

AGENDA MANAGEMENT SHEET

Report Title: High Street Rental Auctions

Name of Committee: Cabinet

Date of Meeting: 15 September 2025

Report Director: Acting Chief Executive

Portfolio: Growth and Investment, Digital and Communications

Ward Relevance: Benn Ward, Eastland Ward, New Bilton Ward

Prior Consultation: Town Centre Project Board, Town Centre Programme Board, Town Centre Working Group

Contact Officer: Amy Cavendish, Estates Officer

Public or Private: Public

Report Subject to Call-In: Yes

Report En-Bloc: No

Forward Plan: Yes

Corporate Priorities: This report relates to the following priority(ies):
 A Healthier Rugby – To support people to live healthier, longer, and more independent lives.
 A Thriving Rugby – To deliver a thriving economy which brings Borough-wide investment and regenerates Rugby Town Centre.
 A Greener Rugby – To protect the environment and ensure the Borough adapts to climate change.
 A Fairer Rugby – To reduce inequalities and improve housing across the Borough.
[Corporate Strategy 2025-2035](#)
 This report does not specifically relate to any Council priorities but

Summary: This report seeks member approval to designate the Town centre following consultation for the purposes of the High Street Rental Auctions.

Financial Implications: There is the opportunity of £75k Government funding for each shop improvements for each successful lease. The Council will incur some costs by holding a High Street Rental Auction. These costs include marketing fees and the costs of

appropriate building surveys. It is anticipated that these costs will not exceed £5,223 but will be reimbursed by Government in Year 1.

Risk Management/Health and Safety Implications: There are no risk management or H&S implications to the consultation.

Environmental Implications: An Environmental Impact was undertaken on 31st July 2025 and will be reviewed on 31st January 2026. This can be found in Appendix One.

Legal Implications: If Councillors support the designating the town centre, the Council will obtain a new legal power.

Equality and Diversity: An Equality Impact Assessment on this policy was undertaken on 31st July 2025 and will be reviewed on 31st January 2026. This can be found in Appendix Two.

Options:

1. To give delegated authority for the Chief Executive to take all appropriate legal action in relation to High Street Rental Auctions to enable RBC to initiate auctions apply for grant funding.
2. To not give delegated authority for the Chief Executive to take all appropriate legal action in relation to High Street Rental Auctions however RBC will not be able to initiate auctions under the new powers.

Recommendation:

- (1) The steps taken to obtain the High Street Rental Auction powers be noted;
- (2) the additional Government Funding of £75k for improvements for each auctioned leased property be noted; and
- (3) the Acting Chief Executive be given delegated authority to initiate and manage High Street Rental Auctions including the issuing of all notices, licences, orders and other legal action as appropriate.

Reasons for Recommendation: The recommendations represent a key action to be undertaken in Rugby to tackle high levels of shop vacancies across the Town Centre and to make significant improvements to empty shops with Government funding.

Cabinet - 15 September 2025

High Street Rental Auctions

Public Report of the Acting Chief Executive

Recommendation

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- (2) the additional Government Funding of £75k for improvements for each auctioned leased property be noted; and
- (3) the Acting Chief Executive be given delegated authority to initiate and manage High Street Rental Auctions including the issuing of all notices, licences, orders and other legal action as appropriate.

1. Executive Summary

1.1. This report sets out that the level of vacant shops in Rugby is higher than the national average and that there is desire to open up persistently vacant units across Rugby to new tenants. The report seeks to note the actions undertaken to obtain High Street Rental Auction (HSRA) powers and assign delegated authority to initiate the powers. This power has the potential to make impactful change on the vacancy levels within Rugby and offers significant Government funding for physical improvements to empty shops within Rugby Town Centre.

2. Introduction and Background

2.1. Rugby faces significant challenges with the number of vacant retail units within the Town Centre. Whilst the average vacancy rate across the retail sector in November 2024 was 14.2%, Rugby had a vacancy rate of 24.6% in its Town Centre. This number reduces to 15.17% when excluding the Rugby Central Shopping Centre.

