

Classification:	Decision Type:
Open	Key

Report to:	Cabinet	<b>Date:</b> 09 July 2025
Subject:	Northern Gateway (MDC Approval to Proceed) - PART A	
Report of Leader and Cabinet Member for Strategic Growth		

# **Summary**

- 1. The implementation of the Atom Valley Northern Gateway Mayoral Development Corporation (MDC) will provide a single, focussed body for engagement with Government and key stakeholders to work towards securing delivery of physical and social infrastructure required to support the delivery of over 1,200,000 square metres of employment floorspace and 3,000 new homes, thus supporting the achievement of the Northern Gateway Strategic Development Vision and the Council's priorities.
- 2. The Council is working in partnership with Rochdale Council and the Combined Authority to bring forward the Northern Gateway sites, providing a significant boost to employment opportunities, infrastructure and economic growth locally. Rochdale Council will provide the function of host Authority for the MDC and Bury Council to provide the function of partner Authority, subject to 2-year initial review then regularly on 5-year basis thereafter.
- 3. Proposed governance and operational arrangements for the MDC will continue to be developed in advance of the Secretary of State (SoS) making of the MDC.

### Recommendation(s)

- 1. It is recommended that Cabinet:
- i. Note the outcome of the 'Atom Valley Northern Gateway MDC' consultation, as detailed within the Consultation Report (Appendix A).
- ii. Support designation of the 'Atom Valley Northern Gateway' Mayoral development area by the Greater Manchester Mayor (the Mayor) and the Mayor notifying the Secretary of State (SoS) of that designation.
- iii. Approve the draft governance and operational arrangements, including objectives, as set out in the draft constitution (Appendix B).
- iv. Delegates Northern Gateway Strategic Board to finalise the draft governance and operational arrangements for the proposed MDC and note the approval of the constitution sits with the MDC.

- v. Agree Rochdale Council will be the MDC host Authority and Bury Council will be the partner Authority, subject to 2-year initial review then regularly on 5-year basis thereafter.
- vi. Notes that corresponding recommendations are to be presented to Rochdale Council, and that, if endorsed a further report will be presented to the Greater Manchester Combined Authority (GMCA) and GM Mayor to seek endorsement of these proposals. Accordingly, establishment of the Atom Valley Northern Gateway MDC is contingent on these respective decisions.
- vii. Note that following endorsement by GMCA, the Mayor and the SoS a further report will be presented to Cabinet seeking formal approval to implement, including financial appraisal to provide further details on costings.

### Reasons for recommendation(s)

- 1. A Delivery Vehicle Options Appraisal (DVOA) was commissioned by Bury and Rochdale Councils and GMCA from Deloitte which concluded the delivery vehicle with the greatest ability to support the effective delivery of Northern Gateway is an MDC. This stems from the MDC's capacity to maintain local accountability and explore potential enhanced powers, alongside a series of additional benefits:
  - · Retains local accountability and local community input;
  - Provides delivery and governance stability in the long-term;
  - Streamlines private sector engagement by acting as a "front door";
  - Boosts the profile of the Northern Gateway programme;
  - Ring-fences and provides sufficient resources for delivery;
  - Convenes the public sector by establishing a single institutional platform;
  - the ability to explore powers such as, land assembly and financial incentives for accelerated delivery:
  - previous examples to use as a benchmark and does not rely on pending legislation.

### Alternative options considered and rejected

1. That the 'Atom Valley Northern Gateway MDC' is not endorsed and would therefore not proceed to implementation. Alternative delivery mechanisms would need to be revisited, however as outlined in the March cabinet report, the MDC was the option that presented the best balance of considerations of flexibility, governance, private sector engagement and risk share, with other options comparing unfavourably in terms of the criteria, fit for the needs of Northern Gateway, and, in the case of some options, reliance on pending legislation

creating threats to delivery timelines based on an untested model with no best practice basis.

