

Report to:	Cabinet	Date: 14 October 2026
Subject:	Northern Gateway Western Access scheme: Stage 3 Contract Sum, External Professional Team Contract Extension, and Acceptance of Investment Zone Grant Funding.	
Report of	Leader	

Summary

1. **Stage 3 Contract Sum:** In December 2025 Cabinet approved the delegation of a final contract sum of £2,830,403 covering the finalisation of the Western Access scheme's Stage 2b pre-construction works, and the finalisation of the Main Pre-Construction and Construction Contract (NEC4 ECC Option C X22 contract) to the Director of Law and Democratic Services in consultation with the Executive Director of Place and Director of Finance and the Council Leader and Cabinet Member for Strategic Growth.
2. Balfour Beatty Civil Engineering Ltd (Western Access scheme main construction contractor) is now nearing completion of the Stage 2b initial pre-construction activities. These include finalising the scheme Outline Business Case (OBC), preparing preliminary designs and facilitating associated public consultations which are currently being planned to take place during November, preparing Pre-application Planning Application, and planning a comprehensive programme of on / off site surveys. These Stage 2b activities are due to be completed in early 2027 following which the remaining Pre-Construction work packages will then be undertaken by Balfour Beatty (and its Design Partner Sweco UK Limited) during Stage 3 (ie. Full Business Case, Detailed Designs/ technical designs).
3. In advance of the above, to maintain project continuity and avoid any programme delays, in line with the approval and contractual process previously undertaken at Stage 2b above, Balfour Beatty has now prepared its Stage 3 (Full Business Case/ Detailed Design) provisional maximum, contract sum, which Cabinet's delegated approval is now being sought.
4. **External Professional Team Contract Extension:** On 12th February 2025, Cabinet was notified of the procurement and appointment of a multi-disciplinary external project management team, Bentley Project Management (UK) Limited (Company number 08482170), to support the Council's delivery of the Northern Gateway Western Access scheme. This procurement and appointment encompass the full pre-construction stage project life cycle (ie. Stage 2/ Outline Business Case and Stage 3/ Full Business Case), covering the core services being provided by Bentley Project Management (UK) Limited, including external project and contract management, and cost

consultancy advice and support. This pre-construction appointment was formalised utilising an NEC 4 Professional Services Contract (PSC) which was finalised and signed on 7th March 2025 with Bentley Project Management.

5. In January 2026, due to scheme prolongation at Stage 2b, approval was received via an Officer Delegation Scheme to amend the existing PSC with Bentley Project Management (UK) Limited. This amendment reflected the extended Stage 2b/ OBC programme duration to the end October 2026; ensuring the PSC continues to remain fully aligned with the overall scheme pre-construction programme.
6. Cabinet approval is now being sought for the approval of the Bentley Project Management (UK) Limited contract sum covering the continuation of their pre-construction, professional services during the remaining Stage 2b period as activities are finalised and also during Stage 3 of the pre-construction period (ie. Full Business Case/ Detailed Design). This is because the cumulative value of the PSC contract sum now requires a Key Decision.
7. **Investment Zone (IZ) Grant Funding:** Cabinet previously accepted the initial tranche of IZ grant funding in November 2024. In respect of this initial funding (£800k revenue grant), a Grant Funding Agreement was signed between the Council and the Greater Manchester Combined Authority (GMCA) in February 2025, and subsequent to this, a Deed of Variation was also signed in September 2025 with regard to the receipt of a second tranche of IZ grant (£700k revenue grant).
8. An updated Grant Funding Agreement has now been agreed between the Council and GMCA covering the final tranche of IZ grant funding (£8.5M capital grant) allocated to the scheme. This report now seeks Cabinet's acceptance of the remaining £8.5 million of IZ grant funding as part of the Council's Capital Programme. The £8.5M grant will cover pre-construction scheme costs in line with the scheme cash flow, including Balfour Beatty's Stage 3 contract sum and Bentley Project Management (UK) Limited's professional fees during the remainder of Stage 2B and Stage 3.
9. In line with the above summary and as detailed in the main body of this report, Cabinet approval of the following recommendations is now sought:

Recommendation(s)

10. It is recommended that Cabinet:
 - a. Delegate final acceptance of Balfour Beatty Civil Engineering Ltd Stage 3 contract sum, up to a provisional maximum of £3,129,915, covering the finalisation of the Detailed Design/ Full Business Case stage work packages (Stage 3), to the Director of Law and Democratic Services in consultation with the Executive Director of Place and Director of Finance and the Leader.

