

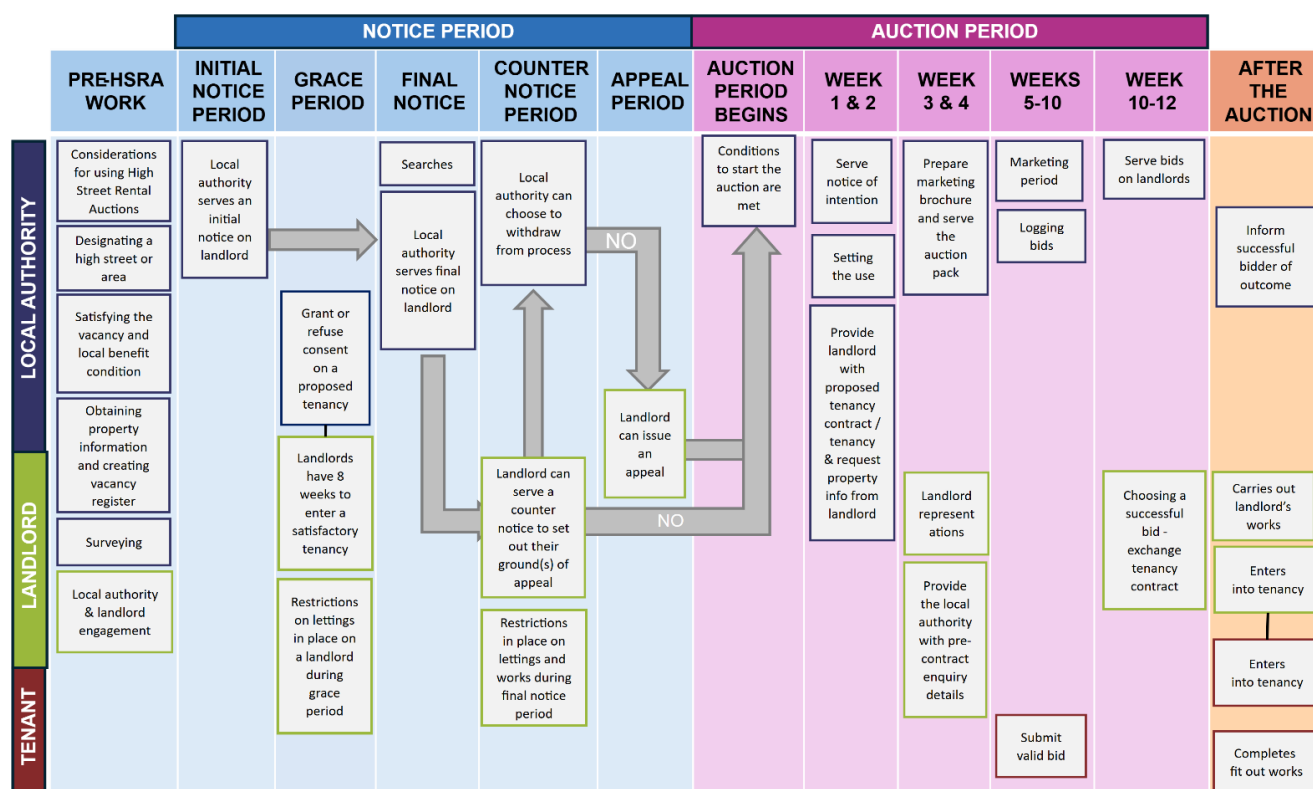
Report subject	<b>Designation of High Street Rental Auction area for Bournemouth town centre</b>
Meeting date	17 December 2025
Status	Public Report
Executive summary	<p>High Street Rental Auctions, as part of new government legislation, will enhance the council's ability to bring long-term vacant properties on the high-street back in to use via an auction process.</p> <p>The Levelling-up and Regeneration Act 2023 gives the Authority the power to go ahead with the High Street Rental Auction (HSRA) a new permissive power. As per the guidance, once the Authority has designated specific streets or areas as HSRA areas (following a mandatory 28 day consultation) which satisfy the test that the area is important to the local economy due to a concentration of high street uses. The designation is registered as a local land charge.</p> <p>The Authority can then only use the powers in that area designated. This does not stop more areas being designated later provided they also meet the test and can be funded.</p> <p>BCP Council undertook a public consultation to gauge opinions from key stakeholders over the required period of 28 days during the summer of 2025. The results highlighted a 75% approval for the programme. There is clearly a local desire for HSRAs to be implemented and bring new life to the high street.</p> <p>The next step in the process is for Cabinet to designate the high streets within Bournemouth town centre. Without this, the power of HSRAs cannot be implemented.</p> <p>It should be noted that the HSRA process is multi-stage and may take several months from designation to the first auction, due to statutory notice periods and preparatory work.</p>
Recommendations	<p><b>It is RECOMMENDED that:</b></p> <ul style="list-style-type: none"> <li><b>(a) Cabinet approves the designation of the HSRA area for Bournemouth town centre (see map in paragraph 4).</b></li> <li><b>(b) Cabinet agrees to delegate approval to the Chief Operations Officer in consultation with the Portfolio Holder for Destination, Leisure and Commercial</b></li> </ul>

