

AGENDA MANAGEMENT SHEET

Report Title: High Street Rental Auctions

Name of Committee: Cabinet

Date of Meeting: 24 June 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: No

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 begin the public consultation to designate the town centre for the purposes of the High Street Rental Auctions.

Financial Implications: The designation does not have any financial implications, although there will be a cost to the Council if the powers are utilised.

Risk Management/Health and Safety Implications:	There are no risk management or H&S implications to the consultation.
Environmental Implications:	An climate change and environmental impact assessment is attached at Appendix 3.
Legal Implications:	If the High Street is designated, Rugby Borough Council will obtain a new legal power.
Equality and Diversity:	An Equality Impact Assessment on this policy was undertaken on 20 May 2025 and is attached at Appendix 4.
Options:	<ol style="list-style-type: none"> 1. To approve the consultation to designate the Town Centre and gain the High Street Rental Auction powers 2. To decline the consultation but the Council will not gain the High Street Rental Auction powers.
Recommendation:	<ol style="list-style-type: none"> 1. A consultation to designate the Town Centre as set out in the Local Plan (Appendix 1) to enact the High Street Rental Auction powers be approved; and 2. delegated authority be given to the Portfolio Holder for Growth and Investment to approve the designation of the boundary if the majority of responses to the consultation support the proposed boundary.
Reasons for Recommendation:	The recommendations represent the key actions to be undertaken in Rugby to tackle high levels of shop vacancies across the Town Centre.

Cabinet - 24 June 2025

High Street Rental Auctions

Public Report of the Acting Chief Executive

Recommendation

- (1) A consultation to designate the Town Centre as set out in the Local Plan (Appendix 1) to enact the High Street Rental Auction powers be approved; and
- (2) delegated authority be given to the Portfolio Holder for Growth and Investment to approve the designation of the boundary if the majority of responses to the consultation support the proposed boundary.

1. Executive Summary

1.1. This report sets out 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 sets out a proposed boundary for public consultation. By setting out the boundary of the Town Centre, Rugby Borough Council will gain the power to conduct High Street Rental Auctions on qualifying vacant units. This power has the potential to make impactful change on the vacancy levels within Rugby.

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. At present, a small number of councils have designated their High Street however none have undertaken an auction.

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. The Council will be responsible for designating the high street through a public consultation and identifying suitable vacant premises. The full process can be seen in Appendix 2.

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. 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. Officers have already undertaken the first step of completing the Vacant Shop Register. Officers undertake monthly inspections of the town centre and liaise with local Letting Agents to keep the register up to date.

4. Consulting to Designate the High Street

4.1. The consultation will seek either to obtain either support or objection to the boundary of the proposed town centre only, not the principal of the High Street Rental Auctions. The consultation will ask 'Do you agree with the proposed boundary of the town centre?' based on the plan in Appendix 1.

4.2. It is planned that the consultation will run from 7 July to 4 August. A consultation letter will be sent to all identified vacant commercial properties within the proposed boundary. Responses will be collated by officers and report either support or object responses. It is anticipated that there may be responses about the principle of the High Street Rental Auction. Any such responses will be collated and fed back but will not be considered as part of the consultation response.

4.3. It is also proposed that if the majority of responses are in support of the proposed Town Centre boundary, the Portfolio Holder for Growth and Investment Portfolio be given delegated authority to designate the High Street as proposed in Appendix 1. This will allow the Council sufficient time to apply to the High Street Rental Auction Fund in advance of its closing date in January 2026.

5. Implementation of Auctions

5.1. If the Council is successful in designating the High Street for the purposes of HSRAs, officers intend to use the power to make positive change within the town centre and reduce vacancy rates.

- 5.2. Officers have identified and recorded in the vacancy register properties that qualify for the auction scheme. Consultation and engagement with these landlords has already commenced and led to a positive outcome in one of the long term vacant properties within Rugby. It is expected that this unit will be brought back into use in the coming months. Officers intend to continue this engagement with the backing of the powers that will allow the Council to request contact details with landlords from agents to allow for more direct contact with landlords. Agents would be obligated to share contact details with the Council.
- 5.3. If the engagement is not successful, officers will serve the initial notice to landlords as set out in Appendix 2 with a targeted approach. The Council does not wish to bring to the market a number of auctions in one go as this would distort the rental market within Rugby.
- 5.4. Officers are also able to specify the type of businesses that is able to bid on a lease. This will be carefully considered to ensure that there is a wide range of businesses within Rugby to best serve members of the public.
- 5.5. It is also considered that whilst there are capital grants of £75,000 available to landlords, some landlords may wish to work with RBC to undertake an auction to access funds to complete improvements to long term vacant units. Officers are in discussion with local agents about any units that may be suitable for such a capital grant scheme.

6. Communications Strategy

- 6.1. The proposed Communications Strategy for the High Street Rental Auction has been developed in consultation with Digital and Communications. This will involve a press release to outline the powers and consultation taking place. This will be supported by social media coverage and a physical copy of the plan in Rugby Library for those who do not have access to digital forms of communication.
- 6.2. A web page with further information about the High Street Rental Auction will also be uploaded to the Council's website with the function to ask general questions about High Street Rental Auctions and links to further information published by the Ministry of Housing, Communities and Local Government.