- b. Approve the Bentley Project Management (UK) Limited contract sum of £423,000 covering the remaining Pre-Construction Stages of the scheme (finalisation of Stage 2b Outline Business Case/ Preliminary Design stage, and Stage 3 Full Business Case/ Detailed Design stage).
- c. Acceptance of the remaining £8.5 million of Investment Zone capital grant funding allocated to the Western Access scheme, for inclusion in the Council's Capital Programme.

Reasons for recommendation(s)

1. The Western Access scheme (Pilsworth Road Corridor Improvements) is a cross-boundary scheme with Rochdale Council, and will provide the necessary off-site, highway and transportation infrastructure required to access the early development phases of the Northern Gateway Investment Zone (IZ) site (JPA 1.1 allocation). The construction of the Western Access scheme will create the potential capacity to unlock up to 600,000 sqm of employment generating uses and support the creation of high quality, employment floor space, including space within the advanced manufacturing and foundational sectors.
2. The completion of on-going Stage 2b activities to finalise the Outline Business Case (OBC) for the Western Access scheme will result in a preferred option for the scheme being identified and associated Preliminary Designs and an updated scheme budget estimate being prepared. Importantly, the OBC will also provide the robust strategic, economic, commercial and financial cases for the scheme. This in turn will provide the firm foundation for the development of the subsequent Stage 3 Full Business Case (FBC), which will confirm detailed designs and costings.
3. Investment Zone (IZ) year one revenue grant funding was allocated to the Western Access scheme from 1st April 2024. Following Cabinet's approval of the Grant Funding Agreement (GFA) in November 2024, the Year One grant (£800,000) has already been released. In September 2025, the GMCA and Council also signed a Deed of Variation to the original GFA that released the Year 2 revenue grant (£500,000) and an advanced payment of the Year 3 revenue grant (£200,000). The GFA covering the remaining £8.5M balance of IZ capital grant has also now been agreed between the Council and GMCA and provides sufficient budget to cover the remaining costs associated with the finalisation of the Western Access scheme Stage 2B activities (OBC/ Preliminary Designs) and the subsequent Stage 3 activities (FBC / Detailed Design) in line with the project cash flow. These costs include the Balfour Beatty Civil Engineering Ltd Stage 3 contract sum and the associated Bentley Project Management (UK) Limited contract sum covering their professional services during the remainder of Stage 2b and Stage 3.

4. There continues to be an urgent need to swiftly and flexibly progress the development of the Western Access scheme to meet the challenging grant funding milestone deadlines which are attached to the release of the IZ grant. These GFA milestones include the finalisation of the Western Access scheme's preliminary designs by early 2027, and production of the scheme detailed/ technical designs and costings during 2028. The approval of the Balfour Beatty Stage 3 provisional maximum, contract sum and external professional team (Bentley Project Management (UK) Limited) costs covering the remainder of Stage 2b and Stage 3, will help maintain scheme continuity and progress in line with GFA milestones and overall scheme programme. The continuation of these activities and services by the main contractor and the external professional team in line with their existing procurements and associated respective contracts, will also ensure the continued provision of the necessary resources and technical skills which the Council does not possess internally, to deliver these time critical remaining stages of the scheme's pre-construction phase.
5. The IZ funding has been allocated from 1st April 2024, with a revised spend output of summer 2030 in line with the Grant Funding Agreement scheme construction completion milestone, there is a need to move projects forward swiftly and flexibly to respond to these funding opportunities. The remaining balance of £8.5 million capital grant has now been made available to Bury Council and is required to be accepted for inclusion in the Council's capital programme.

