

The Rt Hon Rachel Reeves MP
1 Horse Guards Road
Westminster
London
SW1A 2HQ

Dear Chancellor,

ACS Local Shop Report 2025

I am writing to share ACS' (the Association of Convenience Stores) Local Shop Report 2025. The report provides key insights into the convenience sector, including store and job figures, sales statistics, direct tax contributions, investments made by convenience retailers, and the profiles of owners, employees and customers utilising convenience stores.

The report demonstrates the pivotal contribution of the UK's 50,486 convenience stores to both the national economy and local communities. However, it also underscores the challenges faced by store operators, some of which are directly linked to recent government policy decisions. The sector has seen a reduction in both employment and working hours, and investment levels have fallen. We urge you to consider the ways in which policy impacts the viability of convenience retailers and their ability to continue offering essential services - such as Post Offices, bill payment facilities, and access to everyday goods - in communities across the country.

The report highlights there are 443,000 people employed in the sector. Over the past year, convenience retailers have invested £916million, most commonly directed towards refrigeration, internal building maintenance and improving IT systems. The report also highlights the growing range of services and technology that stores offer, from banking and bill payment services, to click + collect and home delivery services, and shows the vital role they play in communities and how relevant we are to our consumers. Our members sell a broad range of products, adapting to each community's needs, however for the first time since we started producing this report, we have seen a decline in sales, reflecting pressure on household incomes.

Local shops contribute £10.5 billion in GVA and £9.5 billion in taxes each year, supporting hundreds of thousands of jobs in every constituency. However, the sector continues to face significant cost pressures, with the last Budget adding an estimated £612 million in costs through increases in employer NICs and reductions in business rates relief. These additional burdens risk undermining investment, job creation, and the ability of local shops to keep serving their communities

To support long-term growth, it is vital that the forthcoming Budget helps small retailers by reducing their business rates burden. We urge the Treasury to set new RHL multipliers 20p lower than the standard multiplier, using the full range of the new legislation, to recognise the essential role of local shops, and to index Small Business Rate Relief thresholds to reflect rising rateable values at the 2026 revaluation. These measures would provide stability, incentivise investment, and enable growth on local high streets and parades.

In addition to the report, you can learn about the 69 local shops and 595 people employed by them in Leeds West and Pudsey by looking at the attached constituency card, which also contains details of the level of investment local retailers have invested in their business. We encourage you to share your constituency data on social media to celebrate the important contribution that convenience stores make to local communities.

We would value the opportunity to meet with you to discuss the Local Shop Report and the positive role that convenience retailers bring to their local economy and community. We will follow up with your office or you can contact jordan.newfield@acs.org.uk to arrange a meeting.

Yours sincerely



James Lowman
Chief Executive