Plunkett UK
Rural Community Business

Deposit Return Scheme: What Community Shops need to know

UK Government introducing DRS October 2027 (England, Scotland, Northern Ireland)

Delivered by Exchange for Change

Applies to shops selling drinks in single-use PET plastic bottles and metal cans (150ml – 3L) plus glass in Wales.



Why DRS is being introduced

- Cuts waste and boosts recycling
- Supports a circular economy
- Helps communities reduce litter and improve local environment



Plunkett UK

How the scheme works

STEP 1: DEPOSIT

Customers pay a 20p deposit per eligible container



STEP 2: RETURN

Deposit refunded when empty container is returned to a return point



STEP 3: RECYCLED

Voucher redemption at checkout required. The material is recycled



What containers are included

- PET plastic bottles
- Metal cans
- Volume 150ml–3L

Wales: glass included, but no deposit on glass until 2031



Retailer Obligations

- Register with Exchange for Change
- Charge the 20p deposit on all eligible containers
- Refund deposits to customers (method determined by Exchange for Change)
- Display information explaining the scheme

Return Point Options

- Manual return point (staff-operated)
- Automated reverse vending machine (RVM)
- Apply for an exemption

Your options are:

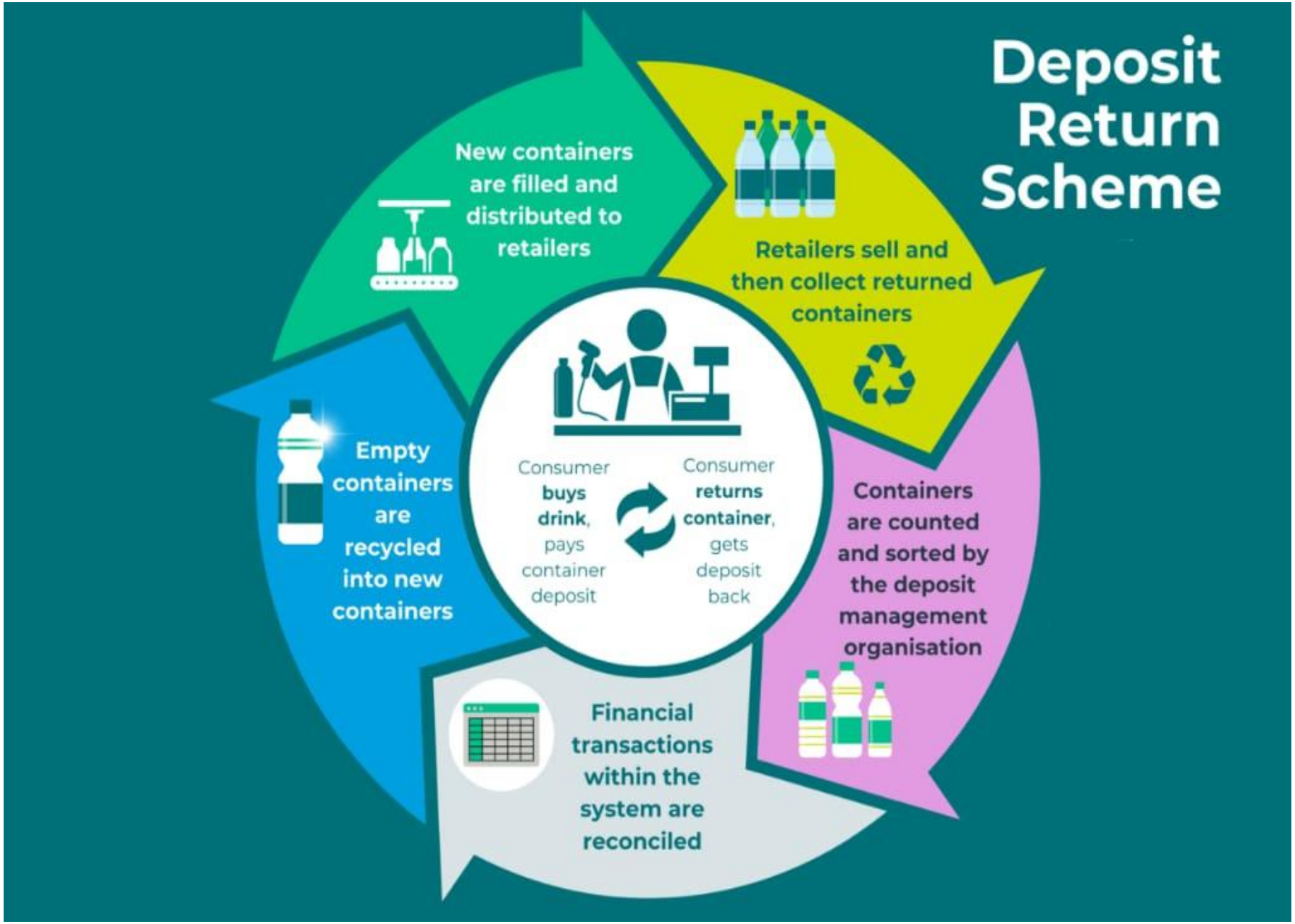
Manual Return Point

- Staff check containers
- Refund issued
- Lower cost setup
- Requires space and staff time

Automated RVM

- Machine accepts containers
- Issues refund voucher
- Higher upfront cost
- Efficient for high return volumes

The UK Government's Deposit Return Scheme Graphic



Exemption Option

- Stores may apply for exemption from hosting a return point
- Must still charge deposits even if exempt
- Consider if space or safety constraints exist

Local Considerations for Community Shops

- Expected return volumes
- Footfall and shop size
- Storage for returned containers
- Impact on staff/volunteer workload

Welcome to Phase 1 Registration

Welcome to the Exchange for Change registration portal. If your business is a mandated Producer, Return Point Operator, or both, you must complete registration in two phases.

