime minister. The next general election is not due to take place until at least 2024 and it currently looks unlikely it will be brought forward.

### **Ukrainians warned about power cuts**

Ukraine's national energy company urged citizens to "charge everything" by 7am yesterday due to expected power cuts caused by Russian missile strikes. Energy plants were hit by Russian missiles again on Wednesday, as part of a wider wave of similar strikes since 10th October. UkrenergO said outages of up to four hours at a time would affect the whole country yesterday. It comes as Russia declares martial law in areas of Ukraine it has annexed, while heightened security measures have come into force in Russia, particularly along areas of the Ukrainian border. UkrenergO has advised Ukrainians to charge up phones, power banks, torches and batteries in preparation for the blackouts. It also urged people to stock up on water and ensure they have "warm socks and blankets and hugs for family and friends".

### **UK-to-EU trade falls by 16%**

A new report by the Economic and Social Research Institute has found trade from the UK to the EU has fallen by 16% compared to anticipated levels if Brexit had not happened. Trade has also dropped by 20% from the EU to the UK. Using UK and EU data, the report showed mixed results. It said the impact of Brexit on UK-EU trade does not appear that large compared to UK trade with the rest of the world, as global exports had been growing slowly.

However, the UK's trade with the rest of the world did not compare favourably with the EU's faster-growing performance with more than 200 trading partners. Trade has recovered to most of its pre-2021 level in value terms, but remains significantly below compared to if it had followed the same growth rate as other trade partners.

### **1.3 million emergency food parcels to be distributed in the UK this winter**

The UK's largest food bank network Trussell Trust is preparing to distribute 1.3m emergency food parcels, spending millions of pounds to top up existing charity parcels this winter. It comes in response to the record number of families at risk of going hungry due to the cost of living crisis. It added the expenditure was necessary to maintain adequate food reserves as donations from the public were failing to keep pace with rapidly increasing demand. It is estimated 500,000 families with children will receive the emergency food parcels over the next six months. The Trussell Trust said its 420 food banks have already had to buy three times as much food this year compared to last year to maintain supplies. Each food bank is estimated to be spending around £1,400 per month on average to ensure they meet the growing demand.

## TRADE UPDATE

### **Tourism Australia launches new international marketing campaign, Come and Say G'day**

A CGI souvenir kangaroo, voiced by Hollywood actress Rose Byrne, has been unveiled as the star of Tourism Australia's new international marketing campaign, Come and Say G'day. The Tourist Board are investing heavily in the campaign, with TV, OOH [out-of-home] and full-motion animated billboards – plus print, social and digital throughout 15 of Tourism Australia's key markets. Sally Cope, Tourism Australia's regional general manager for the UK and Northern Europe, said 720,000 Brits had visited Australia in 2019 and the destination had seen a "surge of demand" from the UK market since borders reopened in February. Cope said the initial surge had been fuelled by British travellers visiting their Australian-based relatives, adding how leisure travel and demand for holiday was now growing with "people booking longer and spending more". UK air capacity is currently 63% of pre-Covid levels, she said, adding: "there's lots of room to grow". Cope described how Tourism Australia was "investing big" with Come and Say G'day and wanted to give the UK travel industry "confidence" in the destination, with a toolkit of assets created for trade partners to utilise around the campaign.

### **World Cup travel tips for fans issued by foreign office**

Six top tips have been issued to travelling supporters of England and Wales with a month to go to the World Cup kick off in Qatar. "Following these tips will help fans avoid preventable problems and enjoy the tournament," the FCDO said. The UK will have a consular presence in Qatar and across the region throughout the tournament. Fans planning to travel elsewhere in the region have been advised to check the travel advice for each location they plan to visit or transit through as rules and requirements will vary from country to country. Foreign secretary James Cleverly said: "The countdown to the World Cup is on, with only a month to go until the action kicks off in Qatar. We want all travelling Brits to enjoy their World Cup experience, and they are more likely to do so if they prepare before they go."

### **Agents report growing sales divide among clients**

Travel agents are reporting growing evidence of a divide between clients who can afford to book holidays and those who cannot. Independent Travel Experts managing director, Gary Gillespie said the cost of living crisis did not appear to be having a "major impact" yet but cautioned: "I'm sure it's causing some customers to pause for thought before committing [to booking]." He reported homeworkers focused on the family market were feeling the strain more than others.

“Those specialising in long-haul are definitely having a better month than those who cater for the more traditional short-haul family market for sure,” he said. Advantage Travel Partnership chief commercial officer, Kelly Cookes said: “The top-booked months for 2023 are January, March, May and June, rather than the key summer months, a sign families have yet to commit.” She added: “It has been a late market all year so this is perhaps to be expected.” Agents said the mixed picture of sales depended on their customer type, with families appearing to be holding off booking key summer 2023 months. The feedback from agents comes as pressure increases on household incomes following this week’s government U-turn on tax cuts and the removal of the energy price cap from next April.

### **Spain will drop COVID requirements from 21 October**

“As of October 21, the health control measures for passengers from non-EU or Schengen associated countries are without effect,” the Spanish Ministry of Interior wrote on its official Twitter account on 20 October. Based on this statement, travellers who are not citizens of the EU can now enter Spain even if they do not hold a valid vaccination, recovery, or test certificate. In addition, they are not required to follow any other additional measures. “Taking into account the evolution of the pandemic at a global level and the epidemiological situation, it is advisable to leave without effect the sanitary control measures for people from countries not belonging to the European Union or with the consideration of countries Schengen partners,” the Ministry said.