2.2. As part of the Levelling Up and Regeneration Act 2023, the Government introduced new powers for local authorities to tackle persistent vacant units in town centres. These High Street Rental Auctions (HSRAs) are an important tool for local authorities to regenerate areas.

3. High Street Rental Auction Powers

3.1. The HSRA has been designed to bring persistently vacant premises back into use, particularly as part of wider regeneration plans or where a landlord is uncooperative. HSRAs are a permissive power for local authorities to auction rental rights of commercial, high street premises that have been vacant for

longer than 12 months in a 24-month period. Leases can be between one and five years.

- 3.2. As part of the early adoption process, there are grant funds available to help cover the costs of the scheme. These are the 'New Burdens Payment' of up to £5,000 per auction to cover legal, surveying and advertising costs. There is also an additional scheme of £1.5 million to provide grants of up to £75,000 on a first come, first served basis to complete necessary renovations and works to bring long term vacant shops back into use.
- 3.3. Ministry of Housing, Communities and Local Government (MHCLG) officers have advised the Council that RBC has made significant progress such that we are ahead of other councils and are in a strong position with regards access to the improvement grants.

4. Obtaining the High Street Rental Auction Powers

- 4.1. In order to obtain these powers, Councils need to create a 'Vacant Shop Register' and hold a consultation to designate the boundary of the High Street. Auctions will then be able to take place with any qualifying properties within the designated boundary.
- 4.2. A public consultation was being held between 7 July and 11 August asking 'Do you agree with the proposed boundary of the town centre?' based on the plan in Appendix Three. The consultation received 100% support on the proposed boundary. The Council also received four general comments regarding the concept of High Street Rental Auctions but not answering the consultation question. The boundary has therefore been designated as delegated authority was given at Cabinet on 4 June 2025 to accept the boundary if more than 50% of the respondents supported the boundary.
- 4.3. Officers have compiled a 'Vacancy Register' as is required to enact the powers. This is updated on a monthly basis to ensure that the information on register is up to date.

5. Next Steps

- 5.1. Officers have worked to identify all suitable properties and begun discussions with land owners about the HSRA powers. Officers will bring forward all available sites for consideration, initially targeting the properties that require the most work to bring them into the minimum lettable standard whilst the grant funding is currently available.
- 5.2. As this is a new power, delegated authority is required to serve the notices and sign the lease on behalf of the landlord. It is recommended that the Chief Executive is given delegated authority to initiate and manage HSRA's including the issuing of all notices, licences, orders and other legal action as appropriate.
- 5.3. The Council will incur some costs by holding a HSRA. These costs include marketing fees and the costs of appropriate building surveys. It is anticipated that these costs will not exceed £5,223 but will be reimbursed by Government in Year 1. In the 2025/26 financial year the fees will fall under the Town Centre

Reserve allocation for vacant shops. As the New Burdens Grant Scheme is currently available it is likely that in the 2025/26 financial year the Council will be able to apply for grants to cover these costs once the auction is undertaken. It is intended that in the 2026/27 financial year a budget will be requested specifically for HSRAs.

6. Conclusion

6.1. The High Street Rental Auction Powers will allow the Council to take impactful steps to help regenerate the Town Centre by significantly improving the physical condition and looks of retail units and by increasing the occupancy rate of Town Centre shops. Although the powers will be a last resort, they are an important tool and incentive for Councils to use.

Name of Meeting: Cabinet
Date of Meeting: 15 September 2025
Subject Matter: High Street Rental Auctions
Originating Department: Chief Executive Office

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A

Rugby Borough Council

Climate Change and Environmental Impact Assessment

CONTEXT

In 2019 the UK Parliament set a commitment in law to reach net zero carbon emissions by 2050. Achieving this target will require considerable effort with public bodies, private sector organisations, the third sector and individuals working together to take action.

Rugby Borough Council declared a climate emergency in 2019 and the Council's Corporate Strategy (2025-2035) [link](#) sets ambitious outcomes in relation to Climate Change. These ambitions are further defined through the Council's Climate Change Strategy [link](#) and must now be progressed through the decisions which the Council makes.

