



Briefing Note – High Street Rental Auctions

Date

Meeting Date

Prepared by

Town Clerk

1. BACKGROUND

- 1.1. In December 2024 Local Authorities were give the power to tackle vacant shops and buildings on highstreets, requiring the landlord to undertake improvement work and forcing auctions for rental.
- 1.2. Elevated vacancy rates can strongly affect the economic vitality of an area by diminishing foot traffic.
- 1.3. Neighbourhoods with numerous empty properties often experience increased unemployment and visible decline, including boarded-up, vandalised shops and a rise in anti-social behaviour.
- 1.4. As a result, many residents may move away, while those who stay behind often feel a reduced sense of pride in their high street or community.
- 1.5. The scheme is called High Street Rental Auctions.
- 1.6. The Isle of Wight Council does not have capacity or funds to utilise the powers provided. The Town Council can support the Isle of Wight Council with the steps prior to the auction process and in securing grant funding to deliver a project to address the vacant properties in Sandown's Town Centre.
- 1.7. Each property grant can range from **£40k - £79k** depending on the property size.
Legal costs related to tenancy agreements are not covered and must be reclaimed from the tenant

2. GRANT ELIGIBILITY CRITERIA

- 1.8. Local authorities with Planning powers in England are eligible to apply for funding.
- 1.9. The scheme is not open to private individuals or businesses directly
- 1.10. The project **MUST** be completed and all costs paid by 31 March 2026.

Property eligibility

1.11. To qualify for a High Street Rental Auction:

- The property must be commercial and located on a designated high street or town centre
- The property/shop unit **MUST** have been vacant for at least 366 days within the past 24 months.

Project requirements

1.12. For any units/sites considered for inclusion in this process, the Isle of Wight Council must have:

- Served an initial planning notice (Sandown Town Council will need to follow this up with any relevant individuals and put requests into Isle of Wight Council Planning Department if applicable).

- Obtained an independent survey detailing the works needed to meet the minimum letting standard, including the minimum energy efficiency standard.
- Collected quotes for all associated fees.

3. LEGISLATION

- 2.1. Chapter 55 of the Levelling-up and Regeneration Act 2023¹ provides the Local Authority with the scheme.
- 2.2. The Local Authorities (Rental Auctions etc.) (England) and Town and Country Planning (General Permitted Development) (Amendment) Regulations 2024² defines the scheme.
- 2.3. The Town Council can support the Local Authority to utilise the scheme using the General Power of Competence.

4. FINANCIAL IMPLICATIONS

- 4.1. There is a cost of up to £1,000 to obtain the land registry records required to support the project. This could be rebilled to the Isle of Wight Council if they secure grant funding to deliver the initiative.
- 4.2. There would be up front costs in relation to the surveys regarding works required. These could be reclaimed from grant funding through the Isle of Wight Council.
- 4.3. Monies would be take from the Town Improvements budget line.

5. OPTIONS AND RECOMMENDATION

- 6.1. The Town Council is under no obligation to support the Local Authority with initiative or drive it forward. However, given the local authority's resource issues it is unlikely that they will take it forward themselves.
- 6.2. A list of preferred trusted suppliers has been provided by a colleague in planning through delivering the Newport and Ryde HAZ projects.
- 6.3. RECOMMENDATION:
 - (i) THAT the Town Council support the Isle of Wight Council to utilise the powers provided to deliver the High Street Rental Auctions scheme in Sandown and help secure funding for the scheme's delivery.
 - (ii) THAT the Town Council use the list of preferred trusted suppliers created by the Isle of Wight Planning Department while delivering the Newport and Ryde Highstreet Action Zone projects.

¹ [Levelling-up and Regeneration Act 2023](#)

² [The Local Authorities \(Rental Auctions\) \(England\) and Town and Country Planning \(General Permitted Development\) \(Amendment\) Regulations 2024](#)

7. NEXT STEPS

7.1. Should the Town Council resolve to take forward the project the next steps are:

- Seek confirmation from the Isle of Wight Council that they are supporting the Town Council's Request to undertake the project.
- Contact Isle of Wight Council Planning Department to ensure Notices are served on any targeted units
- Arrange for surveys to be undertaken for each targeted property (Costs to be reclaimed via Grant Process)

8. BACKGROUND READING

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