



## Craig Whittaker MP

CALDER VALLEY

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### **Response to Fuel Duty – April 2017**

Thank you for contacting me about fuel prices.

The Government recognises that fuel costs remain a significant part of business and household costs. In order to reduce living costs, and support those who are just about managing to get by, fuel duty has been frozen for a seventh successive year. In total this saves the average car driver £130 a year compared to pre-2010 fuel duty escalator plans, and the average van driver £350. This is a tax cut worth £1 billion in 2017-18, and means the current fuel duty freeze is the longest for 40 years.

The Competition and Markets Authority, the body charged with monitoring competition within UK markets, investigated the fuel retail market in 2013 in order to determine whether there was anti-competitive behaviour by market participants. It found no evidence that retailers are colluding to fix pump prices.

Reduced duty rates are offered on alternative fuels as an incentive for drivers to move to cleaner fuels. Liquefied petroleum gas, compressed natural gas, liquefied natural gas, biomethane and aqua-methanol all benefit from reduced duty rates.

Kind regards,

Craig Whittaker MP