

Central Bedfordshire Council

17 February 2026

Executive

Designation of High Street Rental Auction Areas

Report of:

Cllr Steven Watkins, Executive Member for Assets, Business and Housing,
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Responsible Director:

Lorna Carver, Director – Place & Communities and Deputy Chief Executive,
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This report relates to a decision that is: Key

This report relates to a decision that is urgent/exempt from call-in: No

Purpose of this report

This report puts forward the areas of towns in Central Bedfordshire designated for the potential future use of High Street Rental Auction (HSRA) powers to tackle long standing vacant commercial units. These areas have to be designated before the use of these powers can even be considered.

RECOMMENDATION(S)

The Executive is asked to:

1. Designate the areas proposed in Appendix A for potential use of HSRA powers
2. To Delegate authority to the Director of Place & Communities, after consultation with the Executive Member for Assets, Business & Housing, to approve High Street Rental Auction action to be taken for individual qualifying vacant units within the designated High Street areas as specified in this report.

Overview and Scrutiny Comments/Recommendations

3. None – this has not been considered at Overview & Scrutiny although all members were invited to comment as part of the consultation.

Executive Summary

4. The Levelling Up & Regeneration Act (2023) together with accompany regulations (the Local Authorities (Rental Auctions) (England) and Town and Country Planning (General Permitted Development) (Amendment) Regulations 2024) grants local authorities powers to auction leases for commercial properties that are vacant at the date at which the local authority starts the statutory process by an initial notice and have been vacant for more for more than 12 months leading up to that date or more than 365 days within a 24-month period leading up to that date. This provides a way in which long-term vacant units can be moved towards use by enabling local businesses, charities, and community groups to bid for tenancies.
5. Before the Council can even consider how it may or may not use these powers the first step is to define and designate the areas where HSRA could be applied. To inform and shape this a public consultation was run from 1 September to 23 November 2025¹, with a view that the feedback will help to define the specific high street areas where HSRA powers could apply.

Background

6. High streets are facing significant challenges, with rising vacancy rates impacting vitality, investment, and pride in place. HSRAs give local Planning Authorities the power to bring long-term vacant properties in areas which have been designated by the Authority as a high street back into active use by requiring landlords to let them out via a rental auction.
7. These auctions allow local businesses, charities, and community groups to bid for a tenancy at market rent, creating new opportunities for enterprise, activity, and footfall on high streets that are currently underperforming.
8. This power applies to properties that have been vacant for over a year and where their occupation would benefit the local area economically, socially or environmentally. Local authorities can initiate the process if voluntary action with the landlord has not succeeded.
9. Through a structured process of notice, engagement, and auction, authorities can facilitate new tenancies without the need for compulsory purchase, helping to overcome challenges such as absentee landlords or uncooperative property owners. HSRAs form part of a wider strategy to empower communities and support high street renewal. However, there may be some instances where buildings are in such a poor state of disrepair that they would be illegible for consideration in the process.
10. These powers are intended to be used thoughtfully, based on clear local evidence with government guidance setting out eligibility for how these powers should be applied².

¹ [Consultation: Defining the High Street Areas for High Street Rental Auctions \(HSRAs\) | Central Bedfordshire Council](#)

² [High Street Rental Auctions: Non-statutory guidance - GOV.UK](#)

The Consultation process

11. The first step in this process that needs to be done before use of these powers can even be considered is the designation of the areas where HSRA powers can be applied to applicable vacant buildings. The guidance states that this should involve engagement with key stakeholders including residents, businesses and landlords and the relevant Town Council. To meet this requirement a consultation was carried seeking views on the proposed areas running from 1 September to 23 November 2025.
12. The initial areas put forward were based upon the High Street areas designated in the current adopted Local Plan where they existed. For towns where this hasn't been previously considered, such as Shefford, Officers based this on building use in and around the town centre areas.
13. The consultation was promoted through a number of channels and officers also took this to all of the Joint/Partnership Committees. A briefing session on HSRA was also held for all members.
14. The comments received have been considered and, where appropriate, the proposed HSRA areas have been amended accordingly. Some of the comments, such as suggesting the focus is on the primary shopping areas (where they have been previously designated) were noted. In this instance, whilst the overall proposed HSRA designated areas were not amended, it was recognised that if HSRA's are taken forward then this should form part of the criteria for identify which long-term vacant units are prioritised.
15. The Consultation Summary report can be found in Appendix B.

Reason/s for decision

16. Designating the areas as proposed in Appendix A for the use HSRA powers is the first step in the Council being able to take this forward as a possible option to tackle long term vacancies of commercial units in the High Streets of our towns.
17. Learnings from the pilot councils also found that the act of designating areas also had a positive impact in encouraging landlords to seek tenants or engage with the councils to reduce vacant units.