It is therefore important that Rugby Borough Council gives due regard to climate change when making decisions. In the context of the Council's business, Climate Change includes greenhouse gas emissions, biodiversity, habitat loss and environmental destruction. When putting forward recommendations for decision, officers must assess how these recommendations are likely to influence our climate change commitments by completing the following Climate Change and Environmental Impact Assessment.

To help you complete this assessment, please see the following guidance on SharePoint [here](#).

A copy of this Climate Change and Environmental Impact Assessment, including relevant data and information should be forwarded to your Chief Officer for approval.

If you require help, advice and support to complete the form, please contact your Chief Officer.

SECTION 1: OVERVIEW

Portfolio and Service Area	High Street Rental Auctions
Policy/Service/Change being assessed	High Street Rental Auctions
Is this a new or existing Policy/Service/Change?	New Policy
If existing policy/service please state date of last assessment	n/a
Ward Specific Impacts	Benn Ward, Eastland Ward, New Bilton Ward
Summary of assessment Briefly summarise the policy/service/change and potential impacts	The designation of the Town Centre for the purposes of gaining High Street Rental Auction powers. It is hoped that this will bring vacant and derelict buildings back into use.
Completed By	Amy Cavendish
Authorised By	
Date of Assessment	31 st July 2025

SECTION 2: GREENHOUSE GAS EMISSIONS

	No Impact	Positive	Negative	Description of impact	Any actions or mitigation to reduce negative impacts	Action owner	Timescales
Scope 1 Emissions Direct emissions from council owned resources, for example through boilers or vehicles.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Scope 2 Emissions Indirect emissions occurring at the location energy is produced for council activities. For example, electricity generation for council buildings.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

SECTION 3: CLIMATE CHANGE STRATEGY

	No Impact	Positive	Negative	Description of impact	Any actions or mitigation to reduce negative impacts	Action owner	Timescales
Workplaces and the Economy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This policy will bring back into use vacant and often derelict buildings, the renovations to bring back into use will benefit the economy.			
Transport	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	An increase in retail units may bring more people to the town centre using combustion vehicles. This will increase emissions.	As part of the town centre regenerations, activities are planned to encourage active travel and public transport.		
Natural Environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Brining vacant buildings into use will enable redevelopment without building on new land.			
Homes and Energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Waste, Resources and the Circular Economy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There may be construction materials that cannot be reused as part of renovating out of use shops.			
Climate and Nature Positive Communities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

SECTION 4: REVIEW

Where a negative impact is identified, the proposal and/or implementation can be adapted or changed; meaning there is a need for regular review. This review may also be needed to reflect additional data and evidence for a fuller assessment (proportionate to the decision in question). Please state the agreed review timescale for the identified impacts of the policy implementation or service change.

Review date	31 st May 2026
Key points to be considered through review	To review if newly renovated buildings have been bought back into use and how those workplaces have benefited the economy.
Person responsible for review	Amy Cavendish
Authorised by	

EQUALITY IMPACT ASSESSMENT (EqIA)

Context

1. The Public Sector Equality Duty as set out under section 149 of the Equality Act 2010 requires Rugby Borough Council when making decisions to have due regard to the following:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sex/gender
 - sexual orientation
3. In addition to the above-protected characteristics, you should consider the crosscutting elements of the proposed policy, such as impact on social inequalities and impact on carers who look after older people or people with disabilities as part of this assessment.
4. The Equality Impact Assessment (EqIA) document is a tool that enables RBC to test and analyse the nature and impact of what it is currently doing or is planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. The questions will enable you to record your findings.
6. Where the EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. Once completed and signed off the EqIA will be published [online](#).
8. An EqIA must accompany all **Key Decisions** and **Cabinet Reports**.
9. For further information, refer to the EqIA guidance for staff.
10. For advice and support, contact:
Rebecca Ewers
Corporate Equality & Diversity Officer
rebecca.ewers@rugby.gov.uk
01788 533509

Equality Impact Assessment

Service Area	Acting Chief Executive
Policy/Service being assessed	High Street Rental Auctions
Is this a new or existing policy/service? If existing policy/service please state date of last assessment	New Policy as part of the Town Centre Regeneration
EqlA Review Team – List of members	David Collins, Representative from Legal Services
Date of this assessment	31 st July 2025
Signature of responsible officer (to be signed after the EqlA has been completed)	

A copy of the completed and signed Equality Impact Assessment report, including relevant data and information to be forwarded to the Corporate Equality & Diversity Officer.

