

WEEKLY REPORT

21 April 2023



ECONOMIC, POLITICAL AND SOCIAL UPDATE

House prices see biggest annual fall since 2009

According to data from Nationwide, UK house prices fell by 3.1% from 2022, the largest annual decline since 2009. Nationwide's findings, based on its own lending data, suggest prices have now fallen for seven months in a row. Although the UK's housing market is made up of several local property sectors, Nationwide's regional breakdown for the first three months of the year suggested a decline in prices across all areas of the country. This reflects the findings of other recent house price surveys and commentary.

However, despite house prices dropping, which is a welcome relief for first-time buyers, renting has become more expensive for many people and mortgage rates remain high. Alice Haine, analyst at investment platform Bestinvest, suggests that buyers and lenders are "taking a far more conservative approach towards home ownership." Robert Gardner, Nationwide's chief economist states: "it will be hard for the market to regain much momentum in the near term, since consumer confidence remains weak and household budgets remain under pressure from high inflation."

The UK has signed a deal to join the CPTPP

The UK has signed a deal to join the CPTPP, a trade pact with several countries in Asia and the Pacific, including Japan and Australia. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a trade agreement between 11 nations; Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

Formed in 2018, the founding members now generate 13% of the world's income. The UK is the first non-founding country to join, and will be its second biggest economy after Japan, taking the value of the CPTPP to £11 trillion. Despite minimal short-term gains, the agreement provides member countries with greater access to each other's markets, and a pledge to eliminate or reduce 95% of import charges or

tariffs. The agreement also loosens restrictions on services and digital trade, which matches the UK's objectives.

World leaders meet in Northern Ireland to mark 25 years since the signing of the Good Friday Agreement

World leaders have been in Northern Ireland to celebrate 25 years since the signing of the Good Friday Agreement, which helped to end 30 years of violent conflict known as the Troubles. Local, European and Global Politicians met to mark the occasion. Attendees included US President Bill Clinton, Irish PM Leo Varadkar, European Commission President Ursula von der Leyen and members of the British parliament.

Celebrations ended with a gala dinner, hosted by PM Rishi Sunak, at Hillsborough Castle. The gala was one of the biggest gatherings that present and former political leaders have ever held in Northern Ireland. The PM told guests, including current and former prime ministers and presidents, that Northern Ireland would "never go back"

TRADE UPDATE

Heathrow security staff to walk out for a further eight days in May

Security personnel at Heathrow airport will strike for a further eight days next month as part of an ongoing dispute over pay, the Unite union has announced. Staff will walk out over 4 - 6 May, 9 - 10 May and 25 - 27 May as part of the action, which the union said would cause inevitable disruption and delays. It follows 10 days of strikes over Easter, which involved 1,400 security workers. Announcing the latest action, Unite general secretary Sharon Graham said: "Yet again, we have a chief executive in John Holland-Kaye who thinks it is acceptable to boost his earnings by an eye watering 88%, from £800,000 to a staggering £1.5 million, while he denies his own workers a decent pay rise." A Heathrow spokesperson said: "We kept Heathrow running smoothly during the first 10 days of Unite's failed industrial action, and passengers can have confidence that we will do so again this time. We will not let Unite disrupt the flow of visitors to the UK during such an important period for the country." A total of 5,148 flights are scheduled to depart Heathrow over the eight days of strike action, according to aviation analytics firm Cirium, with just over half (2,621) operated by British Airways.

Brand USA and Trailfinders partner on RHS Hampton Court garden

Brand USA and Trailfinders are to showcase America's landscapes with a themed garden at The RHS Hampton Court Palace Garden Festival in July. The America's Wild garden will be part of the festival from 4 - 9 July and will feature desert forest and prairie landscapes designed to showcase the diversity of the country's flora

and fauna. Oregon and Charleston will also exhibit gardens alongside the America's Wild display, while the US presence at the event will be further extended with performances from Austin musicians Natalie Price and Jo James. Chris Thompson, Brand USA chief executive, said: "our partnership with Trailfinders is a brilliant opportunity to showcase the wealth and breadth of destinations across the United States from mountains to coasts and forests to prairies – all waiting to be explored. This partnership marries our spectacular landscapes with bookable outdoor itineraries that take adventurers on a trip of a lifetime." Following the end of the festival, the America's Wild garden will be relocated to the US Embassy in London and the American Museum & Gardens in Bath. The trees of the 'forest' will be transplanted to create a new Aspen grove at the American Museum & Gardens, while the desert and prairie planting will be housed in existing collections at both venues.