	<p><b>Operations to consider future designated areas or HSRAs subject to adhering to the consultation requirements.</b></p>
Reason for recommendations	<ul style="list-style-type: none"> <li>(a) The Pre-HSRA work as defined by MHCLG requires the Local Authority to designate the high street before any auction notice can be served.</li> <li>(b) The recent HSRA public consultation on the proposed designated area resulted in an overall favourability of 75% when asked '<b>Do you agree or disagree with the proposed area, shown in the map.</b>'?</li> <li>(c) The HSRA programme supports the council's Corporate Strategy: <ul style="list-style-type: none"> <li>a. Revitalising and reinventing high streets and local centres</li> </ul> </li> <li>(d) The HSRA programme supports the council's High Street and District Centre Strategy:</li> <li>(e) Reimagining High Streets</li> <li>(f) Encouraging local investment</li> <li>(g) Transforming empty buildings</li> <li>(h) Improving the public realm</li> <li>(i) Celebrating pride in local communities</li> <li>(j) Supporting high street businesses</li> <li>(k) Although the vacancy rate by unit in Bournemouth town centre is roughly in line with national averages at 20%, there is clearly a great potential for HSRAs to engage landlords to fill those vacant units.</li> <li>(l) Bournemouth town centre continues to generate positive headlines, with examples including the successful openings of The Ivy and The Botanist, the collaborative Citizens' Panel, and the ongoing transformation of Bobby's, among other initiatives. Introducing HSRAs will build on this momentum and further revitalise the area.</li> </ul>

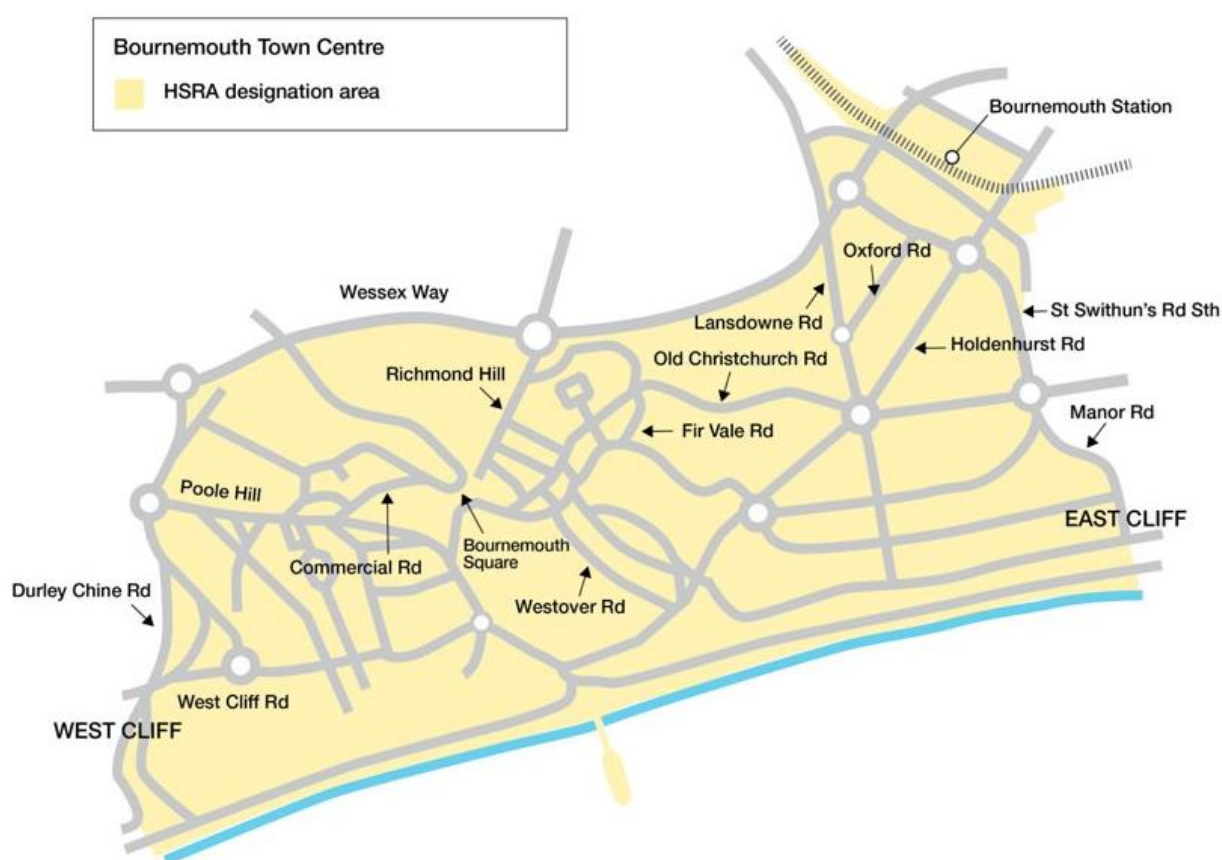
Portfolio Holder(s):	Councillor Richard Herrett, Portfolio Holder for Destination, Leisure and Commercial Operations
Corporate Director	Glynn Barton, Chief Operations Officer
Report Authors	Charles Fynn, Economic Development Officer for Bournemouth
Wards	Bournemouth Central;
Classification	For Decision