Alternative options considered and rejected

6. Delaying the approval of the Balfour Beatty Stage 3 provisional maximum, Contract Sum will in turn delay the finalisation of the Western Access scheme Full Business Case (FBC), and production of associated detailed/ technical designs and costings. Consequently, this will delay the start of the construction delivery (Stage 4), which under the grant funding requirements should commence by autumn 2028 and be completed by summer 2030. Non-compliance with funding requirements and associated GFA milestones would present a significant risk to the receipt of Investment Zone grant funding.
7. That the recommendations are not approved, and the Bentley Project Management (UK) Limited contract sum covering the finalisation of Stage 2b and Stage 3 is not approved. This would jeopardise the delivery of the Western Access scheme OBC, Preliminary Designs, FBC and Detailed Designs, which would impact on the delivery of the early phases of the Northern Gateway site development. The delivery of the Western Access scheme is critical to providing the necessary highway capacity and associated sustainable transportation improvements required to unlock the initial phases of Northern Gateway for a national-scale employment opportunity.

8. Continuing with the existing contractual arrangements provides best value and maintains programme certainty. Re-procurement at this stage would result in significant delay, increased mobilisation costs, duplication of design and business case activities, loss of scheme knowledge and a substantial risk to achievement of Investment Zone funding milestones.
9. That the recommendations are not approved, and the remaining £8.5 million Investment Zone revenue grant funding is not fully utilised, with the funding being reallocated elsewhere in Greater Manchester. This presents a high risk to the delivery of the Places for Everyone joint development plan and specifically, the delivery of the Western Access scheme and the Northern Gateway Investment Zone (JPA1.1 allocation).
10. Delaying the delivery of the Western Access scheme would erode confidence in the Council's ability to deliver a key strategic priority for both Bury Council and its strategic partners, including Rochdale Borough Council, Greater Manchester Combined Authority, Transport for Greater Manchester and National Highways. Delaying the delivery of the Western Access scheme would undermine supporting the delivery of a number of major, corporate strategies and Team Bury initiatives including the Council's 'Let's Do It' Vision and Strategy, Northern Gateway Strategic Development Vision, Atom Valley MDZ Vision and emergent Mayoral Development Corporation, Northern Gateway Development Framework (supplementary planning document), Bury's Economic Strategy, the emergent Greater Manchester Transport Strategy, amongst others.

Report Author and Contact Details:

Name: Richard Spensley / Elena Fox

Position: Major Projects Manager / Major Projects Delivery Officer

Department: Place

E-mail: R.Spensley@bury.gov.uk / e.fox@bury.gov.uk

Background

11. **Main Construction Contractor:** Balfour Beatty Civil Engineering Ltd was originally appointed through the SCAPE Civil Engineering Framework (Scape Procure Limited registered number 09955814) following a compliant framework call-off procedure. The Stage 3 activities form part of the original scope of services procured and are delivered through the existing NEC4 ECC Option C X22 contract arrangements. The original procurement was undertaken under the Public Contracts Regulations 2015 which was applicable at the time of procurement. On 12th February 2025, Cabinet approved the appointment of Balfour Beatty Civil Engineering Ltd as the Western Access scheme's Main Construction Contractor, including

undertaking Pre Construction stage work packages required to progress the Western Access scheme's business case and associated designs. In line with this Cabinet approval and to meet the strict timeframes and requirements of the Western Access scheme Investment Zone Grant Funding Agreement that was approved by Cabinet at its November 2024 meeting, an initial Pre-Construction Services Contract (NEC4 PSC) was subsequently finalised and sealed by the Council and Balfour Beatty on 6th May 2025. The initial PSC contract specifically covered Balfour Beatty undertaking Stage 2A activities including design optioneering and preparation of a draft Outline Business Case (OBC).