Ecuador launches new strategy to expand UK presence

Ecuador has revealed a new strategy to position itself as a sustainable tourism destination in order to expand its presence in Europe, with emphasis on the UK. The strategy will centre around the country's diverse nature and adventure opportunities, gastronomy and cultural experiences, and rural and community-based tourism offerings. The tourism board is keen to work closely with tour operators and travel agents to increase sales to the destination and generate more visibility to local businesses. To raise awareness of the country as a sustainable tourist destination and increase UK visitor numbers, Ecuador will partner with important travel agent associations and networks in the UK, and create marketing spaces between the local tourism industry, represented by Ecuadorian entrepreneurs, and international buyers from the UK. Ecuador will also showcase its tourism proposition at several trade shows, fairs and tourism promotion events in the coming months, including the World Travel Market (WTM), and LATA Expo.

AIRLINE UPDATE

Aer Lingus

The airline has increased seat capacity on its Manchester to New York services as the route is now operating an Airbus A330 for the first time in the company's history. Seat capacity will increase by 72% over the summer thanks to the larger twin-aisled Airbus A330 taking over. The move comes just over a year after the airline began its first direct transatlantic flights to New York. The route's original Airbus A321LR will now be used on Aer Lingus' direct routes from Dublin, including to Hartford, which launched last month, and to Cleveland, which will take off in May. Aer Lingus customers can now choose from 270,000 seats on sale from Manchester to the US in the airline's biggest summer schedule to date, with flights taking off daily to New York JFK and Orlando

Etihad Airways

Etihad Airways announces a limited-time summer offer. The airline is treating guests with a limited-time offer on selected destinations this summer for those looking to make the most out of their holiday plans. Travellers can start their summer early by flying to select Etihad destinations with offers starting at £440. Holidaymakers can take advantage of the sale and explore the buzzing city of Abu Dhabi, the colourful streets of Mumbai and the picturesque beaches of the Seychelles, among many more locations.

Virgin Atlantic

Virgin Atlantic has partnered with UK charity Guide Dogs to train crew members on how to best support visually impaired customers. The legacy carrier announced on Wednesday 19 April the online classes – to be incorporated into Virgin Atlantic’s wider training – will teach staff how to approach visually impaired customers as well as navigate busy spaces and guide them to their seats. The partnership comes as new data from market research company OnePoll has shown that 68% of Britons with a visual impairment are reluctant to travel by plane due to previous negative experiences.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Classic Collection

Classic Collection has unveiled standalone brochures for the Canary Islands and the Balearics, along with an agent booking incentive. More than 160 properties are featured in Tenerife, Fuerteventura, Gran Canaria, Lanzarote, La Palma, La Gomora, Majorca, Menorca and Ibiza. There is a mix of all-inclusive accommodation options, family-friendly hotels, adult-only properties, boutique hotels, villas and hotels with Michelin-starred dining in the brochure. The operator is offering flights to the destinations from 27 UK airports.

HolidayPirates

Travel deals site HolidayPirates has teamed up with a travel tech start-up to offer its users products from more than 1,000 high street and online brands. HolidayPirates will allow users to purchase from well-known brands including Boots, M&S, ASOS, Harvey Nichols, Mango and Sephora via a fully integrated white-label platform powered by InterLnkd. InterLinked says it can offer HolidayPirates’ users up to 50% off on items including sunglasses, luggage, swimwear and sun cream. HolidayPirates Commercial Partnerships Supervisor Nick Cooper said: “at HolidayPirates, we’re always looking for innovative ways to help travellers get the best value for money on their holidays, and that involves constantly developing and expanding our product portfolio.

