

Dear Member,

NFDA Northern Ireland (NFDA NI) update – March 2022

To draw attention to the issues facing the MOT system in Northern Ireland, over the past few weeks, NFDA NI has engaged with all Northern Ireland's main political parties (the DUP, Sinn Fein, UUP, SDLP and Alliance) and held a number of highly productive meetings, including discussions with Members of Northern Ireland's Infrastructure Committee.

We highlighted to the Members of the Legislative Assembly (MLAs) that DVA's mishandling of the MOT situation is exacerbating the existing pressures on the system. As a result, NFDA NI has suggested that dealers could complement and support DVA's work around MOT testing.

Roy Beggs (UUP), one of the MLAs met by NFDA, has recently raised the idea of privatised MOT testing in Northern Ireland during a debate in Stormont, reinforcing NFDA's suggestions. Following NFDA's meetings, also MLA Andrew Muir agreed to ask a number of Ministerial questions. The MLA asked the Minister for Infrastructure "why the Department cannot measure average lead times for securing an MOT test". In its response, Nichola Mallon, the Minister for Infrastructure, confirmed the DVA does not currently hold information to enable it to "accurately report the average waiting times for a vehicle test given that this position changes on a regular basis".

MLA Andrew Muir asked whether the Department had "undertaken an economic impact assessment of biennial MOT testing". In her response, the Minister confirmed that an economic impact assessment was not completed. However, she said, going forward, officials would "engage with key stakeholders, including the PSNI, automotive industry and the insurance industry" and "commence work for a public consultation". "Further consultation is essential to ensure that there is a robust evidence base, including from a road safety perspective, to inform and underpin decisions, and a full economic impact (Regulatory Impact Assessment) will be undertaken as part of the next steps process", she added.

Additionally, MLA Andrew Muir asked for an "assessment of current road safety standards in light of the MOT backlog". The Minister confirmed the DVA would continue to monitor vehicle test pass rates through its published quarterly statistics. "Data continues to show that over 95% of road casualties are due to human error", she continued.

NFDA NI is encouraged by the positive response received so far, and we look forward to further collaboration on the issue. For full details, please contact us.

Northern Ireland News

Modest growth for new car sales as concern over electric infrastructure heightens

Belfast Telegraph, 4 March 2022

New car sales figures here experienced a modest increase of 2.11% last month, to a total of 2,713 units. The best sellers were the Ford Kuga, Hyundai Kona, Ford Puma, Vauxhall Mokka and the Mini. Across the UK there were 58,994 new cars sold, a rise of 15% overall compared to February 2021 though the figure is still down 24% since pre-pandemic levels. While nationwide figures were a lot more positive, with Scotland seeing the biggest jump in sales (28%), activity within the market is still marginally lower than before the pandemic.

Sue Robinson, Chief Executive of the National Franchised Dealers Association (NFDA), said: "Looking further ahead, supply-side constraints are likely to continue to remain a factor, driven by known macro events. The majority of franchised dealers are cautiously optimistic about the levels of consumer demand in 2022 despite the impact of external factors and are looking forward to a busy plate change month."

[Read the full article here](#)

Court of Appeal rejects Northern Ireland Protocol legal challenge

News Letter, 14 March 2022

The Northern Ireland Protocol was lawfully enacted and must take precedence over a centuries-old legislative clause on trade with Britain, the Court of Appeal ruled today.

Senior judges dismissed a pan-unionist challenge to the post-Brexit trading arrangement after finding that it subjugates part of the Act of Union 1800, based on the sovereign will of Parliament. Northern Ireland's constitutional status within the United Kingdom remains unchanged, they held.

[Read more about this story here](#)

Northern Ireland businesses record sharp uplift in orders

Belfast Telegraph, 14 March 2022

Northern Ireland businesses have had their sharpest rise in orders in over seven-and-a-half years, but the conflict in Ukraine will make any progress short-lived, a report has warned.

