

WEEKLY BRIEFING

27 October 2023



ECONOMIC, POLITICAL AND SOCIAL UPDATE

NHS waits could exceed eight million by summer, charity says

NHS waiting lists could top eight million by next summer, even if doctor strikes cease, according to modelling work by the Health Foundation charity. It says industrial action has only contributed a small amount, lengthening the list by about 210,000 or 3% of the 7.75 million total by August. Chronic shortages of NHS staff and funding are the main driver, it says. NHS England says more than one million appointments and procedures have had to be rescheduled because of NHS strikes. That figure includes walkouts in England by nurses and other healthcare professionals who were asking for better wages.

The modelling is not a nailed-on prediction or projection. It is an attempt to understand what is happening to waiting lists for patients and claims. Both NHS England and the Health Foundation say NHS work has ramped up to see more patients and clear the backlog - monthly referrals for treatment are now back to pre-pandemic levels, and growing at a faster rate, which is a "positive" sign. But the waiting list is still rising as the number of treatments does not yet exceed the number of referrals.

Interest rates tipped to be held as jobs market weakens

Signs that the UK's job market is slowing down have reaffirmed predictions that interest rates will be left unchanged again in November. The unemployment rate was 4.2% between June and August, up from 4% in the March-to-May quarter, but unchanged from last month's data. Businesses appear to be hiring less as the impact of rising prices and higher interest rates starts to bite. UK economic growth has also proved sluggish in recent months.

The Office for National Statistics (ONS) said August's jobs figures had been calculated slightly differently than usual, in an attempt to make the data as reflective of the world of work as possible. The Bank of England, which sets UK rates, will decide next week whether they should be increased, decreased, or kept on hold again at 5.25%. The benchmark rate was left unchanged at its last meeting in September, ending a cycle of 14 consecutive rises. At the time the Bank's governor, Andrew Bailey, said there were "increasing signs" that higher rates were starting to hurt the economy.

Inflation: Milk, cheese and egg prices fall as petrol rises

Food prices saw their first monthly fall in two years, but fuel prices rose sharply, official figures show. It came as the UK's overall rate of inflation held steady at 6.7%, ending a run of three consecutive monthly falls. Milk, cheese and egg prices all fell easing the pressure at supermarket tills, but petrol rose by 5.1p a litre. The latest inflation figures shows the battle to slow soaring prices is not over and means uncertainty over whether interest rates will rise further. Analysts had expected the overall rate of inflation to fall slightly, and the Office for National Statistics said there may be "some disappointment" about the unchanged figure. However, its chief economist, Grant Fitzner, told BBC Radio 4's Today programme: "If you look across Europe, many countries have seen either periods lately of no change or in some cases of actual increases in the headline rate, before they started to resume their falls." Rishi Sunak has said halving inflation to around 5.3% by the end of the year remained his "number one priority".

TRADE UPDATE

Abta issues guidance to avoid greenwashing

New Abta guidance for members gives advice on how to avoid greenwashing, providing an overview of the legal framework that travel businesses need to work within when they market and advertise their environmental credentials. This comes as regulators are paying particular attention to the language and overall presentation of marketing and advertising communications. "Abta members are doing lots of great work to address some of the environmental and socio-economic challenges around travel and tourism", says Abta solicitor Meera Tharmarajah, "but it's also important that members are aware of the legal landscape around green claims so that they don't inadvertently find themselves in breach of relevant laws and rules".

Cost of UK air traffic control services to rise by a quarter

The UK's air traffic control (ATC) provider, Nats, has been given permission to hike the fees it charges airlines for its services by a quarter – barely a week after it faced serious criticism for its handling of the August bank holiday ATC meltdown, which affected around 2,000 flights, leaving hundreds of thousands of passengers stranded. The CAA said the new charge structure would ensure fees remain "broadly in line with Nerl's European counterparts". However, the trade body representing UK registered airlines has warned it will be passengers who will end up footing the bill for the fees hike.

Trend towards all-inclusives set to continue into 2024

According to new booking data from the Advantage Travel Partnership, British holidaymakers are continuing to seek and lock in value amid the ongoing cost of living squeeze. One in three bookings with the consortium's members for half-term is currently being made on an all-inclusive basis, rising to more than a third for 2024 bookings. In terms of destinations, most Brits are seeking some winter sun this October half-term, with Spain's islands proving popular. Meanwhile, over the winter months, long-haul destinations such as the US and the Caribbean come to the fore.

