

**Case Study: Development Agreement: Golden square Shopping Centre**

**Client: Warrington Borough Council**

**Background**

Warrington Council had agreed heads of terms with its Development partner with a view to doubling the size of its indoor shopping centre and secured planning permission. The Developer was responsible for the construction and operation of the Centre, whilst the council provided land in return for an ongoing share in the Centre. The proposal was logistically complex as it depended upon a complex land assembly strategy and relocation of the town’s existing, underground bus station.

Whilst working as an employee of Warrington Council, Chris Kelsall was seconded to the role of project manager, tasked with ensuring that the Council delivered key elements of the scheme within a challenging timeframe.

Chris put together a project team comprising estates, transport and design professionals from within the Council, augmented by external lawyers to assist with drafting the new development agreement and securing the necessary statutory approvals. In addition, Chris oversaw a separate project team to complete the design and construction of a new transport interchange that would be managed and funded by the Council in parallel with the new shopping centre development.

Compulsory Purchase and Road Closure Orders were secured via a Public Inquiry and a new development agreement was completed within 18 months of Chris’s appointment. The new centre and transport interchange fully opened in 2008.

**Specific Features**

The success of the scheme depended upon developing effective relationships with different stakeholders with very different requirements. The Developer required confidence that the Council could deliver its elements to timetable, transportation stakeholders required comfort that the new interchange would not be compromised by the Developer’s requirements, town centre stakeholders were anxious that other areas of the town did not decline and the Council needed to balance its desire to facilitate new investment with protecting its income stream. Initially there was little cohesion between these groups.

Through creating mutual trust with key partners and stakeholders and developing an effective communication process that broke down initial barriers, Chris was able to develop a coordinated project plan that saw the project through to completion.

Chris quickly developed a working knowledge off the technical aspects within each workstream to ensure that realistic timetables could be set and that officers and consultants completed tasks on time and to the agreed briefs. Mutually agreed critical tasks helped ensure that resources were utilised effectively and helped prevent conflict within the project teams.

**Key Tasks**

<ul style="list-style-type: none"> <li>Negotiate Development Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Manage multi-disciplinary team of legal, technical and property advisers.</li> </ul>
<ul style="list-style-type: none"> <li>Secure Funding for new Transport Interchange.</li> </ul>	<ul style="list-style-type: none"> <li>Chair Town Centre Stakeholder Group.</li> </ul>
<ul style="list-style-type: none"> <li>Secure Compulsory Purchase Orders/Public Inquiry to secure land</li> </ul>	<ul style="list-style-type: none"> <li>Project Manager for Transport Interchange construction programme.</li> </ul>
<ul style="list-style-type: none"> <li>Secure Road Closure Orders.</li> </ul>	<ul style="list-style-type: none"> <li>Report to WBC’s Project Board.</li> </ul>

**Key Achievements**

Capital Works	Operational Phase
1. Secured £160m of new investment into Warrington town centre	1. Increased annual revenue to the Council of some £2m per annum.
2. New Transport Interchange.	2. Reduced financial risk by linking the Council’s revenue stream to the Centre’s gross rent rather than net profit.
3. Improved Retail offer within over 30,000m <sup>2</sup> of new retail space.	
4. Significant S106 contributions to improve town centre public realm.	3. Revitalised shopping centre and increased town centre footfall.