12. The initial PSC contract was superseded on 18th March 2026 when the Main Pre-Construction and Construction Contract (NEC 4 ECC Option C X22 contract) was signed between the Council and Balfour Beatty. This followed Cabinet's earlier delegated approval on 3rd December 2025 to approve the finalisation of the Main Contract and also the acceptance of a final contract sum, up to a provisional maximum of £2,830,403, covering the finalisation of the Outline Business Case (OBC), preparation of scheme preliminary designs and associated activities required to be undertaken during Stage 2b. These include planning and facilitating public consultations anticipated to take place during November 2026 when the draft preliminary designs will be publicly shared and feedback received. The public consultations will encompass in person and on-line communications and are important in terms of helping to further shape and inform the scheme design development. In advance of the planned public consultations, a comprehensive set of briefings will also be held during October/ early November with elected members in both Bury and Rochdale Districts, as well as representatives of key public stakeholders including Northern Gateway/ MDC.
13. The delivery of the Stage 2b work packages by Balfour Beatty (and its Design Partner, Sweco UK Limited) has progressed at pace and the scheme OBC and associated preliminary designs are now forecast to be completed by early 2027. In anticipation of this taking place, to ensure programme continuity and to avoid programme delays with moving seamlessly into the next phase of the Pre-Construction programme (Stage 3 Full Business Case, Detailed Design development), Balfour Beatty has now prepared its provisional maximum, contract price for undertaking the Stage 3 work packages.
14. As with the previous Cabinet report delegated approval on 3rd December 2025 regarding the earlier Stage 2b provisional maximum, contract sum, the current report now seeks Cabinet's approval to delegate final acceptance of the Balfour Beatty Civil Engineering Ltd Stage 3 contract sum, up to a provisional maximum of £3,129,915, covering the finalisation of the Detailed Design/ Full Business Case stage work packages (Stage 3), to the Director of Law and Democratic Services in consultation with the Executive Director of Place and Director of Finance and the Cabinet Member for Regeneration and Growth.
15. To minimise the Council's commercial risk, the Main Pre-construction and Construction stage (Design & Build) contract that is already in place, continues to include break clauses that would allow the Council to terminate

the contract without incurring any contract penalties if, in the unlikely event, scheme circumstances were to change (eg. if grant funding was no longer made available in future years), or if for example, the contractor and / or its multi-disciplinary team, were to fail satisfying key performance indicators as specified in the contract particulars. Contractual performance is monitored through monthly project review meetings, programme monitoring, risk review, cost reporting and NEC contract management mechanisms.

16. An additional mitigation that will further minimise the potential of any commercial risk to the Council, is the continued use of the NEC4 Option C contract form which was previously chosen for the Main Contract. Option C is a risk sharing contract mechanism whereby any cost savings and importantly any potential cost overruns are shared between the Main Contractor and the Council according to pre-agreed proportions as set out in the SCAPE Framework. These pre-agreed proportions favour the Council and, in this regard, Option C acts as a mechanism that incentivises the Main Contractor to avoid any cost overruns for which it will be commercially penalised.
17. The scheme's Clause 32 Pre-Construction programme 'high level look ahead' which has been produced by Balfour Beatty currently forecasts that Stage 3 work packages to finalise the Full Business Case (FBC) and the associated Detailed Designs (RIBA Stage 4 technical designs) are anticipated to commence during the first half of 2027. In line with the above, this Cabinet report seeks the delegated approval of the final acceptance of a final contract sum up covering the next stage of the Pre-construction period (Stage 3) to a provisional maximum of £3,129,915 covering the finalisation of the FBC / RIBA 4 Detailed Design work packages.
18. **External Professional Team:** As previously noted in the Cabinet report on 12th February 2025, Bentley Project Management (UK) Limited was procured by the Council and named as preferred bidder on 20th January 2025 following a competitive tender exercise utilising the Procure Partnerships Procurement Framework (North West Professional Consultancy Services LOT). The original procurement was undertaken under the Public Contracts Regulations 2015 which was applicable at the time of procurement. The tender exercise to appoint an External Professional Consultant Team to provide technical advice and assistance to the Council project team during the full Pre-construction stage life cycle (ie. OBC/ Prelim Design Stage 2 and FBC/ Detailed Design Stage 3), was undertaken in full compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 (PCR 2015), and with the full support and endorsement of the Council's Corporate Procurement service.
19. The scope of the External Professional Team services which were procured utilising the Procure Partnerships Framework cover the following core activities across Pre-Construction Stages 2 and 3:
 - Contract Administration including:
 - Day to day administration of contract mechanisms;

