

Rural Shop Report 2026 – Briefing

ACS (the Association of Convenience Stores) represents 18,355 rural shops, including Co-Op, One Stop and thousands of independent retailers, many of which trade under brands such as Spar, Costcutter and Londis. Key findings from ACS' 2026 Rural Shop Report are:

- There are **18,355** rural shops across the UK
- They provide local secure flexible employment for **165,000 people**
- **79%** of rural shops are independently owned
- A rural shop typically serves a settlement of **500 people**, but services offered support **2,000 people** in surrounding
- **62%** of people in rural areas would have to travel **two or more miles** to access essential groceries without their rural shop
- **More than half** of rural residents believe their local shop helps to reduce loneliness in their community

[You can read the full Rural Shop Report here](#), ACS' key policy priorities for rural shops are set out below:

1. Action on Rural Infrastructure

Reliable digital connectivity is increasingly critical to the sustainability of rural convenience stores, but rural retailers have made clear that the challenge extends beyond broadband alone to include **wider infrastructure reliability**, particularly mobile coverage, electricity supply and the coordination of local infrastructure works that affect roads.

In today's retail environment, rural shops rely on stable digital systems to process card payments, manage Post Office and parcel services, operate stock and supplier platforms, and meet regulatory and compliance requirements. Increasingly, these systems are highly sensitive to even short disruptions. Poor mobile signal, intermittent broadband and frequent power outages can halt trading, delay transactions, increase staff pressure and frustrate customers, particularly in small rural settlements where alternative services are limited.

Rural retailers also face infrastructure challenges linked to population growth and development that is not matched by investment in local capacity. New housing without corresponding upgrades to electricity networks and digital infrastructure is increasing the frequency of power cuts and service outages, undermining business resilience. Uncoordinated road closures and utility works further disrupt footfall and deliveries, with limited notice or mitigation for affected businesses.

While ACS supports the work of Building Digital UK (BDUK), including Project Gigabit, rural retailers need **reliable, business-grade connectivity and infrastructure**, not just faster headline speeds. Addressing these challenges is essential if rural shops are to continue providing essential services, adopt new technology and remain viable at the heart of their communities.

ACS' Recommendations:

- *Accelerate the delivery of reliable broadband and mobile connectivity in rural high streets, ensuring BDUK programmes such as Project Gigabit explicitly support rural businesses as well as homes.*
- *Improve the resilience of rural infrastructure, including electricity networks, to reflect increased digital reliance and population growth.*
- *Require better coordination and notification of local infrastructure works, ensuring rural businesses are informed in advance and disruption to trade is minimised.*

2. Tackling retail crime and shop theft

Retail crime continues to place a significant and growing burden on convenience retailers including rural shops. Across the sector, crimes against convenience stores resulted in **£316 million** in losses, averaging **£6,259** per store¹. This is equivalent to a 10p 'crime tax' on every transaction, costs that ultimately affect investment, staffing and prices for customers. Retailers estimate 6.2 million incidents of shop theft in the last year, yet only **492,914** incidents were recorded by the police². This gap highlights persistent under-reporting, lack of confidence in outcomes, and limited police capacity to respond.

For rural retailers, the challenge of preventing and responding to crime is often **heightened by a limited and highly stretched local police presence, extended response times following incidents** and the increased **vulnerability of lone workers** and isolated stores.

These factors underline the need for a focused and customised approach to rural retail crime, rather than one-size-fits-all policing models designed around urban environments. ACS has consistently called for **locally tailored crime prevention strategies**, developed in partnership with retailers and police forces that reflect the **specific risks** faced by rural communities.

ACS' Recommendations:

- *Increase resources for neighbourhood and operational policing, and develop more effective online reporting mechanisms that allow retailers to share report incidents quickly and directly with the police.*
- *Require the National Rural Crime Unit, established by the National Police Chiefs' Council (NPCC) to incorporate strategies to tackle retail crime within rural communities.*
- *Remove essential equipment like CCTV from increasing business rates bills and support investment in crime prevention measures*

3. Upcoming environmental regulations: Deposit Return Scheme (DRS)

ACS supports the introduction of DRS, but its success will depend on its commercial viability for rural retailers and a strategically mapped network of return points. A central principle for convenience retailers is that DRS must be **genuinely cost neutral** for local shops.

As the UK Deposit Management Organisation (DMO) considers the appropriate level of Retail Handling Payments (RHPs), it must fully reflect the **real, ongoing costs** faced by rural retailers, including labour time, space constraints, electricity and connectivity requirements, and the capital and maintenance costs of Reverse Vending Machines (RVMs). Retailers are clear that the breakeven point for return points in rural locations, may be harder to reach where return volumes maybe lower.

Currently rural shops under 100m² are excluded from receiving an exemption. The wider exemption process must therefore be **clear, accessible and pragmatic**, ensuring rural communities retain reasonable access to return points without imposing unmanageable obligations on local shops.

The **physical and operational demands** of DRS infrastructure present additional challenges in rural settings. Limited shop floorspace, lower staffing levels and existing pressures from parcel services and Post Office operations mean that installing and operating new machinery could be highly disruptive.

ACS' Recommendations:

¹ ACS Crime Report 2025

² ACS Crime Report 2025

- *Apply a flexible, rural-proofed approach to DRS exemptions, recognising the physical, financial and operational constraints faced by rural shops, and allowing return points to be located where they are genuinely viable rather than mandating participation where it is impractical.*
- *Ensure DRS is cost neutral for rural retailers, fully reflecting labour, space, energy, connectivity and equipment costs, including higher breakeven thresholds in rural locations.*
- *Support consumer awareness and behaviour change, recognising that effective public education will be critical to the scheme's success and to minimising friction for rural shops.*

4. Devolution and rural retail communities

The Government's devolution agenda will shape how economic development, planning and public services are delivered across England in the coming years. While ACS supports the principle of devolving power closer to communities, **without explicit rural safeguards, decision-making and investment risk defaulting to urban priorities**, undermining the Government's ambition through its Pride in Place Strategy to support vibrant communities across all parts of the country.

We welcome the **English Devolution and Community Empowerment Bill**, which grants new powers to mayoral and strategic authorities over planning, infrastructure and local growth. However, it is essential that the distinct role of rural shops as providers of essential services, employment and community cohesion is recognised and reflected in local strategies.

Rural areas risk being overlooked as governance structures expand, particularly where models are based on urban frameworks. For rural retailers, this could result in reduced visibility in local decision-making on infrastructure, transport, housing and service provision, despite their central role in sustaining rural communities and local economies.

ACS' Recommendation:

- *Ensure devolution arrangements explicitly recognise rural needs, including by requiring mayors and devolved authorities to have regard to the role of rural businesses and services such as local shops, and to consider rural impacts in strategic planning, infrastructure investment and local growth decisions.*

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