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# **Background**

- As outlined in previous Cabinet Papers, the Council is working in partnership with Rochdale Council and the Combined Authority to bring forward the Northern Gateway sites, providing a significant boost to employment opportunities, infrastructure and economic growth locally.
- 2. To aid the delivery of the sites, and following the Cabinet resolution in March 2025, a consultation has taken place on the proposal to create an MDC to reflect the importance of the site regionally and nationally.
- 3. Following exploration of potential delivery options for Northern Gateway, as detailed above an MDC was the option that presented the best balance of considerations of flexibility, governance, private sector engagement and risk share, with other options comparing unfavourably in terms of the criteria, fit for the needs of Northern Gateway, and, in the case of some options, reliance on pending legislation creating threats to delivery timelines based on an untested model with no best practice basis.
- 4. In March 2025 Cabinet endorsed an MDC as the preferred delivery vehicle for Northern Gateway along with the proposed name and boundary for the purpose of the consultation process, which was subsequently endorsed and undertaken by GMCA and the Mayor.
- The creation of Mayoral Development Corporations is governed in Greater Manchester by the Localism Act 2011 Part 8, Chapter 2, as modified by the Schedule to the Greater Manchester Combined Authority (Functions and Amendment) Order 2017 (the Act).
- 6. This provides that the Mayor may designate a Mayoral development area only if consultation has taken place and been concluded in accordance with the Act.

### **MDC Consultation:**

7. Following Cabinet approval to consult on the creation of the 'Atom Valley Northern Gateway Mayoral Development Corporation' within the proposed MDC Boundary (See Appendix C), a public consultation was held in line with legislation by the Mayor, supported Bury and Rochdale Councils and the GMCA.

- 8. The consultation was launched on 25<sup>th</sup> April 2025, for a period of 35-days, and closed on 8<sup>th</sup> June 2025.
- 9. Section197 of the Localism Act (2011), as amended by the schedule to The Greater Manchester Combined Authority (Functions and Amendment) Order 2017 1.(4) requires the Mayor to consult with members of the GMCA; MPs whose parliamentary constituency contains part of the proposed area; and each district council whose areas are within the proposed boundary, in this case Bury and Rochdale. Information about the proposal was shared with consultees and The Mayor wrote to the affected MPs, inviting them to participate in a briefing on the proposal.
- 10. In addition to these statutory consultees, the consultation was accessible to the public, with this hosted on the GM Consult engagement platform.
- 11. Supporting information about MDCs and the justification for establishing an MDC for Northern Gateway accompanied the consultation questions, all of which were also available in hard copy and alternative formats upon request.
- 12. All residents and businesses located in the proposed MDC area were written to, inviting them to participate in the consultation. In addition, a press release and social media posts highlighted the consultation process and informed people how they could participate.
- 13. In summary, the consultation received 85 responses through the GM Consult platform, plus four letters. Of the online responses, 76.47% were from respondents who indicated they live in Bury or Rochdale. Organisations provided 6 of the online submissions and 3 of the letters; all supported the proposal.
- 14. Responses to individual questions can be summarised as follows:
- 14.1. 28% of respondents agreed with the creation of an MDC for Northern Gateway;
- 14.2 36% of respondents strongly agreed, agreed, or were neutral that an MDC for Northern Gateway would support development, growth, and improvements across the wider areas of Bury, Heywood, Middleton, and Rochdale;
- 14.3 13% of respondents strongly agreed or agreed with the proposed "Atom Valley Northern Gateway MDC" name. A further 28.24% neither agreed nor disagreed.
- 15. The online consultation allowed respondents to identify on a map where they thought areas should be added or omitted from the proposed MDC area. This was used by 40 respondents. Many of the responses appear to indicate that most or all of the area should be excepted. A further 7 text responses indicated removal of the following areas:
  - Simister, Bowlee and Unsworth