This is Phase 1, which must be completed as soon as possible and by 31 December 2026. Phase 2 will open in January 2027, when you will provide further information including product details, voluntary return points and collections. Not sure which registration applies to your business? Use our eligibility checker before you begin.

What you'll do in Phase 1

1. **Create an account.** Set up your business account and complete two-factor authentication.
2. **Complete your registration.** Provide your Producer information, Return Point Operator information, or both if your business carries out both roles.
3. **Review and submit.** Check that the information you have provided is correct before submitting your registration.

Once submitted, you will receive a registration reference number on screen and by email. Your confirmation email will also include a link back to the portal and contact details for our Helpdesk.

What you'll need to get started

- Your Company Registration Number
- Your registered company address, as recorded with Companies House
- Your primary contact's name, email address and job role
- Your business name and, where applicable, trading name

EXCHANGE FOR CHANGE

WHAT IS A DEPOSIT RETURN SCHEME (DRS)?

A Deposit Return Scheme (DRS) is designed to boost recycling and cut down on litter. It works by adding a deposit to the price of in-scope drinks containers, which consumers get back when they return the empty container for recycling.

MATERIALS IN SCOPE



PET
ALUMINIUM
STEEL

150ML - 3L

HOW A DRS WORKS



STEP 1



DEPOSIT

Customers pay a deposit on each product at purchase.

STEP 2



RETURN

The deposit is refunded when the empty container is returned.

STEP 3



RECYCLED

The returned material is collected and recycled.

WHO IS EXCHANGE FOR CHANGE?

Exchange for Change is a not-for-profit body formed by industry, for industry, and appointed to administer the Deposit Return Scheme (DRS) across England, Scotland and Northern Ireland.

The DRS is a statutory scheme established by government. Exchange for Change is responsible for designing and operating it in accordance with that legislation, working alongside producers, retailers, wholesalers and hospitality businesses to ensure the scheme is delivered clearly, consistently and effectively.

HAVE QUESTIONS?