Details of Strategy/ Service/ Policy to be analysed

<u>Stage 1 – Policy to be analysed</u>	
(1) Describe the main aims, objectives and purpose of the Strategy/Service/Policy (or decision)?	<p>The purpose of this decision is to initiate a consultation to enable the Council to gain new powers to assist in regenerating Rugby Town Centre. The powers allow the Council to require landlords of persistently vacant shops to auction tenancies.</p> <p>Aims</p> <ul style="list-style-type: none"> • To reverse the economic and physical decline of Rugby Town Centre by reoccupying vacant retail units • To enable local residents to occupy vacant retail units at affordable prices.
(2) How does it fit with Rugby Borough Council's Corporate priorities and your service area priorities?	A Thriving Rugby – This power enables regeneration of the Town Centre by unlocking persistently vacant units within the town centre.
(3) What are the expected outcomes you are hoping to achieve?	To help deliver regeneration in rugby by supporting economic growth and improving the public realm.

<p>(4) Does or will the policy or decision affect:</p> <ul style="list-style-type: none"> • Customers • Employees • Wider community or groups 	<p>Customers</p> <ul style="list-style-type: none"> • <p>Employees</p> <ul style="list-style-type: none"> • The consultation will require staff resources to run the auctions • Long term new employment opportunities in Retail and Food & Beverage with the reoccupation of vacant retail units. <p>Wider Community and Groups</p> <ul style="list-style-type: none"> • Higher occupancy rates within the Town Centre will allow for an increased range of goods and services available to local residents.
<p>(5) Will the policy or decision involve substantial changes in resources?</p>	<p>No -</p>
<p><u>Stage 2 – Evidence about user population and consultation</u></p>	<p>As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, e.g. service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).</p>

<p>(1) What does the data tell you about the groups this policy or decision impacts?</p> <p>Possible data sources:</p> <ul style="list-style-type: none"> • national statistics/census data • local statistics • evaluations • analysis of complaints • user feedback • outcomes from consultation/community voice • Council published information, service data • District and Ward Profile – Warwickshire Observatory • Office of National Statistics • Fingertips health profiles • Indices of Multiple Deprivation • RBC Annual Workforce Equality Report 	<p>Rugby Central currently has a 25% retail vacancy rate, indicating long-term decline and underuse.</p> <p>Retail footfall and local business activity have declined, reducing town centre vitality and contributing to a negative cycle of disinvestment and socio-economic stagnation.</p>
<p>(2a) Have you consulted or involved those groups that are likely to be affected by the strategy/ service/policy you want to implement?</p> <p>If yes, please state which groups were involved in the consultation and what were their views and how have their views influenced the policy/decision?</p>	<p>A communications strategy has included:</p> <ul style="list-style-type: none"> • Website update • Press release • Social media updates • Physical copy of the boundary in library <p>The communications plan used a mix of channels to ensure we proactively engage with communities in an accessible way.</p>

(2b) If you have not consulted or engaged with communities that are likely to be affected by the policy/decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary.			
<u>Stage 3 – Analysis of impact</u>			
<p>(1) <u>Protected Characteristics</u> From your data and consultations is there any positive, adverse or negative impact identified for any particular group, which could amount to discrimination?</p> <p>If yes, identify the groups and how they are affected.</p>	Protected Characteristic	Nature of Impact Positive, Neutral, Adverse (explain why)	Extent of impact Low, medium, high
	Age	Neutral	Low
	Disability	Neutral	Low
	Sex	Neutral	Low
	Gender reassignment	Neutral	Low
	Marriage/civil partnership	Neutral	Low
	Pregnancy/maternity	Neutral	Low
	Race	Neutral	Low
	Religion/belief	Neutral	Low
	Sexual Orientation	Neutral	Low

