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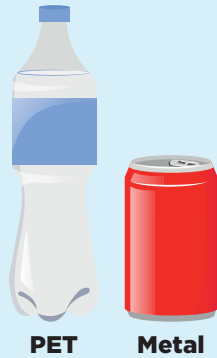
DEPOSIT RETURN SCHEME
GUIDANCE FOR
CONVENIENCE STORES

An ACS advice guide for retailers – June 2026 update
www.acs.org.uk

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local shops



The UK Government is introducing a Deposit Return Scheme (DRS) in October 2027 which will operate in England, Scotland and Northern Ireland and be overseen by Exchange for Change (formerly the UK Deposit Management Organisation).



PET **Metal**
Volume between 150ml and 3 litres

The Welsh Government intend to introduce a DRS by October 2027 that also includes glass. Glass containers in Wales will not have a deposit applied to them until 2031, but must still be accepted in stores.

Customers will pay a 20p deposit when purchasing a drink in a single-use container and receive their 20p deposit back when they return the empty container to a Return Point Operator.

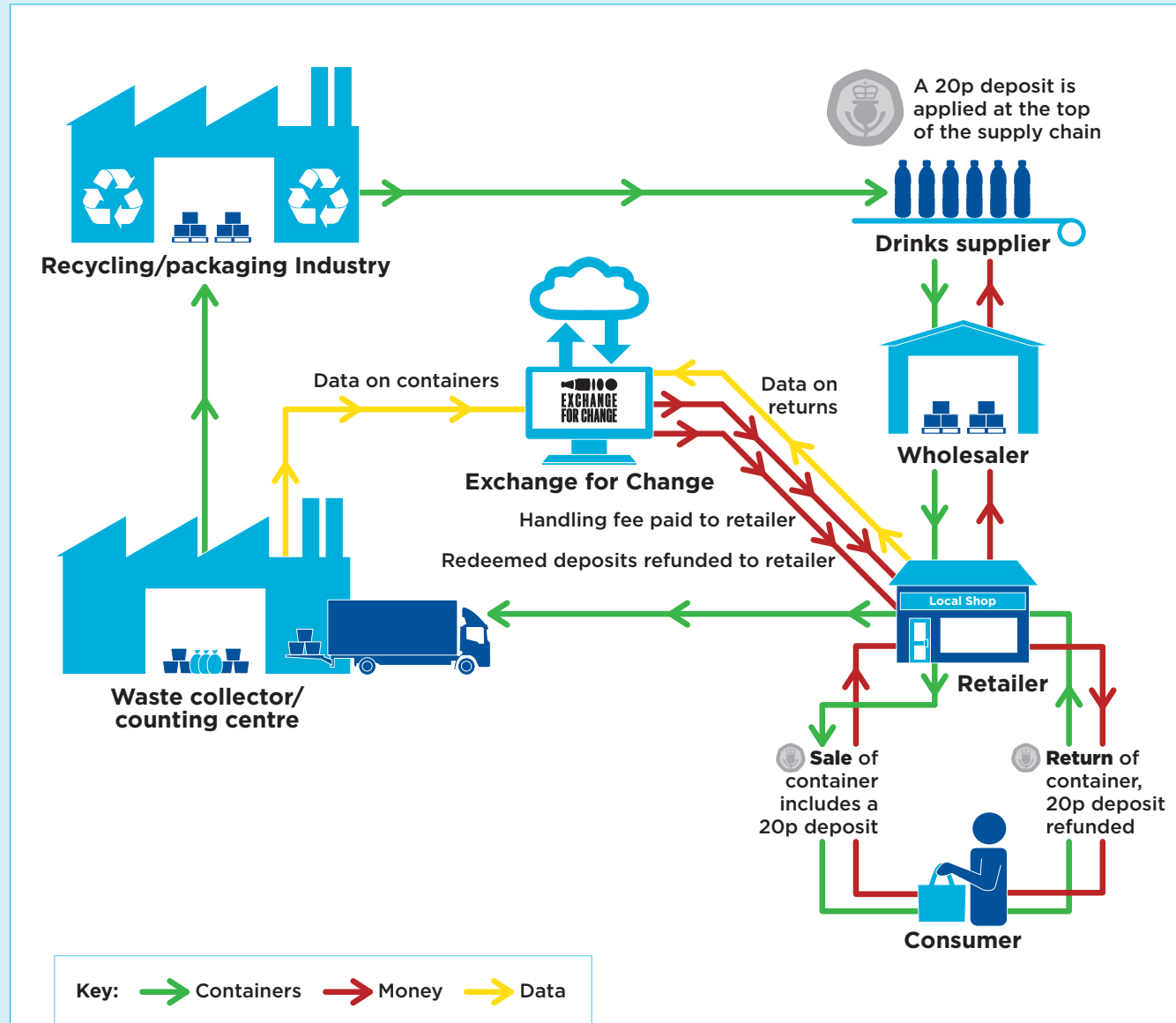
Single use containers in scope include PET plastic bottles and metal cans (volume between 150ml and 3 litres).