- Simister and surrounding area
- Bowlee down to Rhodes
- 'None of the area should be included'
- 'Exclude the vast majority of the area'
- 16. Respondents could provide text responses to explain their suggested changes to the MDC boundary and make any other comments relating to the overall proposal. Responses broadly fell into the following categories:
  - Costs of the MDC;
  - Transport Infrastructure;
  - Type of Development; and
  - Objections to development.
- 17. Appendix A provides full details of the consultation. Responses will, in due course, be published on GM Consult and be publicly available where respondents did not choose to make their responses confidential.
- 18. Many of the responses received identified concerns or objections associated with the development of sites within the proposed MDC boundary. This consultation was not on the principle of development of these sites and the matter of allocation was determined as part of the separate Places for Everyone (PfE) joint plan adoption process. That process included several rounds of consultation and a formal examination which concluded the plan was sound.
- 19. During the course of PfE consultations, a significant volume of representations were received in relation to JPA 1.1 and JPA 1.2, including many expressing similar concerns to those raised as part of this exercise.
- 20. One of the purposes of the proposed MDC is to provide public sector strategic leadership for Northern Gateway, ensuring development in the area is in alignment with the GMCA's, the Councils', and Transport for Greater Manchester's shared vision. It will also be tasked with ensuring benefits from the developments to new and existing residents and businesses in a location that has been amongst the most economically deprived in GM are maximised. That being the case, the MDC is intended to address many of the concerns raised as part of this consultation.
- 21. In accordance with the Act, The Mayor must have regard to any comments made in response to the consultation.
- 22. Further to the Mayor's consideration, a report will be presented to GMCA on the outcome of consultation responses and seek approval for the Mayor to progress with the designation of the land as an identified at Appendix C as a Mayoral development area (MDA) this is the land where the proposed MDC will operate.
- 23. The GMCA consideration period is 21 days after the GMCA meeting endorsing the designation (s197(3) and (5) of the Localism Act 2011). Following this, the Mayor will inform the SoS that he has made the decision to designate the MDA

- and request the SoS to establish an MDC for that area, subject to the expiry of the GMCA consideration period where the GMCA has not rejected the proposal.
- 24. The GMCA consideration period is 21 days after the GMCA meeting endorsing the designation (s197(3) and (5) of the Localism Act 2011). Following this elapsing without the proposal being rejected, the Mayor will inform the SoS that he has made the decision to designate the MDA and request the SoS to establish an MDC for that area.
- 25. Upon receipt the SoS will prepare and lay the appropriate Orders before Parliament under the negative procedure, which means the Orders will come into force and the MDC formally created, subject to no motion from either house to reject the Orders within a specified period, usually 40 sitting days, estimated to be around 31st October 2025.

### **MDC Governance and Operational Arrangements:**

- 26. Legislation related to the establishment of MDC's have informed the proposals set out in the following paragraphs for the governance and operation of the MDC.
- 27. It is requested that authority is delegated to Northern Gateway Strategic Board to develop further detail and finalise governance and operational arrangements.

# **Proposed MDC Objectives:**

- 28. Proposed objectives have been developed to reflect the anticipated purpose of the MDC and the Northern Gateway Strategic Development Vision:
  - "The objectives of the Corporation are to facilitate and oversee delivery of the Northern Gateway project by:
    - Promoting the Area as a nationally significant regeneration project, raising its profile on a national and global scale;
    - Delivering over 1,200,000 square metres of employment floorspace and 3,000 new homes in accordance with the Strategic Business Plan and Places for Everyone Joint Development Plan to create 20,000 new high-quality jobs and make significant contributions to GM and UK GVA;
    - Securing the physical and social infrastructure required to support the delivery of the project;
    - Maximising benefits to new and existing residents and businesses in a location that has been amongst the most economically deprived in GM, including encouraging high-quality jobs, skills, and social value;
    - Delivering strategic leadership of the project to ensure its successful and timely delivery in alignment with the GMCA's, the Councils', and Transport for Greater Manchester's shared Northern Gateway Strategic Development Vision and other related documents for the Area, including maximising advanced materials and manufacturing uses;

- Providing a single, focused body for local decision-making; engagement with government departments and public agencies; engagement with private sector landowners and developers; and
- Attracting public and private sector investment to support the delivery of residential and employment growth.

The Corporation will work closely with Bury and Rochdale Councils, the GMCA, Transport for Greater Manchester, the Department for Transport, National Highways and other stakeholders to achieve its objectives".