Appendix 4

(2) <u>Cross cutting themes</u> (a) Are your proposals likely to impact on social inequalities e.g. child poverty, geographically disadvantaged communities? If yes, please explain how?	Description of impact	Nature of impact Positive, Neutral, Adverse (explain why)	Extent of impact Low, medium, high
	Socio-economic e.g.: child poverty, income level, education level, working hours/occupation, family/social support, access to good nutrition	Positive – Long term impact from job creation	Medium
	Environmental e.g.: housing status, transport links, geography, access to services, air quality, noise pollution	Positive – vacant and disused buildings will be renovated	Low
(3) Using the information gathered in stages 2 and 3, please describe how the policy/strategy/service will: <ul style="list-style-type: none"> a. Eliminate unlawful discrimination, harassment, victimisation and any other unlawful conduct prohibited by the act b. Advance equality of opportunity between people who share and people who do not share a relevant protected characteristic c. Foster good relations between people who share and people who do not share a relevant protected characteristic 	The positive impact of the policy and wider regeneration will be fostering good relations between people who share and people who do not share a relevant protected characteristic.		
(4) Are there any obvious barriers to accessing the service? If yes, how can they be overcome?	No		

Appendix 4

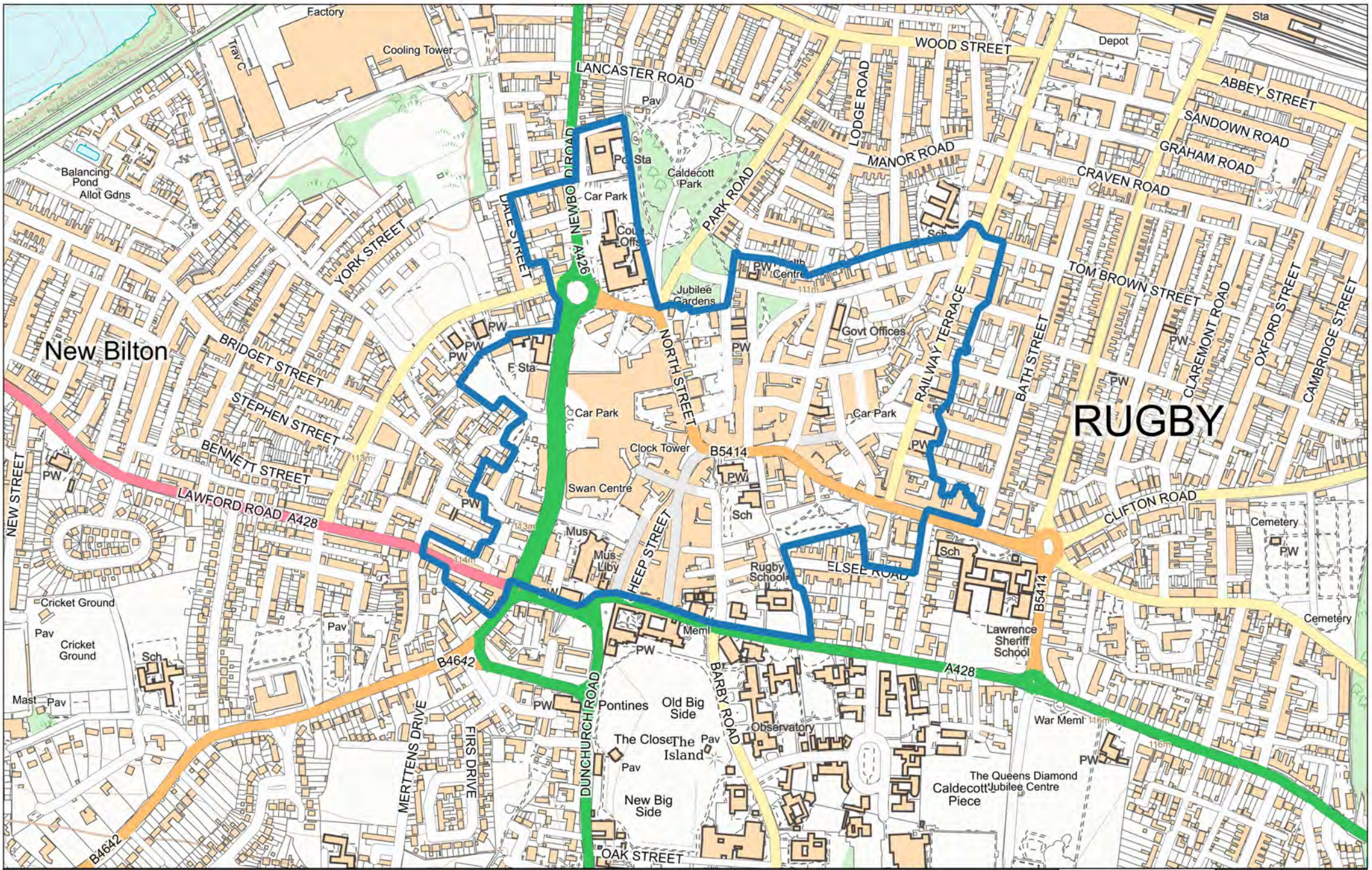
<p>(5) What Equality Monitoring Data will be collected to analyse impact? How will the Equality Monitoring Data collected be used?</p> <p>If no Equality Monitoring Data is being collected, why not?</p> <p>For support with this section, please refer to the Equality Monitoring Guidance.</p>	<p>No – we are not collecting any data as part of the High Street Rental Auctions as RBC facilitate the auction process only. The auctions will be advertised using established channels such as Rightmove and the Council's website. Interested parties will then submit sealed bids as part of the process that will be selected by the landlord.</p>
<p>(6) Complete this section if any adverse impacts were identified in 3.1.</p> <p>Outline any actions that will be taken to remove or mitigate the adverse impacts identified in 3.1 to ensure that no discrimination is taking place. If removing or mitigating the impact is not possible, you may in certain circumstances, justify the discrimination. If that is the case, please give evidence for why justifying is possible in this case.</p>	

