

Lord Foster of Bath
Chair, House of Lords Justice and Home Affairs Committee
House of Lords
London
SW1A 0AA
United Kingdom

18 August 2026

Dear Lord Foster

Government Response to the Justice and Home Affairs Committee's Letter on Shop Theft

Thank you for your letter of 17 July 2026 about shop theft and the wider response to retail crime. I welcome the Committee's continued scrutiny of this issue. The Government understands and shares the concern that retail crime and violence against retail workers causes businesses, communities, and individuals impacted.

We are clear that retail crime is not victimless. Shop theft damages businesses, affects staff and customers, and undermines confidence in town centres and neighbourhoods. While retail crime remains a serious challenge, recent data show early signs of stabilisation with overall retail crime (shop theft plus robbery of business offences) showing a 2% fall compared with the previous year.

However, this is a reduction from a high base, and we cannot be complacent and instead need to further increase momentum. We have drawn out some of the ways we are doing this - combining stronger neighbourhood policing, improved reporting, action against organised retail crime and wider police reform – in our answers below.

Question 1: What progress has the Government made in monitoring the impact of Pegasus? Have key performance indicators been developed?

The Government continues to support Opal's work to identify and disrupt the organised crime groups responsible for a significant proportion of retail crime. This capability was originally established as Pegasus but is now a dedicated function within Opal. We are providing £5 million over the three-year period from 2025/26 to 2027/28 to enhance this capability.

During the 2025/26 financial year, Opal supported 101 organised retail crime investigations, contributing to 1,675 operational outcomes, including the identification of 282 previously unknown offenders, 117 arrests and 75 offenders sentenced, resulting in more than 80 years of custodial sentences. Opal also reported a 73% reduction in offending among organised crime groups targeted by the unit during 2025. Activity undertaken through Pegasus has also contributed to the complete disruption of offending groups and individuals responsible for approximately £2.5 million in losses to retail partners.

Opal's grant performance is monitored through regular reporting, delivery updates and ongoing engagement between the Home Office, Opal and policing partners. A performance framework is in place, which includes measures covering retail crime and organised retail crime trends, reporting rates, organised crime groups identified, arrests, seizures, intelligence outputs, disruption activity and other operational outcomes.

Question 2: What provisions are in place for police to manage the increased workload from more retail crimes being reported?

Question 3: What progress has been made in developing a speedier system for retailers to report incidents of shop theft to the police?

The Government agrees that improved reporting must be matched by a policing response with the capacity and capability to act on better intelligence. Decisions about operational deployment remain for Chief Constables and Police and Crime Commissioners, but we are strengthening the system through neighbourhood policing, better national intelligence and work to improve digital reporting.

Through the Neighbourhood Policing Guarantee, every neighbourhood now has a named, contactable officer dedicated to addressing local issues, including shop theft. There are now more than 3,100 additional police officers and Police Community Support Officers in neighbourhood policing roles compared with March 2025, with the first-year target reached two months early. Shop theft charges are up 23% compared with the previous year, with almost one in four offences now resulting in a charge. The charge rate has risen to 19%, continuing on an upward trend, showing that with more officers patrolling town centres and responding to these incidents we are gradually increasing impact.

Specifically on reporting, the Retail Crime Forum (which I chair) has formed a digital reporting subgroup, chaired by the National Business Crime Centre (NBCC), which is working with the Home Office, Business Crime Reduction Partnerships (BCRPs), policing, industry and other partners to make reporting quicker, more consistent and more useful to police.

Through a phased approach, the work aims to improve the quality and actionability of information reaching forces, helping them triage reports more effectively, identify repeat offenders, and reduce duplication between retailers, BCRPs and policing. Proposals for an improved approach to reporting will be put forward at the next Retail Crime Forum in the autumn.

Question 4: What plans do the Government have to monitor the impact of the Crime and Policing Act 2026 on the number of prosecutions for retail crimes? Can the Minister write to the Committee to share initial findings?

We will monitor the impact of the retail crime measures in the Crime and Policing Act 2026 once the relevant provisions are commenced. This will include looking at police-recorded shop theft, assaults against retail workers, criminal justice outcomes, charges and prosecutions, alongside evidence from policing and the retail sector. Once sufficient post-implementation data is available, I would be happy to provide the Committee with a further update on the impact of the measures and any emerging findings. This will need to take account of the time required for offences to progress through the criminal justice system and for reliable trends in charges and prosecutions to emerge.

Question 5: Can the Government provide an update on how insights gained from the Independent Review of Sentencing will influence, or have influenced, approaches to community-based sentences?

Question 6: What progress has the Government made in sharing learning about rehabilitation initiatives through the Retail Crime Forum?