Hotelbeds

Hotelbeds has reported a sizable jump in the number of travellers booking sustainable hotels. Its latest data shows that 30% more people have actively chosen to book properties that are part of the Green Hotels programme over the past 12 months. Criteria for Green Hotels, as certified by the Global Sustainable Tourism Council, includes sustainable hotel management and cultural impacts. "Travellers are much more conscious of their carbon footprint and impact on the environment than ever before" said Nicolas Huss, Hotelbeds' CEO. Hotelbeds is also growing its plastic-free hotel portfolio, and this has seen a huge 84% increase over the past year. Customers seeking both a green and plastic-free hotel have also grown by 30% this past year.

InsideJapan

Specialist operator InsideJapan is forecasting 2023 to be its "busiest-ever year" after being inundated with demand following the country's recent reopening. InsideJapan carried around 2,000 guests across its self-guided trips and small group tours during the cherry blossom season over mid-March and early April. Earlier this year, the operator decided to pause new bookings for travel between April and June to make sure it could properly service soaring demand. Inside Travel Group's head of sales Vivienne Boyack said "despite the decision to halt bookings, and some difficulties around flight availability, the company had equalled its busiest blossom season, with 30% of sales coming through the trade." According to the company's Japan-based head of operations, Tyler Palma, Japan was more popular than ever this year as certain places in Tokyo and Kyoto were very busy with what seemed to mainly be international tourists.

Tui

Tui claims next year will be its "biggest summer yet" after adding 1.1 million seats to its summer 2024 programme out of the UK. The European travel giant said the additional flights, representing an extra 550,000 holidays, would go on sale to both existing and new customers through all distribution channels, including independent travel agents. The uplift includes an increase in the frequency of flights from 13 regional airports, as well as the introduction of a number of new, exclusive routes. Going on sale Friday 21 April, the new capacity includes 250,000 additional seats each to Turkey, Spain, Greece and Cyprus, 300,000 more seats to North Africa, 50,000 additional seats to Italy and Croatia and new Marella Cruises itineraries.

SOCIAL UPDATE

Instagram adds capacity to display up to five links in a bio

Instagram has launched one of its most requested feature updates this week, giving users the ability to add up to five links in their Instagram bio, expanding on its capacity to drive traffic. Instagram comments: "the update will make it easier for creators and other users to highlight their passions, bring awareness to causes they care about, promote brands they love, showcase their personal business and more."

Instagram improves its Reels experience

Instagram has announced a slew of new updates for Reels, designed to help creators and brands tap into the latest trends and shifts, in order to maximise viewer engagement, and build community around content. The app has added a Trends Hub, which will enable creators to find the latest trending audio and hashtags within Reels specifically. It's similar to TikTok's Creative Center tools, which provide the same insights across basically every element of TikTok's trending clips. Instagram is also merging its creative tools into the video composer screen, which will make it easier to create more standout Reels clips.

MICE UPDATE

Edinburgh venue boss 'confident' industry heading back to pre-Covid levels

A Scottish meetings and events venue boosted revenues by 45 per cent last year as the post-pandemic recovery gathered pace. The Edinburgh International Conference Centre (EICC) posted sales of £11.8m in the year to 31 December 2022, compared to £7.4 in 2021. The EICC hosted approximately 72,000 delegates in 2022 and has now hosted over two million delegates since opening its doors in 1995. In 2022, the EICC recorded economic impact, which has a direct benefit to Edinburgh and the surrounding region, of £52m, with total economic impact to date at approximately £790m. In June 2022, Hyatt Hotels Corporation announced that it entered a franchise agreement with the EICC for a 350-bedroom Hyatt Centric hotel in the Haymarket area of the city. The hotel, set to open its doors in 2025, will improve the strength of the EICC as an international event destination, will see revenues reinvested into the conference centre and hotel, and the hotel school will help address recruitment challenges faced by Scotland's hospitality industry. The hotel will also be one of the most sustainable hotels in Scotland with zero fossil fuel energy use.

LIGHTER NOTE

World's first rewilding centre opens in Scotland. Find out more [here](#).