## **AIRLINE UPDATE**

**Loganair** - Loganair has returned to profitability in the financial year to 31 March 2022, following losses in each of the previous two years as the effects of the Covid-19 pandemic struck the airline industry. The Glasgow-based company released its audited accounts for the financial year on Wednesday 19 October, setting out a profit before tax of £4.98 million on a turnover of £161 million. In the same year, Loganair became the UK’s third busiest airline behind British Airways and easyJet when measured by the number of flights operated. The airline carried more than 910,000 passengers, and in 2022 experienced its busiest summer to date.

**Ryanair** - Ryanair has confirmed its winter schedule from Leeds Bradford airport with 15 routes to sun and city break destinations. The no-frills carrier will base three aircraft at the Yorkshire airport this winter operating more than 100 flights a week. Destinations include Alicante, Malaga, Canary Islands, Riga, Vilnius and Warsaw. Fares are available with a lead-in rate of £24.99 for travel from this month until March 2023 for bookings made by Friday (October 21).

**RwandAir** - RwandAir will launch direct flights between London Heathrow and Kigali next month, from November 6, 2022. The African airline has been operating flights to London via Brussels for the past five years, but from next month, these will be replaced with a new non-stop service to cater to increased customer demand. The new direct flights, which are on sale from £661 return, will operate four times a week, an increase from the airline's current indirect three times a week service.

## TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Holidayplease** - Holidayplease says it is on track to return to "attractive but sustainable" growth of 15% to 20% from next year. The homeworking agency held its first annual conference since 2019 in Daventry last week and reported record sales for each month of the calendar year so far, with record departures in July and August alone accounting for £11 million of business. Director Charles Duncombe said the business was not complacent and firms were right to be cautious about the economic outlook. He said the agency's strategy of retaining all staff during the pandemic meant it had been well-placed to capitalise on the recovery.

**Jet2holidays** - Jet2holidays and Jet2.com and have announced that their biggest ever Summer Sun programme is now on sale for 2024 from all ten bases to 46 summer sun destinations. Jet2holidays and Jet2.com are offering more choice than ever before and giving independent travel agents the chance to book popular sunshine destinations in the Canaries, Balearics, Spain, Greece, Turkey, Italy, Cyprus, Croatia, and Portugal. As the UK's leading tour operator to many of these destinations, the company's biggest ever Summer Sun programme represents more than 15 million seats on sale for 2024 and 346 routes, including nine brand-new routes.

**Not Just Travel** - Not Just Travel has launched a new division to capitalise on the "booming" cruise market. The firm's new cruise division will initially be staffed by three team members, which the homeworking agency will look to grow over the coming months. Multiple departments will feed into the division as the company allocates more staff to its sales and marketing teams to focus on cruise. Not Just Travel's portfolio of cruise trade partners will be offered access to hundreds of consultants and the ability to channel offers and products to its members through seminars, fam trips and showcase webinars as well as streamlined sales and marketing channels.

**Travel Counsellors** - Cruise bookings through Travel Counsellors are up by 35% so far this year over the same period in pre-pandemic 2019. All types have seen a rise in total gross sales compared to 2019 with mainstream cruises up by 31%, premium cruises by 39% and luxury cruises up by 137%. The home working agency has seen almost a third (32%) of cruise bookings in the last 28 days for winter 2022 sailings and 48% for summer 2023. The average cruise booking value in September was up by 17% compared to the same month three years ago as people look for more experiential travel. Head of cruise Janet Whittingham said: "It's fantastic to see such a brilliant resurgence from an industry that was one hardest hit by the pandemic.

**TUI** - TUI has increased its city break portfolio from 121 hotels in five cities to 3,400 hotels in 48 cities over the last 18 months. The ambitious target for the company is to offer more than 4000 hotels across 60 cities by the end of 2022. As ABTA's recent holiday habits report showed a high demand for city breaks among British travellers, TUI is ever-expanding its city portfolio. The most recent launches include Cape Town, Venice, Hamburg, Toronto and New Orleans with more to come over the last months of the year.

## SOCIAL UPDATE

### **Instagram launches live test of native post scheduling in the app**

Instagram is conducting a live test of native scheduling, which will allow all posts and reels to be scheduled within the app. Whilst a scheduling function has been available in Creator Studio since 2020, this feature will allow profiles to use Instagram's creation tools when composing a post. At present, this feature is only available for a select group of users, however its availability is expected to be expanded. There is currently no information on whether stories will be able to be scheduled with this feature.

### **Facebook announces the retirement of 'Instant Articles'**

Facebook has announced that in April next year it will be retiring 'Instant Articles', a function that was originally created to allow publishers to upload their content in a more engaging way to increase reader engagement within the app. Meta is deprioritising publisher relationships and aligning itself with more user preferences such as pushing entertaining video content into users' feeds. This shows that Facebook is now shifting from promoting posts by friends and publishers' to focus on video content.

## MICE UPDATE

### **In-person events and budgets to increase in 2023**

The 12th annual Global Meetings & Events forecast by American Express Meetings & Events indicates that the number of events and event budgets will increase in 2023. According to the survey, 77% of event planners are optimistic about the health of the industry heading into 2023, a six point increase compared to last year. Additionally, 67% believe the number of in-person events will return to pre-pandemic levels by 2024, while 65% said overall spending on events is increasing. According to the survey, only 32% of internal meetings are expected to be held on the corporate's property, with 40% being in a different city and 45% including overnight accommodation.

## LIGHTER NOTE

[The Daily Star lettuce](#) has come out victorious in the battle of the year - to see whether it could outlast Prime Minister Liz Truss.