We are following the evidence to reduce crime, leading to fewer victims and safer communities. The Independent Sentencing Review made a range of recommendations, including that the Government legislate to ensure short sentences of imprisonment are used only in exceptional circumstances.

The Sentencing Act 2026 introduced a presumption that custodial sentences of 12 months or less should be suspended, reflecting evidence that community orders and suspended sentence orders can be more effective than short custodial sentences for comparable offenders. Courts retain the power to impose immediate custody where an offender has breached an order, presents a significant risk of physical or psychological harm, or where exceptional circumstances apply.

The Act also gives courts greater flexibility to tailor community-based punishments to offenders and offences, in response to the Review calling for greater flexibility in community sentencing. This includes powers relating to exclusion from pubs, bars, clubs and public events, driving bans and restriction zones to protect victims and communities.

It also expands suspended sentence orders by increasing the maximum sentence that can be suspended from two to three years and extending the suspension period to up to three years for longer sentences.

Our approach, guided by evidence, focuses on tackling the drivers of reoffending by improving access to employment, housing, treatment and rehabilitation. HMPPS delivers support through rehabilitation, education, employment and accommodation programmes, working with partners to improve outcomes for prison leavers and those serving community sentences. We are committed to diverting vulnerable offenders with mental health or substance misuse needs away from custody where appropriate. Community Sentence Treatment Requirements (CSTRs) help address the drug, alcohol and mental health issues that can drive offending, and MoJ is working with health and justice partners to increase their use and effectiveness. For women, we are expanding investment in community-based services, including through the Women's Diversion Fund, to reduce further contact with the criminal justice system.

The Home Office has also shared learning on rehabilitation and substance misuse through the Retail Crime Forum and wider partnership activity. In November last year, the Home Office delivered a webinar to over 300 representatives from Combatting Drug Partnerships, police forces and wider partners to raise awareness of links between substance misuse and retail crime and to promote local initiatives showing signs of positive impact, including rehabilitation initiatives. We also used the Safer Streets Summer Initiative and Winter of Action to identify and share emerging good practice.

Building on this activity, the Government is developing a Prolific Retail Offenders Pilot. It will focus on the small cohort of offenders responsible for a disproportionate amount of retail crime and will test a people-focused and place-based approach combining enforcement, offender management and interventions addressing underlying drivers such as substance misuse and unstable housing.

Question 7: Is the Government confident that the appropriate measures are in place to prevent the sale of stolen goods by third-party sellers?

Question 8: Can the Government provide an update on when it expects Ofcom to develop and publish relevant codes of practice targeting the stolen goods market?

Question 9: What involvement did the Home Office have in the development of the new measures regarding online marketplaces in PRAM and the relevant consultation?

The Government agrees that making stolen goods harder to sell is central to making acquisitive crime less attractive.

We are working with policing and academic partners to better understand disposal markets for stolen goods and the illicit markets that facilitate the onward sale of stolen property. This includes funding the NBCC to commission research into stolen goods markets and exploring the use of AI, through the new National Centre for AI in Policing (PoliceAI), to support police in identifying stolen items being sold online.

The sale of stolen goods can engage a range of criminal and regulatory frameworks. Under the Online Safety Act 2023, platforms must take action against illegal content, including content related to stolen goods, by implementing systems to detect, remove and mitigate such content. Providers are required to assess and mitigate risks relating to proceeds of crime offences, which Ofcom identifies as a priority category of illegal harm.

Ofcom published its first Illegal Content Codes of Practice in 2025 and is continuing to develop them. Further measures are expected in the autumn. Ofcom is not required to publish a dedicated code specifically for stolen goods markets; instead, the Online Safety Act operates through cross-cutting measures and targeted interventions addressing illegal harms, including proceeds of crime offences. The Digital Markets, Competition and Consumers Act also clarifies expectations on online marketplaces to exercise professional diligence in relation to consumer transactions promoted or made on their platforms.

On the Product Regulation and Metrology Act 2025, the Office for Product Safety and Standards engaged with Home Office officials before the consultation was published and during the consultation period. The Act does not include powers directly relating to stolen goods, but it does provide powers for the Secretary of State to make regulations in relation to the marketing or use of products for specified product safety, performance and measurement purposes.

Question 10: How will the Government legislate for private use of facial recognition technologies?

The Government recognises the growing use of facial recognition technologies by some private sector organisations, including for crime prevention purposes, and acknowledges concerns about their use, including the need for appropriate governance, safeguards and public confidence. While there is an existing legal and regulatory framework within which private sector organisations can use facial recognition technologies lawfully to protect their staff, customers and property, we recognise calls from stakeholders for greater clarity and more detailed guidance.

The recent public consultation on law enforcement use of biometrics, facial recognition and similar technologies sought views on the scope of any future framework, including whether it should extend beyond law enforcement.