Contact us at **enquiries@exchangeforchange.co.uk**

STAY INFORMED

with newsletters, practical updates, timelines and guidance on the UK's Deposit Return Scheme.
Plus details of upcoming free webinars and events.
exchangeforchange.co.uk

YOUR OBLIGATION AS A RETAILER*

1 **ALL RETAILERS THAT ARE NOT AUTOMATICALLY EXEMPTED MUST REGISTER WITH EXCHANGE FOR CHANGE VIA OUR WEBSITE**

Registration will open in Q3 2026. Exchange for Change will communicate the opening of the registration via various channels including; our newsletter, trade press and social media.

2 **GROCERIES RETAILERS MUST OPERATE A RETURN POINT**

Automatic (Reverse Vending Machines): Investment upfront, but faster and better for busy locations.

Manual: An option for smaller volume grocers.

3 **ALL RETAILERS THAT ACT AS PRODUCERS MUST REGISTER WITH EXCHANGE FOR CHANGE VIA OUR WEBSITE. REGISTRATION WILL OPEN IN Q3 2026**

See producer one-pager for further detail on producer obligations.

SCAN TO GET YOUR COPY

EXEMPTIONS CRITERIA

SMALL RETAILERS: There is an exemption if retail selling space is less than 100m² in an urban area.

OTHER RETAILERS: Exemption criteria to be confirmed in Q2.

*other obligations apply as per regulations.

Q1 2026 The RVM spec: supplied in Q4 2025

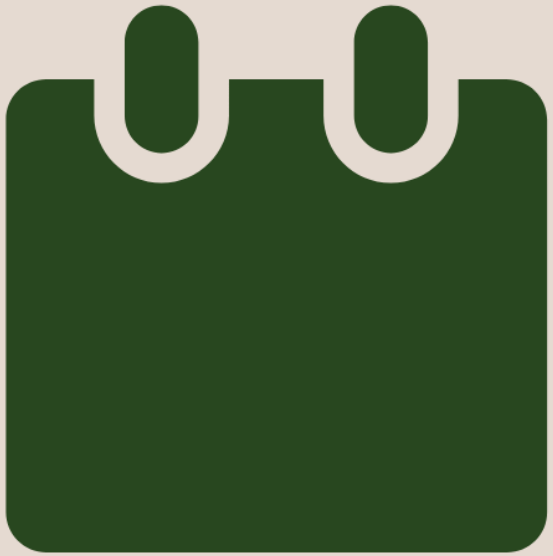
Q2 2026 Deposit value confirmed
Retail handling fee confirmation
Exemptions criteria

Q3 2026 Registration period open

What do I need to do now?

Preparing for 2027

- Register with Exchange for Change
- Decide return-point type
- Plan space and workflow
- Train staff
- Communicate with customers
- Follow monthly updates from Exchange for Change



Rural shop context: why DRS matters more

- Rural shops often act as community hubs, providing essential services where alternatives are limited.
- DRS can strengthen local recycling habits and reduce litter in countryside areas.
- Helps maintain local pride and environmental stewardship.

Unique challenges for rural shops

- Limited space for storing returned containers.
- Lower footfall, meaning fewer returns but still needing compliance.
- Staffing constraints — many rural shops rely on volunteers or small teams.
- Transport distances for collection of returned materials.

Rural logistics and collections

- Collections may be less frequent, requiring careful planning of storage.
- Shops may need to coordinate with local councils or waste contractors.
- Consider shared collection points with:
  - Village halls
  - Parish councils
  - Local pubs or cafés

Opportunities for rural shops

- DRS can increase customer loyalty by positioning the shop as a sustainability leader.
- Potential to attract visitors from nearby villages.
- Opportunity to host community recycling days.

Practical tips for rural shops

- Start with a manual return point if space is limited.
- Use clear signage outside the shop to encourage returns.
- Train staff to manage returns during quieter periods.
- Engage the community early through newsletters and social media.