If you sell drinks in single-use containers, you are obligated to:

- Register your store with Exchange for Change.
- Pay the 20p deposit back to customers at the point of return.
- Ensure that customers can redeem their deposit through a voucher at the checkout.
- Display information so customers know how the scheme works.

You can apply for an exemption from operating a return point. However, every store must charge a deposit on containers, even if they are exempt from hosting a return point.

HOW A DEPOSIT RETURN SCHEME WORKS

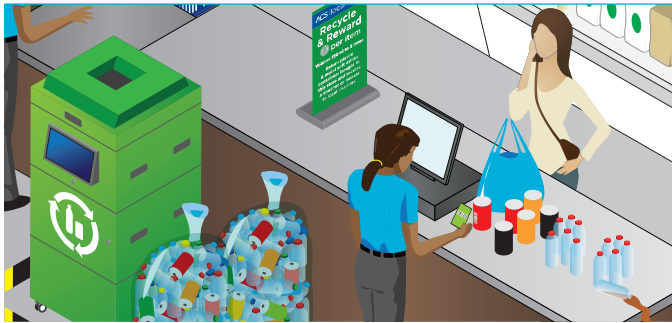




WHAT ARE THE RETURN POINT OPTIONS FOR CONVENIENCE STORES?

if you sell drinks in single-use containers, you will need to register with Exchange for Change. You will have three options:

Manual return

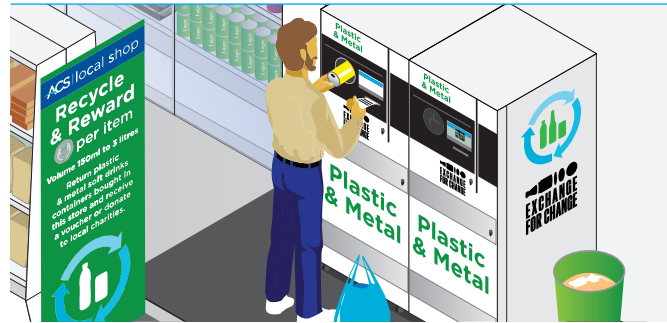


- Colleagues will manually collect and scan returned containers at checkout and refund deposits to customers based on how many containers were collected.
- Scanned containers are then stored in bags at the checkout, and when bags are full, they can be moved by colleagues to a storage area ready for collection.
- You need to record and submit container returns in order to be paid a handling fee by Exchange for Change.

Things to consider

- Lowest cost option.
- Pressure on colleagues and queues at checkout.
- Space behind checkout to store containers.
- Hygiene issues, such as handwashing.

Reverse Vending Machine (RVM)



- You can choose to buy or lease a RVM that can be used by customers to return empty containers.
- Containers will be scanned and stored inside the machine until the machine is emptied by a store colleague for collection.
- Customers will be refunded their deposit via the machine. The machine will print a voucher that customers can redeem at the till. Alternative repayment methods are currently being considered by Exchange for Change.

Things to consider

- Positive customer experience in stores.
- Reduced impact on colleagues.
- Compacting of returned containers saving space.
- Capital outlay in buying/leasing, running and servicing RVMs.
- Cleaning & emptying machines on daily basis.
- Storage space for higher volume of returns.
- Permission from landlord before installing a machine.

Exemption



- Retailers in urban areas are exempt from hosting a return point if they have a retail space of less than 100 square meters. If your store is automatically exempt, you can still apply to be a voluntary return point.
- If you are not automatically exempt, you can still apply for an exemption based on how close your store is to another return point, or based on the location, layout or size of your store. We await further clarification from Exchange for Change.