February's Ulster Bank Northern Ireland Purchasing Managers' Index, produced by IHS Market, posted a rating of 57.8 for overall business activity. On a scale from zero to 100, anything above 50 signals an increase on the previous month.

This compares favourably to January's reading of 54.7 and signals expansion across the private sector. The report revealed manufacturing output and new orders rose at significant rates — 63.0 and 65.3 respectively.

Out of all sectors, manufacturing fared best, with construction the only sector failing to record an uplift. Retail and services recorded growth of 55.9 and 56 respectively.

[Read the full article here](#)

Regional rates for Northern Ireland businesses to be frozen for another year

In early March, Finance Minister, Conor Murphy secured Assembly backing to freeze the regional rate for another year.

The Minister also confirmed he intends to provide businesses with a £50 million rates support package in the 2022/23 financial year as well as continuing the Small Business Rate Relief, under which small businesses automatically receive a reduction of between 20% and 50% on their rates.

He added: "As businesses continue to rebuild, I am announcing a further £50 million rates support package to support the recovery. This will provide all businesses with a one month rates holiday with the exception of utilities and larger food stores while retail, hospitality, tourism, leisure, childcare, newspapers and airports will receive a three months rates holiday. Businesses in these hardest hit sectors have paid no rates since March 2020 and will now pay no rates until July 2022."

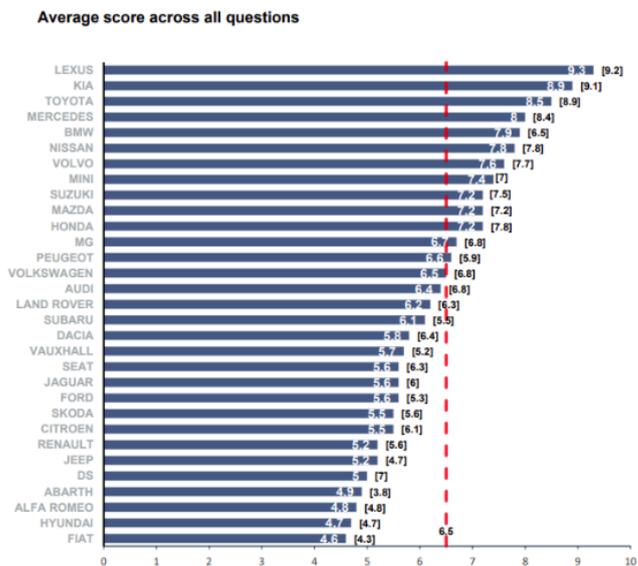
For further details, please see [here](#)

NFDA Dealer Attitude Survey shows encouraging signs

The latest edition of the NFDA Dealer Attitude Survey winter 2021/2022 showed high levels of dealer satisfaction around a number of key business areas, particularly current profit, margins on used cars and manufacturers' finance programmes.

The NFDA has conducted the twice a year since 1989. For this edition of the survey, in January 2022 franchised dealers were asked a series of questions covering business issues affecting the relationship with their respective manufacturers. Responses were scored from 1 (extremely dissatisfied) to 10 (extremely satisfied). With a total of 2,753 responses from 31 participating dealer networks, the survey received a record response rate of 67%.

With one of the highest average Scores of the survey (7.1 out of 10), dealers showed high satisfaction levels with their current profit return. Generally, dealers seem slightly less optimistic with their 'future profit return' with an average of 6.4. As expected, however, the highest Average in dealer satisfaction levels was around margin on used cars (7.7), as demand for second-hand vehicles continues to outstrip supply.



The all-important question 'how would you rate your manufacturer overall on a scale of 1 to 10?' returned an average of 6.6, 0.1 higher than six months ago. Lexus (9.8), Kia (9.2) and Toyota (8.9) were the top performers, whilst Renault (4.0), DS (4.1) and Alfa Romeo and Fiat received the lowest ratings (4.5).

Unsurprisingly as supply issues impact the market, dealers showed concerns with the availability of parts, returning one of the lowest average scores (5.7).