<p><u>Stage 4 – Action Planning, Review and Monitoring</u></p>	
<p>(1) Data analysis What does feedback from Equality Monitoring Data gathered tell you about impact on groups? Were there any unforeseen impacts (positive or negative)?</p> <p>The feedback/data should be used to inform your Action Plan in (2)</p>	

<p>If No Further Action is required then go to – Review and Monitoring</p> <p>(2) Action Planning – Specify any changes or improvements that can be made to the service or policy to mitigate or eradicate negative or adverse impact on specific groups, including resource implications.</p>	<p>EqlA Action Plan</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Action</th> <th style="text-align: left;">Lead Officer</th> <th style="text-align: left;">Date for completion</th> <th style="text-align: left;">Resource requirements</th> <th style="text-align: left;">Comments</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>					Action	Lead Officer	Date for completion	Resource requirements	Comments																				
Action	Lead Officer	Date for completion	Resource requirements	Comments																										
<p>(3) Review and Monitoring</p> <p>State how and when you will monitor policy and Action Plan. Will you make any changes to the Equality Data that you are collecting or how you are collecting/using the data?</p>																														

Please annotate your policy with the following statement:

‘An Equality Impact Assessment on this policy was undertaken on (date of assessment) and will be reviewed on (insert review date).’



RUGBY BOROUGH COUNCIL LEVELLING UP AND REGENERATION ACT 2023 NOTICE OF DESIGNATION PROPOSAL
 Notice is hereby given under Sections 191(2) of the Levelling up and Regeneration Act 2023 that Rugby
 Borough Council has published High Street Rental Auction Designation proposals for the following town: Rugby

Date
19-06-2025

Scale
1:7500
(when printed @A1)

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