Things to consider

- No need to take back or store containers.
- Loss of footfall to competitors.
- Must apply to Exchange for Change for exemption.
- You must display signage in your store for explaining your exemption and pointing out the closest alternative return point.

! You must check that any RVM you buy or lease meets the RVM specifications that have been published by Exchange for Change before investing. These can be [found here](#).

It is important to note that 'smart bin' solutions do not meet the Reverse Vending Machine Specifications and will therefore be considered as manual return points, as these bins will not crush the collected material. While this may be suitable for your store, this method of returns will have an implication on the handling fee you receive per container, as well as grant eligibility, and you should fully understand the financial impact of this on your business before investing in a solution.



RETAIL HANDLING FEES

Exchange for Change have **confirmed** the compensation retailers will receive for operating a return point.

Manual return



For manual return point operators, Exchange for Change will:

- Reimburse retailers 3p per collected container.

Reverse Vending Machine (RVM)



For automatic return point operators (retailers hosting RVMs), Exchange for Change will:

- Reimburse retailers 5p per collected container up to 225,000 containers per year.
- Reimburse retailers 1.3p per collected container beyond the initial 225,000 containers per year.

*To receive the automatic retail handling fee, retailers must be operating a reverse vending machine which meets the **RVM specification** set out by Exchange for Change.*

Grants will be made available for small independent retailers who choose to invest in a Reverse Vending Machine. Exchange for Change have allotted £60 million in grant funding, which will be paid to retailers who meet the eligibility criteria. A grant of £6,000 will be paid over a period of three years to approximately 10,000 retailers. More details on grants and eligibility are in the process of being confirmed by Exchange for Change.



KEY CONSIDERATIONS: HOW MANY CONTAINERS WILL BE RETURNED TO YOUR STORES?

Container return rates will directly influence how your store is involved with the Deposit Return Scheme. You should estimate the volume of in-scope containers you sell and consider what percentage of those containers you expect to be returned.

It is important to consider other factors affecting footfall and the volume of containers returned to your store, some of which may include:

Local housing and vehicle ownership



The type of housing and vehicle ownership of customers near your store may determine when and how frequently containers are returned to your return point. People living in smaller dwellings may return more frequently compared to those in larger dwellings that have more space to store containers.

Other return points



What other businesses near you will be hosting return points and what format of return point will they offer?

Supermarkets and convenience stores will be the main return points for customers to return empty containers. Hospitality venues are not required to take back any returns.

Other businesses can also apply to host a voluntary return point, meaning there might be another return point near you.

Footfall and transient customers



Return points in locations with high volumes of transient customers, for example bus and train stations, may receive lower volumes of container returns compared to neighbourhood stores, which experience more predictable footfall.



KEY CONSIDERATIONS: OPERATING A MANUAL RETURN POINT

NEW STORE SIGNAGE

You must display the following information clearly and accessibly at the return point:

- A statement that Return Point Operators may refuse containers if they have a reasonable excuse for doing so, and no deposit will be paid.
- A summary of Exchange for Change's procedure to make a complaint about a return point.
- Contact details for Exchange for Change.

SMART BIN SOLUTIONS

Some suppliers may offer smart bin solutions or a semi-automated reverse vending machine. While these machines may be suitable for your store, they do not meet the **RVM specifications** set out by Exchange for Change as they do not crush collected containers. Retailers who choose to invest these solutions will be considered to operate a manual return point, receiving the 3p manual retail handling fee and will not be eligible for the grant.

PROCESSING RETURNED CONTAINERS AT THE CHECKOUT

Returned containers will have to be collected, processed and initially stored at the checkout in bags.

REFUSING CONTAINER RETURNS

You can refuse to accept a returnable item if you have a reasonable excuse for doing so. The definition of reasonable excuse is yet to be determined by Exchange for Change.

INCREASE CLEANING

You will need to increase cleaning protocols around the checkout area where containers are returned. Dirty containers or residual liquids in containers may increase the likelihood of wet floors and therefore slips and trips.

SHELF EDGE LABELLING

The exact layout and content of shelf edge labels is still being determined by government. You should consider how to communicate the price of the product, deposit and the total cost to consumers. We will confirm exact specifications when they are available.