## Background

- HSRAs were introduced in December 2024 as part of the Levelling Up and Regeneration Act 2023 as a tool to see local authorities working proactively with landlords to encourage vibrant and successful high streets.
- BCP Council is one of the first councils to engage with the Government to be an early adopter of the HSRA legislation. Early adopters can act as champions to encourage greater take up of HSRAs by other local authorities. They can also perform an advisory role to help shape the guidance to improve the way in which the HSRAs can be delivered going forward. By joining the HSRA Programme, BCP Council is acting in an advisory role as a critical friend and will continue to support the government to refine the HSRA process.
- The process flow chart as is as follows. This Cabinet Report concerns the Pre-HSRA Work section, specifically: **Designating a high street or area**.



4. Funding for a Vacancy Register has been secured from MHCLG following the procurement of an external consultant. The purpose of the Vacancy Register is to understand the extent of vacant units in the proposed designated area of Bournemouth town centre.
5. Properties eligible for HSRAs must have been vacant for at least 12 months (or 366 days within 24 months) with no substantial, sustained occupation, and be deemed by BCP Council to provide a positive economic, social, or environmental benefit if occupied for a suitable high-street use. The Vacancy Register will identify the properties fitting these criteria in the town centre.
6. Following ODR approval, consultation for the high street designation opened on 15 July 2025 and closed on 12 August 2025. Below is a copy of the map used in the consultation.



7. HSRAs are not limited to Bournemouth town centre. There is potential for this to be rolled out to any town and district centre across BCP. Bournemouth is serving as a Pilot for the council's HSR programme.

### Options Appraisal

8. Designate the area in Bournemouth town centre and delegate authority for future designations, including variations to existing designations. This is the preferred option as it is a requirement of the pre-HSRA work before any notices can be served on landlords. Delegating authority will allow an efficient rollout of the legislation to other areas across Bournemouth, Christchurch and Poole if required. As with

Bournemouth, an Officer Decision Record will be required to begin the consultation phase for any other location that is considered.

9. Refuse to designate the area of Bournemouth town centre could result in reputational damage to BCP Council and negative publicity if it is not seen to be taking advantage of the opportunity to revitalise the high street and committing to its Corporate and High Street & District Centre strategies.
10. Refusal to delegate authority for future designations, including variations to existing designations would significantly slow down the process of rolling out the programme to other areas in BCP and in responding to the situation on the ground in any existing designated areas and would require more officer and council resourcing by needing to go through a more lengthy process to seek the necessary approvals.

### **Summary of financial implications**

11. The establishment of the vacancy register is wholly funded from the grant received from MHCLG. There is, therefore, no immediate financial impact of designating the area for High Street Rental Auctions (HSRA).
12. Council resourcing to manage the process of the HSRA programme is an ongoing financial implication and one which will include various teams including Economic Development, Planning, Legal, Estates and Facilities Management. The resourcing will likely include stakeholder meetings, landlord engagement, serving auction notices, surveying properties (if required), and holding the auction itself (either in-house or outsourcing). The extent of the resourcing and costs is entirely at the council's discretion and are not an obligation or required commitment as a result of this decision.
13. For every high street rental auction undertaken, a non-ringfenced revenue grant of up to £5,223 is available under Section 31 of the Local Government Act 2003 to cover costs such as administering and managing the auction, marketing, issuing legal notices, and gaining property access. These funds are otherwise known as the 'new burdens payments' - the deadline of which to apply is 14 January 2028.
14. Whilst there are financial implications (detailed above), the guidance for HSRAs recommends engaging with landlords informally wherever possible. This is very much part of the day-to-day officer workload and not something that requires significant resourcing. These engagements will be strengthened following the designation of the area. It sends a clear message that BCP Council has the power to use the full scope of the legislation should it become necessary.

