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Dec 04, 2023 00:01 GMT

Drivers lose out to the tune of £184m a month as major retailers refuse to pass on 5p fuel duty cut

The average price of petrol fell by 7.5p a litre in November to 146.95p, but data from [RAC Fuel Watch](#)* shows that drivers are still paying 10p more than they should be and are far from getting a fair price on the forecourt despite recent government intervention.

Diesel came down by almost 7p to 154.40p but is also being overcharged by 5p a litre due to savings from lower wholesale costs not being passed on by

retailers to drivers at the pumps.

The RAC's analysis shows that average retailer margin on petrol is now 17p a litre and 13p for diesel. The long-term averages are 7p for petrol and 8p for diesel. This news comes as drivers are still supposed to be benefitting from a 5p-a-litre duty cut implemented in March 2022. Instead, the figures show it's major retailers which are gaining from this. The RAC estimates drivers have lost out to the tune of a staggering £184m over the last two months as a result not passing on the 5p duty cut.**

The RAC believes petrol should be sold for an average of 137p and diesel for 150p, based on retailers taking a fairer margin. This means drivers are currently paying around £5 more than they should be to fill up an average 55-litre family car (£80.62 v £75.35). For diesel, the figure is around £2.50 (£84.92 v £82.50).

In stark contrast, membership-only retailer Costco is currently selling unleaded for an average of 133.7p and diesel for 144p – 14p and 11p less than the UK average respectively. In Northern Ireland unleaded is being sold for an average of 141.4p and diesel for 149.5p – 5.5p and 5p less than the UK average.

The [fuel finder feature in the free myRAC app](#) shows independently run forecourt Grindley Brook in Whitchurch, Shropshire, is only charging 131.9p for petrol – matching Costco's cheapest price, and 15p cheaper than the UK average – and 143.9p for diesel, 10.5p lower than the UK average. By comparison the average price of unleaded at the big four supermarkets is 143.37p and 151.48p for diesel.

RAC Fuel Watch data shows that the wholesale price of petrol dropped by 9p a litre in November and diesel by 7p on the back of oil averaging \$84 across the month and the pound gaining ground on the dollar closing November at \$1.26, up from \$1.21 at the start. A litre of unleaded currently costs retailers just 106p and diesel 117p.

RAC fuel spokesman Simon Williams said:

“While the price of fuel fell in November, the truth is there is no reason whatsoever for drivers to be jubilant as the data clearly shows they are

continuing to get a rough deal at the pumps, unless they live in Northern Ireland. Wholesale fuel costs have been falling for months, so they should be paying around 137p for petrol, instead of a whopping 147p. Diesel is also overpriced at 154.40p when it should be on sale for under 150p.

“This is extremely worrying as the biggest retailers don’t seem to have heeded the warnings levelled at them by Energy Secretary Claire Coutinho at the end of October saying she wouldn’t hesitate to call out those that rip off the public.

“While the Energy Secretary’s action may have encouraged retailers to begin reducing their prices, it’s undoubtedly a case of far too little, far too late. The wholesale market data the RAC analyses shows the true picture and unfortunately, for the Government and drivers, it shows the 5p-a-litre duty cut is not getting to drivers at all, and prices aren’t falling nearly fast enough yet again.

“We’ve contacted her department to explain what’s really going on with a view to prompting greater and more effective intervention. If a price monitoring body had already been set up by now – as recommended by the Competition and Markets Authority and accepted by the Government – then this might have been prevented and people might finally be getting a fairer deal at the pumps.

“We reiterate our call to the biggest retailers to significantly cut their prices to mirror what’s happening with greatly reduced wholesale costs.”

Drivers wanting to save as much as they can on the forecourt should [download the free myRAC app from the App Store or Google Play](#) and start using its fuel finder feature as it can save up to 6p a litre***.

Up to five searches a day over a two, five or 10-mile radius can be made, with each giving the five cheapest prices.

The [RAC Fuel Watch](#) web page has more information about the average price of petrol and diesel at the big four supermarkets and at motorway services. It also features graphs showing average prices since 2000 as well as a daily financial breakdown of the cost of a litre of petrol and diesel.

Regional pump prices

Unleaded	01/11/2023	30/11/2023	Change	End of month variance to UK average
UK average	154.41	146.95	-7.46	
East	155.11	147.75	-7.36	0.80
East Midlands	154.45	147.47	-6.98	0.52
London	155.02	149.24	-5.78	2.29
North East	153.77	146.58	-7.19	-0.37
North West	154.17	146.29	-7.88	-0.66
Northern Ireland	149.96	141.53	-8.43	-5.42
Scotland	153.36	145.59	-7.77	-1.36
South East	155.52	148.51	-7.01	1.56
South West	154.71	146.85	-7.86	-0.10
Wales	153.98	145.52	-8.46	-1.43
West Midlands	155.06	147.20	-7.86	0.25
Yorkshire and the Humber	153.78	146.44	-7.34	-0.51
Diesel	01/11/2023	30/11/2023	Change	End of month variance to UK average
UK average	161.25	154.40	-6.85	
East	161.48	154.66	-6.82	0.26
East Midlands	160.98	154.11	-6.87	-0.29
London	162.47	156.38	-6.09	1.98
North East	159.93	154.13	-5.80	-0.27
North West	160.10	153.80	-6.30	-0.60
Northern Ireland	157.63	149.79	-7.84	-4.61
Scotland	161.31	154.58	-6.73	0.18

South East	162.85	155.94	-6.91	1.54
South West	162.10	154.73	-7.37	0.33
Wales	161.40	153.41	-7.99	-0.99
West Midlands	161.77	154.75	-7.02	0.35
Yorkshire and the Humber	161.02	154.53	-6.49	0.13

* UK national average pump prices quoted are based on Experian Catalist data from 1-3 November 2023. Wholesale prices, oil price and the value of sterling are based on data from 1-30 November 2023

** Average combined petrol and diesel quantity sold in the UK over August and September 2023 was 3.68bn litres, according to HMRC. 5p of duty on this quantity equates to £184m

*** The myRAC Fuel Finder uses data from Experian Catalist to help drivers find the cheapest fuel near them, or any location they want to search. Experian Catalist collects fuel prices for all main fuel types from just about every forecourt across the UK and updates prices the following day. Prices are updated at around 8am every day of the year, including weekends and bank holidays. The 6p saving is based on difference between average and lowest petrol and diesel prices in 20 areas selected at randomAs of 01/09/23.

The press office email address is press.office@rac.co.uk and media centre is at media.rac.co.uk. **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to more than 13 million private and business drivers, whatever their motoring needs. As

well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. The RAC is also at the forefront in helping drivers make the switch to electric vehicles and leads in the development of new solutions for businesses and OEMs, partnering with the best in the motoring and mobility space.

Visit the [RAC website](#).

Contacts



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