MOVING CONTAINERS

Returned containers, kept at the checkout, will need to be moved safely across the shop floor to a secure storage space. You will need to review your store's risk assessment and the equipment available to colleagues for moving containers.

CLEAR COMMUNICATION

Exchange for Change and retailers will need to work together to provide customers with clear instructions, so they know what to do when DRS is first introduced. Consumers will need to understand which containers are part of the scheme and where empty containers can be returned, so that they can redeem their deposits.



DEPOSIT RETURNS

At the checkout, you will be able to offer a refund for a refund for deposits of any returned containers, at a rate of 20p per collected container.





KEY CONSIDERATIONS: OPERATING A REVERSE VENDING MACHINE


IS AN RVM THE RIGHT CHOICE FOR YOUR STORE?

You will receive a handling fee of 5p per collected container up to 225,000 containers from Exchange for Change to help cover the cost of collection. If you collect more than 225,000 containers in a year, each container collected above this threshold will be paid at a rate of 1.3p per collected container.


REDEEMING DEPOSITS FROM RVMs

The RVM must be integrated with your store's EPOS system to ensure that the redemption can be processed. Vouchers should be unique and single use to prevent fraud. Exchange for Change will work with retailers and RVM suppliers to ensure that alternative repayments (such as digital payments or loyalty rewards) and donations to charities can be introduced in the future.

THINGS TO KNOW BEFORE YOU INVEST IN AN RVM

- Any RVM you choose to invest in must meet the RVM specifications set out by Exchange for Change [here](#). Ask your RVM provider if they can prove their RVM meets the **RVM specification**.
- RVMs must not accept non-scheme containers as they hold no deposit. Single-use beverage containers made from PET, aluminium and steel, between 150ml and 3 litres are within the scope of DRS.
- The RVM will require a power supply and internet connection to capture data about the volume of returns and must be connected to Exchange for Change's network at least 99.5% of the time. 
- The machine should also compact the returned containers to prevent fraud, a compaction rate of at least 55% for PET and 75% cans must be achievable.
- As a minimum all RVMs must have the option to produce a paper voucher that enables the consumer to redeem their deposit for cash in store.