An analysis of the 'overall average score' (chart above) across all questions of the survey (6.5) put Lexus at the top with 9.3 points out of 10, followed by Kia (8.9) and Toyota (8.5). The bottom of the table saw Fiat (4.6), Hyundai (4.7) and Alfa Romeo (4.8).

View the full press release [here](#)
 Download the summary report [here](#)
 Download the full results [here](#)

Bank Of England rates increased to 0.75%

The Bank of England Monetary Policy Committee (MPC) has voted by a majority of 8-1 to increase interest rates by 0.25% to 0.75%.

At its meeting ending on 16 March 2022, the MPC voted by a majority of 8-1 to increase Bank Rate by 0.25 percentage points, to 0.75%.

In the MPC's central projections in the February Monetary Policy Report which were published before Russia's invasion of Ukraine, UK GDP growth was expected to slow to subdued rates over the year. As a result, a margin of spare capacity was projected to open up and the unemployment rate to rise to 5% by 2025. CPI inflation was expected to peak at around 7¼% in April 2022 and to fall back to a little above the 2% target in two years' time.

Inflation is expected to increase further in coming months, to around 8% in 2022 Q2 and "perhaps even higher later this year". Developments since February are "likely to accentuate both the peak in inflation and the adverse impact on activity by intensifying the squeeze on household incomes".

The invasion of Ukraine by Russia has led to further large increases in energy and other commodity prices. It is also likely to "exacerbate global supply chain disruptions, and has increased the uncertainty around the economic outlook significantly". Global inflationary pressures will strengthen "considerably further over coming months", while growth in economies that are net energy importers, like the UK, is "likely to slow".

UK GDP in January was stronger than expected in the February Report. Business confidence held up and labour market activity data have remained robust. Consumer confidence however fell in response to the squeeze on household disposable incomes.

For full details, please visit [here](#)

Your latest legal case studies



- [MILS Case Study: Subject Access Request](#)

"When I receive a Subject Access Request do I have to provide everything with a person's name on?"

- [MILS Case Study: Paying for Music](#)

"I have been called by a company and told that I need to pay them to listen to the radio, but I thought the radio was free. Are they correct?"

- [MILS Case Study: Philosophical Belief](#)

Is refusing to come to work for fear of catching covid a Philosophical belief protected by the Equality Act?

We look forward to continuing to best represent your interests in 2022. If you have any questions for us or require any assistance from your trade association, please contact lena.patel@rmif.co.uk or our member helpline at 01788 538303.

Member Benefits



Legal
Helpline



Monthly
Newsletter
and Industry
Insights



Regular
Meetings
and Events



National
Conciliation
Service



NFDA
Representative
Northern
Ireland



Ongoing
lobbying
and policy
updates



Member-only
guidance

Be Part of NFDA NI

The core purpose of the NFDA NI is to lobby Northern Ireland's local government by developing existing relationships and establishing new ones within relevant departments and agencies to outline dealers' priorities and safeguard their business matters.

NFDA NI members can benefit from the wide range of NFDA services plus dedicated resources, including a representative based in Northern Ireland to regularly engage with the government and other relevant parties on behalf of dealers.

NFDA NI members are BETTER INFORMED

Our members get access to free legal advice. We communicate you all relevant policy updates and guide you in line with regulatory changes. We ensure you are better informed through newsletters, industry updates, and regular meetings.

NFDA NI members are BETTER MANAGED

We understand your enthusiasm for the industry. We also understand how hectic our members' working lives can be. To help, we offer business advice, HR and Employment toolkits, commercial advice, and industry-led working groups to help you be better managed.

NFDA NI members EXCEED PERFORMANCE STANDARDS

Everything we offer is designed to help dealers improve performance. We provide access to a wider network, ensuring compliance, researching and providing data regarding our members' relationships with manufacturers. We enable real positive change for our industry, making our members more reputable and profitable.

To learn more about **NFDA NI**, the work we have been doing on behalf of our members and how you can benefit from your membership, please email Lena at lena.patel@rmif.co.uk