

WEEKLY REPORT

1 April 2022

COVID-19 UPDATES

The number of people testing positive for COVID-19 in the UK has decreased by 12.6% compared to the previous seven days. However, the number of patients admitted to hospital has risen by 11.6% in the last week. In regard to the vaccination rollout, 91.8% of people aged 12 and above have received their first dose, 85.9% their second dose and 67.5% of the population have received their booster, a slight increase from last week.

The legal requirement for self-isolation has ended in England, as has the wearing of face masks other than in healthcare settings, such as GP surgeries, hospitals and care homes. From today (1 April), lateral flow tests will only remain free for the over-75s and over-12s with weakened immune systems. Meanwhile, Scotland has lifted most legal restrictions regarding COVID-19, though face coverings are still required on public transport and in some indoor settings (including shops) until 18 April. Free COVID-19 tests will remain free of charge until the end of April, after which time those with symptoms will no longer need to test and will instead be advised to stay at home until they feel better. Physical test sites will close and contact tracing will also end.

In Wales, masks remain compulsory in health and social care settings, but are no longer required in shops or on public transport, though they are still recommended. It is also no longer legally required to self-isolate after a positive test, though doing so is strongly encouraged. Until the end of June, free lateral flow tests will be accessible for those with symptoms and contact tracing will continue. Northern Ireland's government continues to recommend the wearing of face masks in certain places, such as enclosed public spaces and health and social care settings.

At present, all COVID-19 restrictions have been lifted for travelling to Ireland, removing the requirement for a completed passenger locator form and proof of vaccination, recovery or a negative test. All restrictions have been lifted in the hospitality sector and those with symptoms of COVID-19 are advised to self-isolate until 48 hours after symptoms end. However, health minister Stephen Donnelly has expressed concern that restrictions may be needed to suppress a current spike in cases which leaves 1,605 people in hospital with COVID-19, 50 of which are in ICU.

ECONOMIC, POLITICAL AND SOCIAL UPDATES

Bill shock for millions as energy price rise hits

The rise in energy costs has hit an unprecedented high at £700-a-year, at the same time as a host of bill hikes take effect as a result of the rising global price of energy. Prices in general are rising at their fastest rate for 30 years, but this sudden increase in the cost of energy is the most significant for individuals, with the average household using a typical amount of gas and electricity now paying £1,971 per year, a 54% increase from the previous year. Council tax, water bills and car tax are also going up for some households from today (1 April). Minimum wage rates are rising slightly, which is partially softening the blow, along with some financial support being offered from the government.

20 fines to be issued over No. 10 lockdown parties

Late last year, reports emerged of gatherings held in Downing Street and Whitehall during a time of strict lockdown across the country, sparking public anger and calls from several Conservative MPs for the prime minister to resign. The Met police have since been investigating these claims and will be issuing 20 fixed penalty notices to those found to have been in attendance. A fixed penalty notice is a sanction for breaking the law, resulting in a fine which needs to be paid within 28 days, or contested. The police will not be disclosing who is fined, or which events these fines are in relation to, but Downing Street has previously stated that they will confirm if the prime minister faces one. The police stated that they were attempting to progress the investigation, with a "significant amount" of material still to be assessed and the potential for more fines to come in the future.

Strong growth of Northern Ireland economy in final quarter of 2021

Official data from the Northern Ireland Statistics and Research Agency (NISRA) suggests that Northern Ireland's economy grew strongly in the final quarter of 2021, with output at 1.2% higher in the final months than in the previous quarter. This has meant that output was at a 13-year high, a level last exceeded in the middle of 2008. On a rolling annual average (the average of the most recent four quarters compared to the average of the previous four quarters) growth in Northern Ireland was at 7.6%, compared to 7.4% for the UK as a whole. This growth was driven by the services sector - the dominant sector of the economy - despite a relatively weak performance among retailers.

TRADE UPDATE

Trade yet to see major impact on bookings from cost of living crisis

Agents and operators are yet to see a significant impact on bookings from the cost of living crisis but remain concerned that increased taxation and inflation could create a "perfect storm" for future trading. Jet2.com and Jet2holidays chief executive Steve Heapy warned last weekend of higher prices in 2023 as hotel contracts and hedged fuel prices expired. Meanwhile, Lee Haslett, vice-president global sales for Virgin Atlantic said the rising cost of fuel represented an industry wide challenge.