RVM MACHINE AND DIGITAL DISPLAY

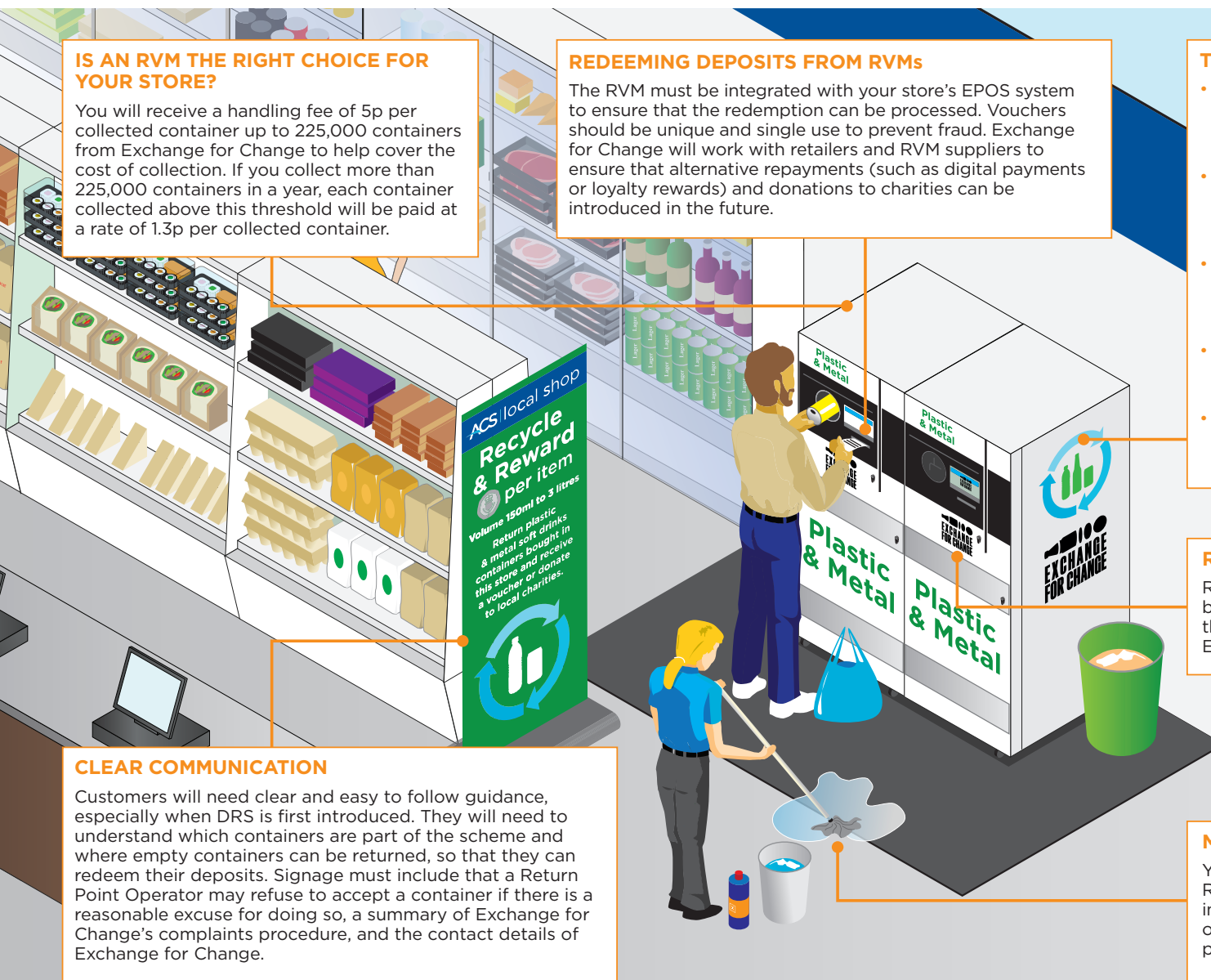
RVMs must have place for Exchange for Change's branding on the physical machine in line with the RVM brand asset guidelines provided by Exchange for Change. 

CLEAR COMMUNICATION

Customers will need clear and easy to follow guidance, especially when DRS is first introduced. They will need to understand which containers are part of the scheme and where empty containers can be returned, so that they can redeem their deposits. Signage must include that a Return Point Operator may refuse to accept a container if there is a reasonable excuse for doing so, a summary of Exchange for Change's complaints procedure, and the contact details of Exchange for Change.

MANAGING SPILLS AROUND RVMs

You will need to consider how to manage any spills around RVMs where residual liquid is left in containers. This could include rubber mats and bins. You should also consider the odour which may occur from returned containers and enhanced pest controls which may be needed.





KEY CONSIDERATIONS: BACK OF HOUSE FOR REVERSE VENDING MACHINE AND MANUAL RETURNS

COLLECTING THE CONTAINERS

The collection frequency is currently being determined by Exchange for Change, but the frequency of collections from your store will depend on your store size and how many containers you collect. You will also need to consider how to manage peaks in demand, for example seasonal events around your store and bank holidays, which may significantly increase the volume of returns.

MANAGING STOCK

During the transition period, stores will need to account for space on the shop floor and in the back of house to accommodate both DRS and non-DRS products. You should aim to sell through the non-DRS stock first, as this will no longer be eligible to place on the market after a certain period of time. Exact dates are to be confirmed by Exchange for Change.



STORAGE BAGS AND BINS

You will need to buy bags from recognised suppliers to store plastic and metal containers. When bags are full, colleagues will need to add specific labels so that the returned containers can be collected and retailers can redeem their handling fee. We expect that wheelie bin(s) will be provided for the storage and collection of empty containers.

STORAGE OF CONTAINERS

You will need to find safe and sufficient space to store containers separately from where open food is served or stored.





SEEKING AN EXEMPTION FROM HOSTING A RETURN POINT

Under the Deposit Return Scheme regulations there is an opportunity for all return points to apply for an exemption if they meet a criterion. It will be up to Exchange to Change to administer and decide on applications for exemptions.

Automatic exemption

All stores with a retail space **below 100m²** in an urban area are automatically exempt from hosting a return point and do not need to register their store with Exchange for Change.