7. Conclusion

- 7.1. The proposed Consultation will allow the Council to take impactful steps to help regenerate the Town Centre. Although the powers will be a last resort, they are an important tool and incentive for Council's to use. By initiating the consultation, the Council will be undertaking the final step to gaining these important powers.

Name of Meeting: Cabinet
Date of Meeting: 24 June 2025
Subject Matter: High Street Rental Auctions
Originating Department: Chief Executive Office

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

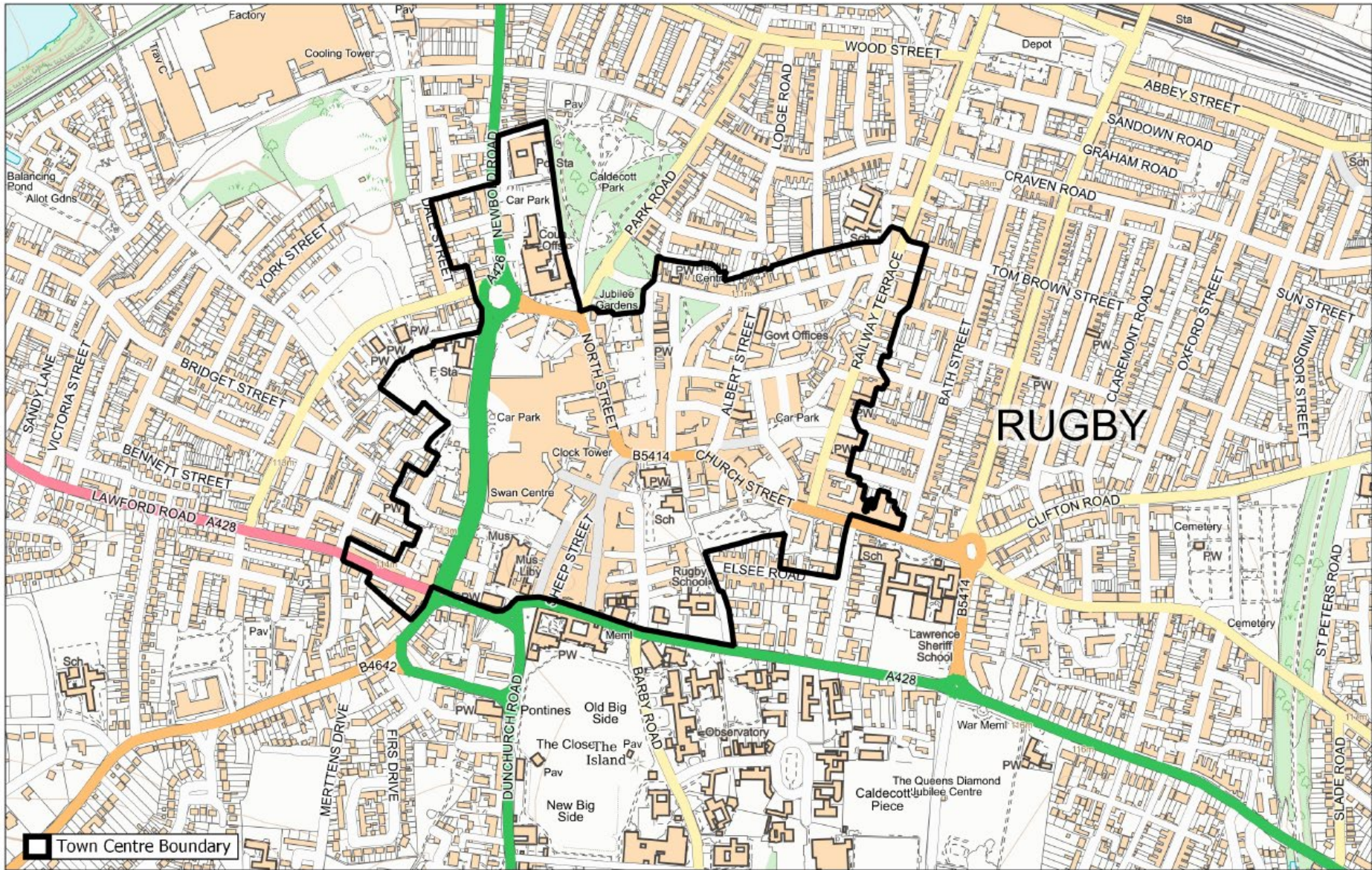
Doc No	Title of Document and Hyperlink

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

Appendix One : High Street Rental Auction Proposed Town Centre Boundary



High Street Rental Auction Town Centre Boundary Plan

Date
14-05-2025
Scale
(unless printed 9:41)



Drawn by: JF

Rugby Borough Council
Town Hall, Evreux Way, CV21 2RR

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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	21 st May 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
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	21 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	
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 • 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"> • 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 is in development, including:</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 will use 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 			
(4) Are there any obvious barriers to accessing the service? If yes, how can they be overcome?	No		

<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</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																				
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<p>(3) Review and Monitoring 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).’