



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **Bank of England holds interest rates and warns it's too early to cut**

The UK economy is likely to see zero growth until 2025, while interest rates will remain high for longer or rise further, the Bank of England has warned. It came as the Bank left rates on hold for the second time in a row at 5.25%, the highest level in 15 years.

Despite the subdued outlook, Bank of England boss Andrew Bailey said it was "much too early to be thinking about rate cuts". However, they expect inflation - the pace at which prices rise - to fall sharply in the coming months.

### **House prices see biggest monthly rise for more than a year**

House prices had the biggest monthly rise in October for more than a year, according to the Nationwide. However, they were still down sharply from a year ago, the UK's biggest building society said. The 0.9% monthly rise in prices was most likely due to there not being enough properties to meet demand, it said.

Activity in the housing market is still "extremely weak", it added, as buyers grapple with higher mortgage rates. "This is not surprising as affordability remains stretched," said Robert Gardner, Nationwide's chief economist.

### **UK COVID-19 Inquiry**

The UK COVID-19 Inquiry, announced by Boris Johnson in 2022, was set up to examine the UK's response to and impact of the COVID-19 pandemic. A former senior civil servant told the inquiry that she would struggle "to pick one day" when COVID-19 rules were properly followed inside Downing Street. Helen MacNamara addressed the inquiry the day after explosive evidence from two of Boris Johnson's closest aides during the pandemic - Dominic Cummings and Lee Cain - strongly criticised the former prime minister's handling of the situation.

The inquiry has also heard that the former health secretary, Matt Hancock, wanted to decide "who should live and die" if the NHS was overwhelmed. The revelation came to light in evidence presented by Sir Simon Stevens, the former NHS England chief. In his witness statement, he said Mr Hancock thought he, not doctors or the public, should decide who to prioritise if hospitals became overwhelmed.

### **Labour councillors call on Starmer to resign over Gaza**

Labour councillors on two councils have called on Sir Keir Starmer to step down as the party leader for refusing to back a ceasefire in Gaza. Burnley Council leader Afrasiab Anwar and Asjad Mahmood, who is the leader of Pendle Borough Council, said they were making the call on behalf of Labour councillors in their areas. Mr Anwar said Sir Keir had "not stood up for Labour values".

The calls come after Sobia Malik, who represents Burnley Central East on Lancashire County Council, announced her resignation from the Labour party. Ms Malik, who will now stand as an independent councillor, said Mr Starmer's "profound inability" to "demonstrate empathy or compassion, let alone challenge war crimes, has made my membership untenable".

## **TRADE UPDATE**

### **ABTA Holiday Habits 2023-24 findings**

Research shows that holidays are proving resilient in the face of wider economic and operational challenges. Overall, 84% of people went on holiday during the last year and of those, 52% took a trip abroad. City breaks have reclaimed the number one spot over beach holidays as the nation's favorite type of holiday. Although the cost of living crisis still impacts the way holiday makers travel, 61% are still choosing package holidays.

Despite the challenges, ABTA's Travel Confidence Index shows 61% are more likely to travel overseas. 64% of people say they plan to take a trip overseas in 2024, with destinations in Europe, Asia and North America leading in bookings. Young people (aged 18-24) and families continue to be the most prolific travelers.

Travelers are embracing all year round travel, 45% are now planning to travel next spring or autumn (48%) as well as during summer (46%). Online bookings via mobile phones remain the most popular method of booking, however booking through travel professionals remains steady with family bookings and those booking packages or all inclusive trips.

## A third of UK consumers 'plan to travel more in 2024'

A third of UK consumers plan to travel more in 2024 with more than a quarter increasing their spending. They expect to average 2.2 trips next year, up from two in 2023, according to new research by Skyscanner. Travellers from the EMEA region are booking flights further in advance, with most committing more than 90 days ahead for both short-haul and long-haul trips.

The global study presents a positive outlook for travel demand in 2024, with 42% of travellers planning to travel more and 39% planning to spend more.

## Industry leaders gather in Rwanda for WTTC summit

Ivorian footballing legend Didier Drogba and tourism ministers from African nations are among those due to attend the World Travel & Tourism Council annual summit in Rwanda this week. The summit's theme of 'Building Bridges to a Sustainable Future' underscores the sector's significance beyond revenue with its impact on the planet and global communities.

## AIRLINE UPDATE

**British Airways** - British Airways has added flights from Gatwick to Ghana in addition to service from Heathrow. The airline has introduced three flights a week between Gatwick and Accra, rising to four a week from next summer. The Gatwick connection to the capital of the west African country is in addition to a daily Airbus A350 service from Heathrow.

