

14 January 2026

Dan Tomlinson MP
1 Horse Guards Road
Westminster
London
SW1A 2HQ

Dear Exchequer Secretary,

Business rates support for local shops

We are writing to call for further support for local shops to help mitigate significant business rates increases arising from the 2026 revaluation and the withdrawal of COVID-era reliefs. Like pubs, many local shops are facing rates increases in the coming years that will materially affect their businesses and the services they offer to their communities.

ACS represents over 50,000 convenience stores across the UK, including thousands of independent retailers. We welcomed the introduction of lower multipliers for all retail, hospitality and leisure businesses, but these changes have not gone far enough to offset the scale of increases driven by the 2026 revaluation and the loss of other rates relief.

While transitional relief is welcome, it primarily delays the impact of higher bills rather than addressing it. Retailers are still facing increases of several thousand pounds from April, even where rises are capped at 15% in 2026/27 and 25% in the following year, with the full effect of these increases pushed further into the parliamentary term.

Independent retailers have been particularly affected, as they benefited proportionately more from reliefs that are now being withdrawn. Our evidence shows that independent convenience stores, and especially those operating on petrol forecourts, are set to be hardest hit by changes to rates bills, despite the introduction of the new RHL multiplier and transitional relief package announced at the Budget.

These increases have direct consequences for investment, jobs and the continued provision of essential community services. Rising fixed costs limit retailers' ability to invest in stores, retain staff and absorb other cost pressures, and ultimately place further upward pressure on prices for consumers.

Local shops up and down the country are under extreme pressure from rising costs and should all receive support. Providing additional funding to support some businesses but not others risks creating further uncertainty and does not represent a responsible or sustainable approach to supporting high streets, neighbourhood parades, villages and all local communities, for whom these services are essential.

We would welcome the opportunity to meet to discuss the evidence from our members and consider practical options to address these issues.

Yours sincerely,

James Lowman



Chief Executive
Association of Convenience Stores