

Northern Ireland retail sector slams councils' decision to up business rates

The recent rise in business rates will heap further pressure on retail companies across Northern Ireland likely heighten inflationary pressures.

That is the view of the body representing some of the largest retail business in the province which called the move by 11 councils a "huge disappointment" in light of the decision to freeze rates in England, Scotland and Wales.

Neil Johnston, the director of the Northern Ireland Retail Consortium (NIRC), said the average increase in rates announced recently is 7.29%, a move which is said isn't deserved by the body's members. Rates had been frozen during and in the aftermath of the Covid-19 pandemic before the recent rise.

"That amounts to a significant increase in costs for our members," he said. "Costs pressure can lead to price increases, and we know that is the last thing that consumers want to see.

"This move by the Councils will not help businesses or consumers. Retail Consortium members have invested millions in, and employ hundreds of workers in, all 11 councils.

"It is hugely disappointing that business rates have not been frozen for the coming year in the way that they have been in England, Scotland and Wales."

The NIRC is the Northern Ireland arm of the British Retail Consortium and represents a broad range of retail giants including Tesco, M&S, Sainsburys, Boots, Next and others.

Mr Johnston said he was hopeful that the Northern Ireland Secretary of State, Chris Heaton-Harris, would refrain from increasing the regional rate element of business rates here.

“Recent times have been very difficult for retailers – with the covid pandemic, energy price shocks and general inflationary pressures. The continuation of a freeze on business rates in England, Scotland and Wales is a welcome recognition of the fact that trading conditions are still difficult. As I said it is hugely disappointing that the Councils have not been able to freeze their part of business rates next year.”