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RAC calls on supermarkets to support struggling drivers by cutting their fuel prices by 5p a litre

Amid the worst cost-of-living crisis in four decades drivers are being denied cheaper fuel by the UK's biggest retailers refusing to lower their forecourt prices to reflect far lower wholesale costs.

In a shocking example of 'rocket and feather' pricing RAC Fuel Watch data shows supermarkets are currently enjoying margins of around 15p a litre on both petrol and diesel while hard-pressed drivers have to fork out for petrol

at an unnecessarily high average price of 160.96p and 184.41p for diesel – which is only 2p lower than the UK average of 163.24p for unleaded and 3p lower for diesel (187.42p).

If the supermarkets were to be taking a lower average margin of 10p a litre on both fuels, they would be selling petrol for 152p and diesel for 173p – around 9p less for petrol than they are currently and 11p less for diesel.

The price of delivered wholesale unleaded hit 130p a litre in mid-October while diesel rose to nearly 158p, however since then prices have reduced significantly – petrol has dropped by 13p to 117p and diesel by 22p to 136p* – yet the biggest retailers haven't been reducing their forecourt prices to the same extent. The average price of diesel bought at a supermarket has only fallen 3p a litre from 187.54p on Halloween to 184.41p while petrol has only gone down 4.4p from 165.36p to 160.96p.

RAC fuel spokesman Simon Williams said:

“With many people struggling to put fuel in their cars it's very sad to see the biggest fuel retailers taking advantage of their customers by charging far higher prices than they should be. This is unfortunately a perfect example of prices falling like a feather, the opposite of them rocketing up as soon as the wholesale price rises significantly.

“The supermarkets dominate UK fuel retailing, primarily because they have traditionally sold petrol and diesel at lower prices due to the large volumes they sell, but sadly there is now a remarkable lack of competition among the four main players which means prices are far higher than they should be. If one of the supermarkets were to lead a round of price cuts, the others would follow suit which, in turn, would bring the average price of fuel down for the benefit of drivers everywhere. As it stands, there are smaller, independent forecourts offering more competitive prices than supermarkets so drivers should shop around.

“Asda has traditionally been the most aggressive supermarket on fuel prices, but while it's still the cheapest of the big four, it seems far less keen to lower prices in a falling wholesale market than it has been in the past.

“We urge the supermarkets to do the right thing by their customers and cut

prices by at least 5p a litre immediately. But, if events of this time last year are anything to go by drivers might be in for some pre-Christmas disappointment because despite similar margins in 2021 the supermarkets failed to cut their prices significantly. The big difference this year, of course, is that petrol is on average 16p a litre more expensive (147.27p on 18 November 2021) and diesel is an unbelievable 37p dearer (150.66p on 18 November 2021).”

[Find out more about UK petrol and diesel prices](#) on the RAC website.

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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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