The Government is carefully considering the responses, alongside wider stakeholder engagement through a focused subgroup of the Retail Crime Forum, and ongoing policy development, before deciding its approach.

Question 11: Can the Government share the results of the first year of the Safer Streets Mission? What has been the impact on retail crime in the areas within the pilot scheme?

As part of the Safer Streets Mission, the Safer Streets Summer Initiative took place across 649 town centres and used visible, intelligence-led patrols, rapid enforcement, diversionary activity and community and business engagement to prevent crime and anti-social behaviour. The initiative resulted in more than 16,000 arrests and fines for anti-social behaviour, retail crime and street crime, including more than 8,000 arrests and just under 8,000 fines. The subsequent Winter of Action¹, held across 613 locations resulted in almost 18,000 arrests for retail crime, street crime, sexual offences and violent assault.

You also mention Respect Orders, which will also give police and councils stronger powers to tackle the most persistent anti-social offenders, including those also committing shop theft or retail crime, helping protect town centres and local communities while addressing underlying causes of offending. They will be rolled out across England and Wales from October this year.

Question 12: How does the Government plan to ensure that a reformed policing structure improves the ability to address retail crimes?

The Government's police reform programme is designed to strengthen both local policing and national capability. This matters for retail crime because the most effective responses require visible neighbourhood policing, local problem-solving, strong links with businesses and communities, and the ability to tackle organised criminality that crosses force boundaries.

The reforms outlined in the Police Reform White Paper include the creation of Local Policing Units, bringing policing closer to communities, enabling local people to shape the issues that matter most to them, including retail crime. Fewer, stronger regional forces will also be better equipped to provide specialist investigations and respond to major incidents, while helping neighbourhood officers remain visible, responsive and rooted in their communities. This should help neighbourhood officers remain focused on the local crime and disorder issues that matter to residents and businesses, including shop theft.

¹ <https://www.gov.uk/government/publications/winter-of-action/winter-of-action>.

For threats that go beyond local areas, the new National Police Service will strengthen national and international crime-fighting capability, including serious and organised crime. This will help ensure local policing can focus on local issues while national capabilities tackle cross-border offending and organised criminality.

Question 13: What progress is the Government making in developing frameworks for police AI use and national data standards?

The Government is investing £115 million over the next three years to support the rapid but responsible expansion of AI and automation technologies in policing. These tools can support prevention, detection and investigation of crime, including retail crime, by speeding up investigations, improving the use of digital evidence and freeing officer time for visible policing and local problem-solving. PoliceAI will support forces to adopt AI responsibly. It will standardise the tools available to police nationally, support forces who are not currently using AI effectively and create a responsible and consistent legal framework for police use of AI.

The Covenant for Using AI in Policing also provides a high-level framework for AI development and deployment of AI in policing. It is supported by published guidance from the College of Policing and local governance and ethics arrangements within forces. The Government keeps the existing frameworks under review to ensure it remains fit for purpose whilst supporting innovation.

The Government has also committed, through the Police Reform White Paper, to work with policing to create a framework for mandating clear national data standards. The Police Reform Bill will introduce a new legal framework for law enforcement use of biometrics, facial recognition and similar technologies, making clear when use of these technologies can be justified and creating a single expert body to provide independent advice and oversight.

Question 14: Can the Government provide an update on the relevant contents of the Police Reform Bill including on appropriate training for “neighbourhood policing” officers to handle cases of shop theft and in response to concern that reducing police force numbers may hinder measures to tackle shop theft?

As set out in the response to question 12, police reform will strengthen local policing by ensuring neighbourhood teams are visible, equipped and supported by stronger regional and national capabilities.

The Neighbourhood Policing Guarantee already means every neighbourhood has a named, contactable officer dedicated to addressing local issues, including shop theft. The Government is also investing in the Neighbourhood Policing Pathway, a specialist training pathway for neighbourhood officers, PCSOs, sergeants, inspectors and senior leaders.

This pathway builds capabilities directly relevant to shop theft: understanding local crime patterns and community impact; identifying repeat victims and vulnerable businesses; applying problem-solving approaches; tackling anti-social behaviour linked to shop theft; and using court orders and offender management to prevent repeat offending. It also supports partnership working with local authorities, BRCPs, Business Improvement Districts, councils, retailers and specialist units such as Opal.

Conclusion

We welcome the Committee's continued interest and will continue to work with policing, retailers and wider partners through the Retail Crime Forum and the Safer Streets Mission to reduce retail crime, improve outcomes for victims and strengthen confidence in local communities.

Very best wishes,

A handwritten signature in blue ink, appearing to be 'S. Jones', with a long horizontal flourish extending to the right.

Sarah Jones MP
Minister of State for Policing and Crime