Definitions:

- “Retail space” means the customer-facing area of your store. Areas not normally accessible to customers, such as storage areas or back offices, are excluded from this measurement.
- Stores that are automatically exempt may still seek to host a return point on a voluntary basis.
- In England, urban areas are defined as having a population of 10,000 people or more by the [Office for National Statistics](#).
- In Northern Ireland, urban areas are defined as having a population of 5,000 people or more by the [Northern Ireland Statistics and Research Agency](#).
- In Scotland, urban areas are defined as having a population of 10,000 people or more by the [Scottish Government](#).

! Obligations for retailers who obtain an exemption:

All retailers who are exempt from hosting a return point must display the following information clearly and accessibly in your store. This includes a statement which will be provided by Exchange for Change, information of the nearest return point and how the deposit can be redeemed, the reason for exemption (e.g. retail space is less than 100m²), and a statement on how information about the exemption can be found. Further details and the required notice will be issued by Exchange for Change in early 2027. The full exemption criteria, outlined by Exchange for Change can be [found here](#).

Applying for an exemption

If your retail space is **between 100-199m²** in an urban area, or **under 200m²** in a rural area, you might be able to apply for an exemption based on the following factors:

- Proximity to another return point.
- Characteristics specific to your store (e.g. location, layout, size).

All exemption applications must include the following information:

- The name of the store applying for an exemption.
- The address and telephone number of the registered business and store.
- The company registration number, if applicable.
- The name and telephone number of the main contact for the business, and an email address where possible.
- Where the groceries retailer is a partnership, the names of all the partners.
- Information about the location of the alternative return point, if the application is being made under regulation proximity criteria.
- Evidence to support the application, if the application for a premises-based exemption.

Exchange for Change may revoke an exemption, within either the premises or the proximity criteria, at any time where any of the below apply:

- There is a material change in relation to any of the circumstances under which the exemption was granted.
- At the request of the exemption holder.

The full exemption criteria, outlined by Exchange for Change can be [found here](#).



APPLYING FOR AN EXEMPTION

All convenience stores with a sales space above 100m² are required to host a return point and offer a container take back service to customers, unless granted an exemption. Retailers who are not automatically exempt and would like to seek an exemption must register their store(s) with Exchange for Change and apply for either a proximity or premises-based exemption.

These exemptions are not automatic and will be assessed by Exchange for Change on a case-by-case basis. All applications are site-specific, therefore each store will need to apply for its own exemption. Exemptions in England and Northern Ireland are subject to renewal every 36 months. All exemptions can be reviewed or revoked at any time.

Proximity exemptions

Exemptions based on proximity are available to urban retailers with a retail space above 100m² and rural stores of any size. An exemption will only be granted where Exchange for Change is satisfied that adequate provision for consumers is maintained in your area. To qualify, the following conditions must be met:

1. There must be another return point within your area, which customers will pass on their journey.
2. The alternative return point must be within a reasonable proximity to your store, and must not place an unreasonable burden on consumers.
3. The alternative return point must have reasonable capacity and opening hours to accommodate for empty containers which could be returned from your store if an exemption is granted.

Premise exemptions

Exemptions based on premises are available if it is not possible or not reasonable to host a return point due to the characteristics of your store. A premises-based exemption will only be granted in exceptional circumstances where genuine, site-specific constraints can be evidenced to support your application. Qualifying grounds for an exemption are based on:

- **Location:** where the location of a premises does not permit the operation of a return point.
- **Layout:** where installation of a return point would materially compromise emergency access, or the premises has no back of house storage.
- **Size:** retailers in an urban area with a sales space of 100-199m², or rural retailers with a sales space under 200m² may apply for an exemption based on the size of their store. While retailers who have a larger selling space can still apply, Exchange for Change have stated that there is a presumption against granting this type of exemption.
- **Design:** building design or heritage grounds may be considered for listed buildings, or stores located within a protected building.
- **Construction:** when utilities or service constraints cannot support a verified power supply for a RVM, and upgrade would require network reinforcement beyond the curtilage of the premises, or ventilation constraints make internal storage non-compliant and no external solution is possible.

To qualify, both of the following must be demonstrated:

1. A material and site specific constraint under one or more of the qualifying grounds (location, layout, size, design, or construction).
2. That refusal would require structural or operational alteration that is unreasonable.



CONTACT

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