ITAA hails €10m support scheme for Irish travel agents

The Irish Travel Agents Association (ITAA) has welcomed the opening of the application process for the €10 million Support Scheme for Licensed Travel Agents. Ireland's minister for international travel, Hildegard Naughton, said: "The travel agents sector has suffered significant ongoing disruption to its business during the pandemic. This €10 million scheme will help support the many travel businesses the length and breadth of the country. The funding will help travel agents and tour operators licensed by the Commission for Aviation Regulation with non-pay business costs.

New credit data reveals near ten-fold increase in travel spend

Consumer spend on travel increased dramatically in January and February, new credit data has revealed, with people keen to get away as the world reopens following the pandemic. UK credit provider NewDay said the spike in spending followed the lifting of travel restrictions around the world. NewDay said average credit card spend on holidays, hotels, flights and travel increased by 453% year-on-year in January and February. Overall, travel made up 7% of all credit card spend in January and February 2022, compared with just 2% in January and February 2021. NewDay, which provides credit for around one in six cards in the UK, said the latest data highlighted increased confidence among consumers to travel with restrictions easing.

Warning of Easter logjam at airports due to staff shortages

A warning of longer than usual queues at airports over Easter due to staff shortages has been issued. The Airport Operators Association (AOA) said its members had been trying to bring in employees for new roles following job losses and staff departing to other industries during the pandemic, but recruitment problems and COVID-19 related staff absences could put operations at airports under strain. AOA chief executive Karen Dee said passengers “may not have the experience they are used to” at peak times.

Rising costs threaten operators’ profit margins

The soaring fuel price and other rising costs risk eating into margins on holidays priced before the jump in inflation, now forecast to hit 9% this year. Tom Jenkins, chief executive of European tourism association ETOA, said: “People are having to deliver product often sold in 2020, relying on contracts written in 2019. People are having to operate on 2019 pricing, but there is a very different cost and supply base in 2022.” Bank of England governor Andrew Bailey warned this week of “a historic shock to real incomes and spending”.

More Caribbean destinations ease COVID-19 restrictions for visitors

Two more Caribbean destinations have announced an easing of their COVID-19 travel rules, with Grenada to drop all restrictions and Anguilla lifting the need for permission for vaccinated arrivals. The tri-island state of Grenada, Carriacou and Petite Martinique will remove all COVID-19 restrictions, including entry restrictions for unvaccinated travellers, from 4 April. Travellers will not need tests, proof of vaccination or any forms on arrival.

France relaxes rules for unvaccinated travellers from UK

France has moved the UK from its orange list to green, meaning that unvaccinated travellers now only have to present a negative COVID-19 test result. Previously they also had to show a “compelling reason” for their visit and isolate for seven days upon arrival. Now, visitors just need to show a PCR result 72 hours before travel or an antigen test within 48 hours. The change was announced on Twitter by Guillaume Bazard, the French consul general in London. The relaxation comes in time for Easter holidays and makes travel simpler for families with children aged between 12 and 17 who had not been vaccinated. Furthermore, vaccinated travellers no longer have to submit a “declaration sur l’honneur” (sworn declaration form) confirming a lack of COVID-19 symptoms and can enter with proof of vaccination alone.

Saudi Arabia reopens visa-on-arrival programme

The Saudi Arabian government has reopened its visa-on-arrival programme, which means British citizens can apply for a tourist visa when they arrive at the airport. The move comes two weeks after the country lifted all COVID-19 related entry restrictions, returning Saudi to pre-pandemic levels of openness. British citizens can receive a 12-month tourism visa on arrival in Saudi Arabia regardless of the airline they are travelling with, but will need to purchase COVID-19 insurance, which they can do at any of Saudi Arabia’s international airports.

AIRLINE UPDATE

British Airways - British Airways returned to Gatwick short-haul flying this week, marking a return to the airport after a two-year COVID-19 retrenchment. Services will operate under the BA’s Air Operators Certificate (AOC), before moving operations to new branded subsidiary BA Euroflyer later in the year. The new airline will operate in a similar manner to the company’s existing subsidiary BA Cityflyer, flying under the BA brand. British Airways has also resolved its third technical glitch this year which caused operational delays at Heathrow airport this week, with passengers facing long queues and being unable to check-in because of a global IT systems failure.

Hans Airways - UK based start-up long-haul carrier Hans Airways aims to start flying services to India in early summer. Company founder and chief executive Satnam Saini voiced optimism as India re-opened to international scheduled flights on 26 March. The newcomer's first Airbus A330 is undergoing maintenance checks with Etihad Engineering in Abu Dhabi, overseen by a Hans Airways liaison engineer. Hans Airways is now looking forward to securing a proving flight date imminently from the Civil Aviation Authority. This operational milestone will be a precursor to obtaining an Air Operator's Certificate.