Your Duties

Small shops selling drinks in PET bottles or metal cans (150ml – 3L) must charge a 20p deposit and allow customers to redeem it

Key duties include:

- Registering with Exchange for Change (phase one registration open until 31 December 2026)
- Paying back the 20p deposit when containers are returned (payment method still to be confirmed)
- Issuing a voucher redeemable at checkout for returned containers
- Displaying customer information explaining how DRS works
- Stores under 100m^2 in urban areas are automatically exempt from hosting a return point, but must still charge deposits

What this means for your EPOS system

- EPOS changes are one of the biggest practical challenges for small shops. You will need to ensure your system can:
- Add and display the 20p deposit
- Every eligible SKU must include a separate deposit line.
- Multipacks need correct deposit handling (e.g., 4 cans = £0.80 deposit)
- Redeem deposit vouchers
- DRS requires that customers receive a voucher redeemable at checkout

Your EPOS must support:

- Scanning or entering voucher codes.
- Deducting voucher value from the basket.
- Preventing fraud (e.g., single-use codes, time limits).
- Recording voucher redemptions for reconciliation with Exchange for Change.
- Retailers receive a Retail Handling Fee (RHF) per container returned

EPOS should ideally:

- Log the number of containers returned.
- Separate manual returns from RVM returns.
- Produce reports for RHF claims and auditing.

Integrate with RVMs (if used)

- If you install a reverse vending machine:
- RVMs issue vouchers that must be recognised by EPOS.
- Some machines integrate directly with EPOS; others use standalone voucher systems.
- EPOS must handle partial returns, rejected containers, and voided vouchers.

Manual returns vs RVMs: what small shops should consider

- ACS and Fed guidance highlight two main options:
- Manual returns
- Staff scan containers at the till and issue vouchers.
- Lower cost, simpler for small shops.
- Requires EPOS support for container scanning and voucher creation.
- Needs space for storing returned containers.

Retailers who purchase an RVM that is not certified by EfC risk losing access to its £6,000 grant towards installation costs. A list will be provided of approved suppliers

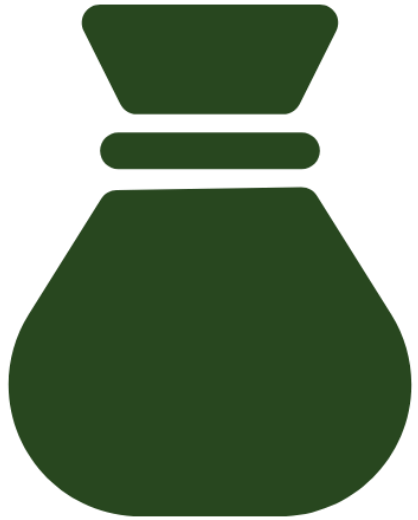
Practical EPOS preparation steps

- Speak to your EPOS provider now
- Ask about DRS modules, voucher handling, and integration with Exchange for Change.
- Map your product range
- Identify all PET and metal drink containers in scope.
- Plan your return method
- Manual returns if space and budget are limited.
- RVM if customer flow or volume justifies it.
- Prepare staff training
- Manual returns require scanning, storage, and customer explanation.

ACS resource to download
ACS Advice - DRS Guide for Convenience Stores (March 2026).pdf

Grants commitment

- £60m in grant funding to help up to 10,000 small, independent retailers meet the cost of installing Reverse Vending Machines.
- Grants of £6,000 will be made available per site to qualifying small, independent retailers in three annual payments of £2,000, which will be funded three months after launch / the installation of an RVM.
- The intention of the grants is to help retailers of different sizes make the best choice for their business, whether that's installing an RVM or applying for an exemption



Rural <200m² or Urban 100-200m²

- Retail Sales area, in line with exemptions process definitions
- Urban <100sqm automatically exempt, but can opt-in to operate voluntary Return Point – excluded from initial Grants allocations

Grant scheme opens in January in line with Phase 2 Registration

Intended opening window of 3 months, may close early if allocation is used and may be extended if required

- Split across Rural (4000) and Urban (4000) to ensure fair distribution of grants and develop a robust national return point network
- Intended to encourage early registration and readiness amongst retailers
- Those who are unsuccessful in this round or are unaware of the opportunity will have a further opportunity for grant access later.