TTG releases third Travel Agent Tracker report of the year

The Tracker captures a snapshot of how agents are faring, exploring a wide range of business and booking trends such as repeats, conversions, pricing, discounting and levels of new business. TTG's third report offers key insights into the agent market after a busy summer as we head into autumn with peaks now firmly on the horizon, also analysing how the cost of living crisis is impacting sales. Key insights from the report include: 50% or more of respondents reported taking more new enquiries and making more sales and bookings than they did in Q3 2022; Jet2holidays, Gold Medal and Beachcomber Tours ranked highest for supplier support; bookings for all-inclusive holidays increased from Q2. Read the full report [here](#).

AIRLINE UPDATE

British Airways - British Airways achieved a record summer despite the August bank holiday air traffic control outage affecting UK arm British Airways. BA's quarterly operating profits surged by 50% to £617 million as revenue grew by 20% in the quarter, on capacity growth of 25%.

EasyJet - easyJet and sister brand easyJet holidays have launched a winter sun sale, with offers available until 11pm next Tuesday 31st October. The airline is offering up to 15% off 100,000 seats on flights to selected beach and winter sun destinations from the UK, for departures between November 1st and March 15th, 2024, and up to £200 off packages departing until March 31st, 2025.

JetBlue - JetBlue announced entrance to two new transatlantic destinations – Dublin and Edinburgh – with flights available on sale starting 25th October, marking the carrier's fourth and fifth transatlantic markets. Daily seasonal service from New York's John F. Kennedy International Airport and Boston Logan International Airport to Dublin Airport will begin March 13, 2024, and continue through September 30, 2024; daily seasonal service from New York's JFK to Edinburgh Airport will begin May 22, 2024, through September 30, 2024.

Jet2.com - Agents using Sabre can now book Jet2.com product more easily after the airline sealed a multi-year deal with the travel technology giant. The distribution agreement comes as earlier this month Jet2.com launched its largest-ever summer programme, with 16 million seats on sale for 2025.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

easyJet Holidays - easyJet holidays has partnered with Travel Solutions Network (TSN) to offer increased booking support to customers, creating new earning opportunities for TSN agents. TSN was set up during the pandemic with the aim of tempting back established travel professionals who had left the industry due to the pandemic.

G Adventures & Planeterra - G Adventures and its non-profit arm Planeterra have unveiled Project 300, vowing to “uplift” 300 communities around the world by 2030, by including community tourism enterprises into G Adventures’ tours. Planeterra president Jamie Sweeting described Project 300 as “the next chapter” for the charity, with its strategy based on previously successful initiatives.

Luxtripper - The Luxtripper website has been updated to confirm that the company has ceased to trade as an Atol holder, after being unable to secure additional funding. They tell customers “in the interim, we are working with the Civil Aviation Authority (CAA) to support customers with an Atol-protected booking whether they are currently abroad or have future bookings”.

SOCIAL UPDATE

TikTok is experimenting with 15-minute uploads

Some users are now being given the option to upload 15-minute videos on the formerly short-form video app, extending the current 10-minute limit. This is a significant expansion, and represents another threshold in TikTok’s ongoing development. The logic from TikTok’s perspective is that longer videos increase time spent in-app, providing more potential for mid-roll ads.

Instagram adds polls in comment streams on feed posts and Reels

Instagram is adding another engagement option, with polls in comments now in testing with selected users. The new option will enable users to add interactive polls within the comment streams on both feed posts and in Reels clips. Polls have proven to be a popular option in other apps. They provide a good way for brands and creators to gather feedback and boost their profile engagement rates, with the simplified response making it much easier to rack up a lot of interactions, and positive signals for the algorithm.

MICE UPDATE

London is top event destination in Europe, says Amex GBT

London is the top European destination for meetings and events, according to the American Express GBT Meetings & Events 2024 Global Forecast. The report forecasts that UK capital is likely to remain the most popular European destination for the foreseeable future, despite a predicted 9 per cent increase in hotel rates next year. The report surveyed more than 500 meetings and events professionals from around the world, with additional commentary from more than a dozen industry leaders. The survey found that the top two factors influencing location selection for European meetings and events planners are ease of travel for attendees and the specific type of location required. European meeting professionals expect modest increases in activity next year compared to respondents in North America and Latin America. Europe also has the lowest percentage of expected domestic air travel for attendees, at 33 per cent.

LIGHTER NOTE

Hundreds paddle it out on Belgian river in giant pumpkin boats. Read more [here](#).