TUI Airways - Passengers flying with TUI Airways from Wales will no longer be required to wear face masks. The change covering flights from Cardiff coincided with the scrapping of more COVID-19 restrictions in Wales on Monday, including a law to wear masks on buses and trains. The airline dropped its mask mandate for passengers on flights from England and Northern Ireland earlier this month – two years to the day since COVID-19 was confirmed as a pandemic.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

eDreams Odigeo - European OTA eDreams Odigeo has outlined plans to expand its global workforce by 50%, by adding more than 500 extra staff by 2025. The first phase of a three-year recruitment drive starts with plans to fill 200 vacancies, notably at new tech hubs in Porto and Milan, as well as in its Barcelona, Madrid and Budapest offices. The firm's largest search for staff comes as it transitions from a transaction-based model into a subscription business under the Prime label. The business has grown its flight market by six percentage points to 37% since the start of the pandemic and claims to have outperformed the wider industry, with trading exceeding pre-pandemic levels by 30% in February.

Hays Travel - Trading is exceeding pre-pandemic levels for the Hays Travel Independence Group, with consumers still keen to book despite the war in the Ukraine. This year's Hays Travel Independence Group overseas conference in Tenerife was told commission earned by members in February 2022 was 48% up on the same month in 2019, while sales were up by 36% and passenger numbers up 17%. Hays Travel has also boosted its number of homeworkers by 25% year on year and is targeting the same expansion again during the next year.

In other news, the former Thomas Cook retail estate, which Hays Travel bought in September 2019 when the company collapsed, has returned to profit this year for the first time since being acquired. Hays Travel took on all 555 shops but a number have been closed since, including 89 last year due to the pandemic. Hays Travel chief operating officer Jonathon Woodall-Johnston said the shops had moved into a profitable position in January this year, adding it had taken slightly longer as a result of COVID-19.

Jet2.com and Jet2holidays - The operators have announced a “massive” expansion to Greece, with more than half a million extra seats on sale compared to summer 2019 – a capacity increase of 86%. In total, the airline and its sister tour operator brand have more than 1.1 million seats on sale from the UK to Greece for summer 2022. Their plans include the brands’ first flights and city breaks to Athens, with services operating between the Greek capital and Birmingham and Manchester from 14 April. Other new routes include services from Edinburgh to Skiathos, Santorini, Preveza and Halkidiki; Bristol to Halkidiki; and Glasgow to Kos.

TUI Group - TUI has announced summer bookings will be close to 2019 levels, as it winds up some of the pandemic-era credit facilities extended to it by the German national development bank KfW and private banks at the end of this week. The first tranche of aid, granted by the German government and private banks, will be reduced by around €700 million on 1 April. TUI Group also plans to carry 1.5 million holidaymakers to Turkey this summer, increasing capacity across all source markets compared to 2019 pre-pandemic levels. One million of these passengers will fly to Antalya as a key destination in the travel group’s growth strategy. The operator is naming its new Boeing 737- 8 aircraft after destinations as part of a fleet modernisation scheme.

SOCIAL UPDATE

Instagram is testing a new fully integrated home feed

With evolving usage trends in the app, Instagram is testing a fully-integrated home feed that would present everything in an immersive, full-screen, swipeable user-interface. The experimental Instagram feed would include regular Feed posts, Stories and Reels, all within a single flow. This is a more intuitive and logical way to present Instagram content, which would also align with evolving TikTok-led usage trends. The update would also enable algorithmic improvements based on users' responses to each specific post and improve feed recommendations.

TikTok tests new 'Watch History'

TikTok is currently testing a new 'Watch History' option to help users track down previously watched clips. While no official details have been released yet, this could be a useful solution to locating entertaining clips to reshare with friends and family and further boost engagement and community in the app.

MICE UPDATE

UK All Party Parliamentary Group for Events re-elects chair and lays out five-point plan

The UK's All Party Parliamentary Group for Events (APPG) re-elected Theresa Villiers MP as its chair at the groups annual general meeting on 28 March, sharing its five-point framework with the UK Parliament. Initiatives within the framework include a government supported confidence campaign, financial incentives and the development of a more sustainable events strategy. The APPG has said it will consider widening its membership in 2022 to include non-Parliamentarians and supporting partners to extend its reach and engagement within the events sector.

LIGHTER NOTE

Lighter note

Meet Brodie, Scotland's new polar bear cub. Watch him explore [here](#).