

Rt Hon Grant Shapps
Secretary of State for the Department for Energy
Security and Net Zero
1 Victoria Street
SW1H 0ET

From: Sarah Cardell
Chief Executive

19 July 2023

Dear Secretary of State,

Thank you for hosting the roundtable on Monday 17 July, bringing together fuel trade associations and fuel retailers to discuss next steps following the publication of the CMA's final report into road fuel on 3 July.

As you know, the CMA's road fuel market study made two recommendations to government, namely:

1. A new open data fuel-finder scheme, that will give drivers and, critically, third party service providers such as comparator and navigation apps, access to real-time, station-by-station fuel price data for all fuel retailers. This will help people find the cheapest fuel and drive down prices. We advised that the fuel-finder open data scheme will need statutory backing to require fuel retailers to provide up-to-date pricing data and make it available in an open and accessible format, that can be easily used by third party apps.
2. A new public monitoring function to maintain focus on the sector, with formal powers to monitor prices and margins on an ongoing basis and recommend further action if competition continues to weaken in the market. As the UK transitions to net-zero the demand for petrol and diesel will reduce. The fuel monitor will help the governments of the UK understand the impact of this, including on vulnerable consumers that remain dependent on petrol and diesel for longer, as well as those living in areas with limited choice of fuel stations or which are not well served by electric vehicle infrastructure.

These recommendations are grounded in the evidence and insight gained from our year-long study. In our view, action on these recommendations is key to revive competition in the road fuel market, and will make the most tangible impact on fuel prices for people and businesses right across the UK. I was therefore very pleased that in your letter to me of 3 July you confirmed that the government has accepted our recommendations and intends to legislate to put them into place, consulting on this in the autumn.

I am conscious that putting our recommendations on a statutory footing can take some time. I therefore welcome the fact that our teams are working together to explore whether a version of the open data fuel-finder scheme could be introduced in advance of the legislation, on a voluntary basis, bringing the fuller benefits of our recommendation to consumers sooner.

More immediately, the CMA has agreed to develop a simpler temporary scheme for the major retailers to make available their daily prices on a voluntary basis, by the end of August. This temporary scheme will not deliver all the benefits of the full open data statutory scheme, but the CMA is committed to do all it can to help drivers as swiftly as possible, whilst waiting for the government's consultation and subsequent legislation.

At the roundtable I set out the CMA's proposed approach to delivering the temporary scheme. This involves the largest retailers making available, on a voluntary basis and in a common, machine-readable format, their daily prices across their petrol stations, which can then be used by comparison apps and sites to support consumer choice. The CMA has no statutory powers to compel retailers to provide this information, either initially or on an ongoing basis. So I welcome your strong encouragement to retailers to participate in this arrangement voluntarily, in a full and timely way.

As I outlined at the roundtable, the CMA will set up a retailer working group to meet next week. I have invited your officials to participate in the working group, so the CMA and the government can continue to work together to help ensure drivers see the benefits of improved competition in the market as quickly and effectively as possible. We will update publicly on the progress made by the end of August.

As noted above, we will also continue to work with officials on the full statutory open data scheme, as well as exploring whether a version of this scheme could be introduced in advance of the legislation on a voluntary basis.

Best regards

Sarah Cardell
Chief Executive