

Inflation hike 'unsurprising' given April cost increases

2 months ago



The ONS recently announced that inflation rose to 3.5% in April, a significant increase from 2.6% in March. The figures are the first that reflect the significant cost increases to businesses and consumers that hit in April.

UKHospitality said that 'unsustainable' pressure on businesses would inevitably see prices continue to rise.

Kate Nicholls, Chief Executive of UKHospitality, said: *"This significant increase in inflation is unsurprising given the £3.4 billion in annual cost increases that hit hospitality in April."*

"It's clear that, on top of continuing hikes in utility prices, the raft of additional costs from the Budget, which came into force in April, is putting unsustainable cost pressure on already strapped businesses. Regrettably, that forces up prices and so fuels inflation."

"This strengthens the need to tackle the ongoing cost of doing business crisis. The Government must look to bring down costs for businesses and it's critical that the Bank of England meets market expectations to lower interest rates in the coming months."