Council priorities

18. Designating areas for High Street Rental Auctions (HSRAs) directly supports several of the Council's strategic priorities set out in the Strategic Plan 2024–2028.
19. By tackling long-term vacancies and revitalising town centres, this recommendation contributes to Core Aim 7: Provide the environment for economic prosperity in which existing businesses can grow and new ones will move to the area, helping create thriving commercial spaces and attracting investment.
20. It also aligns with Core Aim 3: Ensure that environmental, sustainability and climate resilience impact will be at the heart of all Council decision-making, as reusing existing buildings reduces carbon emissions and supports sustainable development.

21. Furthermore, vibrant high streets encourage active lifestyles and community engagement, complementing Core Aim 5: Enable people to live active, healthy, and independent lives. This proactive approach demonstrates the Council's commitment to inclusive growth, environmental stewardship, and economic resilience, ensuring that our communities remain attractive, sustainable, and prosperous.

Legal Implications

22. Designating areas for High Street Rental Auctions (HSRAs) is the critical first step because the council can only take actions on premises within these designated zones.
23. By designating areas for High Street Rental Auctions (HSRAs), the council invokes its statutory powers under Part 10 of the Levelling Up & Regeneration Act 2023 and the accompanying 2024 regulations (Local Authorities (Rental Auctions) (England) and Town & Country Planning (General Permitted Development) (Amendment) Regulations 2024).
24. These powers apply only where specific conditions are met: the property must be within a designated high street or town centre, vacant for at least 12 continuous or 366 non-continuous days in the past two years, suitable for high street use, and likely to deliver economic, social, or environmental benefit.
25. The process involves a structured timeline including initial notice, marketing, auction, and final notice stages, typically lasting around 22 to 24 weeks. Non-compliance with these requirements can lead to legal challenges, including potential criminal liability for landlords who fail to cooperate.
26. The council must also ensure fairness and proportionality, respecting property rights under human rights legislation and public law principles. There is a risk of appeals or judicial review, so robust legal procedures and clear documentation are essential to reduce exposure.

Financial and Risk Implications

27. Implementing the process will require staff time, legal support, and administrative resources to manage notices, marketing, and auction stages. There is currently no dedicated resource allocated to take forward HSRA, although new burdens funding is available from MHCLG payable at various stages in the auction process.
28. The act of designating HSRA areas could have a positive impact on encouraging landlords to proactively let long term vacant units. Reducing the number of vacant units will help attract new businesses, increase footfall, and strengthen the local economy. This can lead to higher business rate revenues and improved property values, supporting the council's financial sustainability.

Equalities and Fairness Implications

29. Central Bedfordshire Council has a statutory duty under the Equality Act 2010 with respect to the Public Sector Equality Duty (PSED). Section 149 of the Act details the requirement when taking decisions to have due regard to the need to advance equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics: age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
30. The duty requires public authorities to demonstrate that they are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of their community.
31. The use of HSRA could strengthen support for high streets and town centres, which can have positive equality and fairness implications. Vibrant town centres provide accessible services, employment opportunities, and social spaces for all residents, including those from disadvantaged or rural communities.
32. The consultation itself was structured in line with best practice to ensure it was as accessible as possible as it was recognised that engagement with local communities and businesses will be essential to avoid unintended impacts and to promote fairness in the distribution of benefits.

Biodiversity and Sustainability Implications

33. Bringing vacant high street premises back into use through HSRAs supports sustainability objectives by prioritising reuse over demolition and new construction, reducing embodied carbon and conserving resources.

Conclusion and next steps

34. The adoption of the designated areas set out in this report will mean that the council is able, if it chooses to pursue HSRA for those long standing qualifying vacant units in the High Streets of our towns. Feedback from the pilot councils to MHCLG suggests that just the act of designating these areas has a positive impact in engaging and encouraging landlords to seek tenants for vacant High Street units.
35. The Council currently monitors and records vacant units and vacancy rates across towns in Central Bedfordshire. How this information is collected and reported will be reviewed for it to support and inform any potential decision regarding HSRA action.
36. Actual use of HSRA powers will be subject to capacity and resource at an officer level to take this forward.
37. The designated areas themselves will be kept on review and if, in the future, they need amending then a further consultation exercise will be carried out.

Appendices

Appendix A: Designated areas for use of High Street Rental Auction powers

Appendix B: Consultation summary report

Appendix C: Summary of responses to comments in received in Consultation

Background Papers

None

NoneReport author(s):

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