- 29. For the avoidance of doubt reference to 'the area' within the objectives refers to the MDC red line boundary presented at Appendix C.
- 30. It should also be noted that the two local authorities would retain full Planning and Highway powers but would work closely with the MDC to help achieve its objectives.

#### **MDC Board:**

- 31. Members of the Board will be appointed by the Mayor.
- 32. The Mayor will serve as the Chair of the Board until such time as he appoints a permanent Chair. This is proposed to be an independent Board member with public profile and skills befitting the importance of the Northern Gateway project.
- 33. Proposed composition of the MDC Board and respective voting rights are as follows:

#### Members:

Independent chair	Voting rights
Bury & Rochdale Council Leaders	Voting rights
Bury & Rochdale Council Opposition Leaders	Voting rights
2 x Private sector non-Exec Directors	Voting rights

### Observers:

Bury & Rochdale Chief Executives	No voting rights
MDC Chief Officer	No voting rights
Department for Transport representative	No voting rights
GMCA representative	No voting rights
Transport for Greater Manchester representative	No voting rights

- 34.MDCs are intended to be democratically controlled public authorities. On that basis, best practice indicates that officers in politically restricted posts should not have voting rights on the Board but can otherwise participate in the Board.
- 35. The MDC has the opportunity to leverage private sector expertise in support of the delivery of Northern Gateway by including appropriately skilled and experienced individuals as members of the Board. These members will be appointed with consideration of appropriate specialisms, for example

- infrastructure or marketing, to create a rounded Board with a complementary suite of skills.
- 36. The recruitment of an MDC Chief Officer, independent Chair and private sector non-executive Members of the Board are ongoing.

# **Proposed Draft Constitution:**

- 37. Cabinet are requested to note that the MDC Constitution will be approved at the first MDC Board, noting that the Leader and Leader of the Opposition will be MDC Board Members, and will therefore have a pivotal role in the approval of the constitution and related arrangements.
- 38. Northern Gateway Strategic Board, which provides strategic direction and a centralised and consistent forum for decision-making for matters relating to Northern Gateway, will make the final amendments to governance and operational arrangements for the proposed MDC as appropriate.

# Proposed Relationship between MDC and Mayoral Development Zone (MDZ):

- 39. It will be necessary to clearly delineate between the function of the proposed MDC and the established MDZ to minimise duplication. Proposals for this relationship are in development, with initial principles reserving detailed project delivery matters to the MDC and wider strategic and thematic matters across Atom Valley.
- 40. Final details of the relationship will continue to be developed between the MDC and MDZ Boards, responding to changing circumstances as the delivery of Atom Valley, and Northern Gateway as part of it, proceeds.

# **MDC Host Authority:**

- 41. Proposed arrangements will see the MDC hosted within Rochdale Council for an initial period of 2 years, with a review of arrangements at 5-year intervals thereafter or upon request by the MDC Board. This is because the immediate development projects are in the Rochdale area, with the current development of 1,000 homes and employment development at H-Park (South Heywood Development, which is Phase 1 of the Northern Gateway site).
- 42. This gives sufficient stability after the initial period and aligns with the intended strategic plan cycle for the MDC.
- 43. This will entail contributions to the operating costs of the MDC by both Bury and Rochdale Councils on an equitable basis.

# **Links with the Corporate Priorities:**

Please summarise how this links to the Let's Do It Strategy.

- 42 A key part of the Places for Everyone Plan is to rebalance the Greater Manchester economy by significantly boosting the economic output from the north through the delivery of new housing and employment that will benefit both Bury and its residents. The plan sets out strategic site allocations that will guide future growth and development in the Borough. The 'Let's Do It' strategy specifically refers to Places for Everyone as having a key role to play in the delivery of its objectives and priorities, in addition to the Corporate Plan 2024/25 seeks to deliver the Vision for 2030 which is for the Council to Achieve Economic Growth.
- As Bury's largest employment allocation within the Places for Everyone plan, Northern Gateway supports delivery of the Vision 2030 and 'Let's Do It!' to stand out as a place that is achieving faster economic growth than the national average, with lower than national average levels of deprivation through the development of employment space to enable job creation and upskilling of residents, leading to economic growth:

**Local** – The project will generate jobs for local people, enhance economic regeneration and provide links with existing and new communities.