**Norwegian Air** - Norwegian Air plans to expand its fleet for summer 2024 with routes to new destinations to be confirmed later this month. The Scandinavian budget carrier plans to operate 90 aircrafts against 85 this summer, with an initial schedule on sale for next year. The growth plans came as the airline reported the second-best quarterly result in its 21 years during the summer peak travel period.

**Qantas** - Qantas is raising capacity between Australia and Europe next summer with the start of a third direct route from Perth. More than 75,000 extra seats a year will be available with the re-introduction of flights to Paris for the first time in almost 20 years. The 17-hour Boeing 787 Dreamliner service will cut around three hours off the current fastest travel time between Perth and Paris. The route will run from July 12 to coincide with the 2024 Olympic and Paralympic Games. Flights will initially operate four days a week during the peak European summer, reducing to three a week from mid-August 2024.

**Virgin Atlantic** - Virgin Atlantic is dropping its Heathrow service to Austin following a network review as the airline prepares to return to full capacity in 2024. The Austin route, which has been operating since May 2022, will be served by its final flight from Heathrow on 7 January 2024. Virgin Atlantic chief commercial officer Juha Järvinen cited a softening in corporate demand as the reason for axing the route.

## TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**James Villas** - Agents say they are shocked and saddened by the closure of James Villas by parent company Awaze. The villa specialist ceased taking bookings on 30 October 2023, putting 40 roles at risk of redundancy. Staff are under consultation and there is a proposal to close the firm's offices in Maidstone, Kent. Bookings beyond 30 November 2023 have been cancelled and will be refunded, with about 100 trade bookings affected. The move comes as Awaze focuses on the future growth of its core portfolio of brands, which include Hoseasons and Cottages.com, and prepares to launch a common sales platform for its European product range.

**Online Travel Training (OTT)** - OTT is understood to have ceased trading and appointed insolvency specialists. In an automated email reply, seen by Travel Weekly, the company said: "It is with deep regret that OTT has ceased trading. McTear Williams and Wood are being appointed to wind up the company. If you have any queries, please contact Luke Carless by email". Attempts to contact OTT managing director Julia Feuell on Tuesday were unsuccessful and McTear Williams and Wood did not respond to requests for comment. However, a speech at Abta's Travel Convention in support of charity Abta LifeLine on Tuesday evening also referred to the failure and the need to support staff.

**The Advantage Travel Partnership** - aims to "vigorously grow" its managed services model following a "really strong" year of trading. The consortium said it will help members of its Advantage Managed Services (AMS) division "maximise commercial opportunities" next year after it reported a 30% increase in turnover in 2023 compared to 2022 and a doubling of cruise sales. Growth plans were shared at a three-night managed services conference which was held at the Kimpton Aysla Mallorca in Santa Ponsa earlier this month.

## SOCIAL UPDATE

### **Meta launches ad-free subscription for EU users**

Meta has announced that in order to comply with evolving European regulations, they are introducing a new subscription option in the EU, EEA and Switzerland. This subscription will allow users to pay a fee to opt-out of ads and data tracking across Facebook and Instagram. The programme will start in November and cost €9.99 per month for web or €12.99 per month for iOS and Android. It will include all the accounts a user has in their Accounts Center until 1 March 2024, from which point there will be an additional charge of €6 per month for web and €8 per month on iOS and Android for every listed account.

### **TikTok and Salesforce Marketing Cloud integration announced**

TikTok has launched an integration with Salesforce Marketing Cloud, which will allow TikTok advertisers to bring leads generated from campaigns to Salesforce. This will allow advertisers to streamline the actioning of relevant insights and data that has been garnered. TikTok said that “marketing teams will be able to set it up in a matter of minutes, allowing them to focus on what really matters - capturing, nurturing, and converting leads.”

## MICE UPDATE

### **Call to the New MCI Study: Find Out How to Boost Engagement**

MCI, a renowned global engagement and marketing agency, has opened its call for associations worldwide to participate in the 2024 edition of The Association Engagement Index (AEI), a prestigious benchmark study aimed at improving engagement strategies. This benchmark study enables associations to evaluate their engagement tactics and gain critical insights into evolving engagement dynamics, member and customer expectations, and the impact of customization. Participating associations will receive an Engagement Index Fact Sheet, including their engagement score, association ranking, and key performance indicators. This data empowers organisations to identify areas for improvement. Participation is free but limited, with registration closing on 30 November 2023, on the official Association Engagement Index website.

**LIGHTER NOTE**

Take a look behind the scenes at a guide dog training school in Greater Manchester [HERE](#).