### **Summary of legal implications**

15. Part 10 of the Levelling-up and Regeneration Act 2023 set out the statutory framework to end the rental auction of vacant high-street premises. The Act and other non-statutory guidance sets out the process to be followed by the Council for the rental auction of vacant units.
16. Section 191 of the Act gives the Council the authority to designate high streets and town centres to which these powers should apply. The area within a town centre may be designated if the built environment of the area is characterised principally by a network of streets and the Council considers that the area is important to the local economy because of a concentration of high-street uses of premises in the area.

17. Section 191(6) of the Act requires that such a designation shall be entered as a Local Land Charge, putting any potential purchasers of a property within the designated area on notice of the designation.
18. There are legal implications in relation to the preparation of legal documentation for the auction and the letting of the properties which will fall on the Council. MHCLG has produced a toolkit of document templates to aid this process.
19. It should be noted that Section 204 of the Act provides that, whilst the Council has the power to enter into lease agreements using this process, this has the effect of binding the owner of the property (as landlord) to the lease agreement rather than the Council itself.

### **Summary of human resources implications**

20. There are no direct HR implications arising from this decision. The project will be delivered using existing council resources and day-to-day operational support within current staffing levels. No additional recruitment or changes to employment terms will be required. All staff involved in the delivery of the project will be appropriately briefed by lead officer to ensure clarity of roles and responsibilities.

### **Summary of sustainability impact**

21. In line with the Council's Climate and Ecological Emergency, declared in 2019, reuse of vacant buildings over the construction of new buildings is favourable due to the associated carbon emissions and potential loss of green areas (in some cases) of construction. Bringing vacant buildings back into use also offers the opportunity for updates to be made to the heating and cooling installations and energy efficiency measures, which should further reduce associated emissions from implemented technology. The reuse of vacant buildings will also contribute towards a sense of community within the town centre, encouraging more social cohesion and discouraging antisocial behaviour, which will have long term sustainable impacts for the area. This final point could be further enhanced by the support of new sustainable businesses to use these premises.

### **Summary of public health implications**

22. Bringing vacant buildings back in to use has a significant benefit to public wellbeing as well as the local economy and job creation. The public will benefit from enhanced perception of Bournemouth town centre and the availability of retail, hospitality and leisure. A reduction in vacant properties can also serve as a deterrent to anti-social behaviour.

### **Summary of equality implications**

23. The decision to designate the area for High Street Rental Auctions is an enabling measure only. It does not in itself alter service delivery or impact individuals with protected characteristics. There are wider discussions and suitability checks that will take place at the next stage of the process when engaging with landlords, at which point a comprehensive EIA will be completed. See appendix for the current draft of the EIA Conversation Screening Tool.

24. HSRAs may present an opportunity to encourage more diverse business variety (e.g. charity shops, community organisations and business start ups) to bid for vacant units in Bournemouth town centre.

### **Summary of risk assessment**

25. By designating the area of Bournemouth town centre, there is a risk of public expectation of BCP Council to immediately begin serving notices on landlords and filling empty units with new tenants. The reality is that this is a complex process, which is likely to take some time – beginning with landlord engagement to first assess their willingness to find a tenant for their property. These risks can be mitigated through council communications about the HSRA programme. Longer term, however, the public will expect to see results of its commitment to HSRAs.
26. Perception of favouritism for Bournemouth town centre is a potential risk considering there may be similar requirements in Christchurch and Poole. Council communications can mitigate this by making it clear that the programme can be implemented anywhere across BCP however as this is new legislation it would be sensible to assess its impact on Bournemouth town centre before looking elsewhere.
27. There is a general risk of worsening relationships with local landlords as some have already expressed the view that this legislation is not welcome. This risk will be mitigated by beginning with informal landlord engagements to better understand the circumstances behind their vacant unit and offer support to find a tenant. The process of an auction should be seen as the option of last resort if there is an unwillingness to work with the council to resolve the situation.

### **Background papers**

- HSRA BCP Consultation - final report
- Published works
- Equality Impact Assessment: Conversation Screening Tool

### **Appendices**

- None