**Enterprise** - the project will drive economic growth and inclusion by creating more employment space for existing businesses to expand into and to encourage more local, national and international businesses to open in the Borough; helping to ensure residents have the best chance to access good jobs.

**Together** – Ensuring sustainable access into the site to maximise inclusivity and access to opportunities for members of the local community and working with partners to maximise social value opportunities to shape outcomes.

**Strength** - the project will provide space for new and expanding local business within a site that is well connected to local communities. This will provide opportunities for community wealth building through new business start-ups, increased local spend and the adoption of new skills whilst providing opportunity for all through provision of sustainable transport modes.

# **Equality Impact and Considerations:**

Please provide an explanation of the outcome(s) of an initial or full EIA and make **specific reference regarding the protected characteristic of Looked After Children**. Intranet link to EIA documents is here.

44 The attached Equality Impact Assessment concludes that impacts are positive and will continue to be assessed as the project progresses.

### **Environmental Impact and Considerations:**

Please provide an explanation of the carbon impact of this decision. Please include the impact on both **Carbon emissions** (contact <u>climate @bury.gov.uk</u> for advice) and **Biodiversity** (contact <u>c.m.wilkinson@bury.gov.uk</u> for advice)

45 Environmental impacts and concerns will be assessed and monitored as project delivery commences and will be in-line with existing Council policies. The Northern Gateway Development Framework will seek to meet policy requirements, including physical, social and environmental impacts including biodiversity net gain.

# **Assessment and Mitigation of Risk:**

Risk / opportunity	Mitigation
The implementation of the 'Atom Valley Northern Gateway MDC' is not endorsed and therefore further consideration of implementation by the mayor and the SoS is not made. This would mean further work could not progress on the implementation of the MDC, increasing risk to the cohesive delivery of Northern Gateway.	ensure a full understanding of SoS
That the recommended approach to governance and operational arrangements is not delegated authority is not given to Northern Gateway Strategic Board to develop further detail and finalise governance and operational arrangements, leading to prolongated timeframes for implementation.	<ul> <li>Continued engagement with and involvement of senior officers, legal, finance and HR professionals sitting as members of the MDC Working Group;</li> <li>Regular reporting through the established interim Northern Gateway governance arrangements.</li> </ul>

### **Legal Implications:**

To be completed by the Monitoring Officer

The creation of Mayoral Development Corporations is governed in Greater Manchester by the Localism Act 2011 Part 8, Chapter 2, as modified by the Schedule to the Greater Manchester Combined Authority (Functions and Amendment) Order 2017 (the Act).

Legal advice will be provided throughout.

### **Financial Implications:**

As referenced in Recommendation vii, and subject to the necessary approvals / endorsements noted, Finance will work closely with the project team to bring a

comprehensive appraisal of the costs to a future Cabinet meeting seeking formal approval to proceed with the MDC.

The MDC will use Rochdale Council's Financial Procedure Rules, as referenced in Appendix B – Draft Constitution (Part A), as host authority and which are in line with Bury's own Finance Procedures.

### **Appendices:**

Appendix A – MDC Consultation Report (Part A)

Appendix B – Draft Constitution (Part A)

Appendix C – Proposed MDC Boundary (Part A)

# **Background Papers:**

Places for Everyone Plan – available on request.

Cabinet Report July 2022 and associated Appendices – Available on request.

Cabinet Report Sept 2024 - Northern Gateway Governance - Investment Zone - Available on request.

Northern Gateway Strategic Development Vision - Available on request.

Cabinet Report March 2025 – Northern Gateway MDC Approval to Consult and Collaboration Agreement - Available on request.

Northern Gateway Delivery Mechanism Options Appraisal Report (Deloitte) - Available on request.

# Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
MDC	Mayoral Development Corporation
SoS	Secretary of State
GMCA	Greater Manchester Combined Authority
MDZ	Atom Valley Mayoral Development Zone
MDA	Mayoral Development Area
	(MDA – this is the land where the proposed MDC
	will operate)