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Cost of filling up rises £9 in June as petrol jumps by monthly record of nearly 17p a litre

The average cost of a litre of petrol rose a staggering 16.59p in June, smashing the previous 11p record set in March and sending pump prices further skyward, analysis of <u>RAC Fuel Watch</u>data shows.

In a month that saw forecourt petrol prices rise every single day to yet more historic highs, the cost of a litre of petrol went from 174.84p to 191.43p which meant the cost of filling an average sized 55-litre family car shot up by

a scarcely believable £9.12 – the equivalent of 30p every day – to £105.29. The situation when it comes to diesel is no better, with average prices up another 15.62p in June, ending the month at 199.05p. This makes the cost of a tank £109.48, £8.59 more than the start of the month.

To put things in perspective, average unleaded prices are now 26.84p per litre higher than they were the day after March's fuel duty cut was announced (164.59p on 24 March), making the cost of a full tank nearly £15 (£14.77) more expensive. The average cost of a litre of diesel is almost 21p (20.92p) more than it was on 24 March (up from 178.13p), resulting in a fill-up costing £11.51 more than it did back then.

Higher pump prices were to be expected in June as a result of the cost of oil rising through May to \$128.85 on 9 June, caused by a combination of increased demand for oil and concerns over supply because of the Ukraine war. But it's now the case that the weekly wholesale costs paid by retailers have been dropping for five straight weeks – yet these reductions aren't being reflected at the pumps, piling yet more misery on the UK's beleaguered drivers. This, the RAC estimates, means that on average retailers are now taking in the region of 12p per litre in margin, nearly double their long-term average of around 6p.

As well as calling on retailers to cut prices to reflect lower wholesale costs, or justify their reasons for not doing so, the RAC is once again repeating its call for the Government to step in to help drivers, many of whom depend on their vehicles for work and family commitments, by temporarily cutting fuel duty substantially or reducing VAT on fuel. RAC figures show that duty and VAT currently account for 85p (44%) of the 191.43p average cost of a litre of petrol, and 86p of the 199.05p cost of diesel.

RAC fuel spokesman Simon Williams said:

"The rate at which pump prices have been rising over the last four weeks is hard to comprehend. Not a day in June went by when petrol prices didn't go up, even though the price retailers pay to buy in fuel went down. There's no doubt that drivers are getting an incredibly raw deal at the pumps at a time when the cost-of-living crisis is being felt ever more acutely.

"The silence from the Treasury when it comes to supporting drivers through this time of record high pump prices is, frankly, deafening. Perhaps it has something do with the fact that it's benefitting significantly from the increased VAT revenue caused by the high prices. In fact, despite cutting duty by 5p a litre to 53p, the Treasury is still collecting the same revenue per litre now due to the higher VAT take making up for the duty cut. In March fuel duty was 58p a litre and VAT amounted to 27p; now duty is 53p and VAT on every litre equates to 32p, making for the same 85p a litre total. Things are all the more galling for drivers when you consider that VAT is applied on the top of everything else – duty, the cost of the fuel, delivery and retailer margin – making it a tax on a tax.

"We badly need the Government to go beyond just vague words and instead actually implement a clear package of financial support to show they're on the side of drivers."

Higher, ever higher – the soaring price of petrol so far this year:

	Start of the year: 3 January 2022	Day after fuel duty cut: 24 March 2022	30 June 2022
Average pump price	145.55p	164.59p	191.43p
Cost to fill a 55-litre car	£80.05	£90.52	£105.29
Cost per mile (based on 40mpg)	16.52p	18.68p	21.73p

... and the same for diesel:

	Start of the year: 3 January 2022	Day after fuel duty cut: 24 March 2022	30 June 2022
Average pump price	148.75p	178.13p	199.05p
Cost to fill a 55-litre car	£81.81	£97.97	£109.48
Cost per mile (based on 40mpg)	16.88p	20.22p	22.59p

The RAC website carries an <u>ultimate guide to saving fuel and saving money</u>.

Regional pump prices compared

<u>Unleaded</u>

Region	01/06/2022	30/06/2022	Change
East Midlands	173.86	191.59	17.73
East	174.79	191.89	17.10
South West	174.77	191.74	16.97
North West	174.16	191.12	16.96
North East	173.24	190.20	16.96
Wales	174.35	191.24	16.89
West Midlands	174.81	191.55	16.74
South East	175.59	192.18	16.59
Yorkshire And The Humber	174.28	190.63	16.35
Scotland	175.48	191.09	15.61
London	175.98	191.36	15.38
Northern Ireland	176.26	191.01	14.75

<u>Diesel</u>

Region	01/06/2022	30/06/2022	Change
Northern Ireland	179.67	197.76	18.09
North East	182.42	198.96	16.54
East Midlands	182.89	199.06	16.17
Scotland	183.30	199.35	16.05
Yorkshire And The Humber	182.84	198.80	15.96
Wales	183.42	199.28	15.86
North West	183.06	198.77	15.71

West Midlands	183.63	199.17	15.54
South West	183.87	199.20	15.33
East	184.06	199.28	15.22
South East	184.60	199.32	14.72
London	184.51	198.90	14.39

The press office email address is press.enquiries@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 13 million UK 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.

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