- Advising the Client as pre-construction stage and construction stage contracts are scoped, prepared, negotiated and finalised with the main Construction Contractor.
 - Cost Consultancy including:
 - Preparing monthly cost plan reports and cash flow (supporting Western Access scheme budget monitoring, Funding Strategy);
 - Contract administration duties inc. assessing, validating monthly NEC 4 ECC payment claims from the main contractor
 - Providing cost assurance – checking / validating pre-construction and construction cost estimates provided by Contractor during OBC / Preliminary Designs (Stage 2) and FBC / Detailed Designs (Stage 3) and assessing tender prices provided by the main Contractor / supply chain covering the main construction works packages (Stage 4), including producing a tender report for the Council.
 - Business Case including:
 - Assuring draft business case iterations produced by main Contractor to ensure compliance with HM Treasury Green Book process (and Client OBC / Preliminary Design and FBC / Detailed Design briefs)
 - Producing specific business case elements that will feed into the main OBC and FBC inc:
 - Co-ordinating / leading Quantifiable Risk Assessment (QRA)
 - Developing Procurement Strategy / Management Case
 - Inputting into the preparation of other business case elements as required, including any which may be determined during the initial OBC Feasibility Study stage with the main Contractor.
 - Commercial including:
 - Advising and inputting into the preparation of the Western Access scheme Funding Strategy
20. The contract that is in place with the External Professional Team (Bentley Project Management (UK) Limited) utilises a pre-construction contract form of agreement, namely the NEC4 Professional Services Contract, which encompasses the full duration of the Western Access scheme's pre-construction stage (ie. Stage 2 OBC / Preliminary Designs, and subsequent Stage 3 FBC / Detailed/ Technical Designs). Importantly, this pre-construction contract includes break clauses to protect the commercial interests / minimise commercial risk for the Council (eg. in the unlikely event of consultant team underperformance, withdrawal of external grant funding, changes to scheme circumstances etc). Contractual performance is monitored through monthly project review meetings, programme monitoring, risk review, cost reporting and NEC contract management mechanisms.
21. In January 2026, due to scheme prolongation at Stage 2b, approval was received via an Officer Delegation Scheme to amend the existing PSC with Bentley Project Management (UK) Limited. This amendment reflected the extended Stage 2b/ OBC programme duration to the end October 2026; thereby ensuring the PSC continues to remain fully aligned with the overall

scheme Pre-construction programme. The NEC4 Professional Services Contract includes provisions allowing adjustment to programme duration where required. The amendment did not materially alter the nature of the original procurement and remains within the scope of services competitively procured through the Procure Partnerships Framework. The amendment reflected programme prolongation and continuation of previously procured services rather than the procurement of new services.

22. Cabinet approval is now being sought for the approval of Bentley Project Management (UK) Limited contract sum covering the continuation of their professional services during the remaining Stage 2b period beyond the end of October 2026 as Stage 2b activities are finalised. This contract sum also covers the subsequent Stage 3 (ie. Full Business Case/ Detailed Design) concluding the scheme's Pre-Construction Period. This contract sum is based on the Bentley Project Management (UK) Limited competitively tendered fee rates as set out in the Procure Partnerships Procurement Framework (North West Professional Consultancy Services LOT) in full compliance with the original tender procurement exercise. The NEC4 Professional Services Contract includes provisions allowing adjustment to programme duration where required. The proposed amendment does not materially alter the nature of the original procurement and remains within the scope of services competitively procured through the Procure Partnerships Framework. The amendment reflects programme prolongation and continuation of previously procured services rather than the procurement of new services.
23. Cabinet approval is required to approve the contract sum for the continued provision of Bentley Project Management (UK) Limited's professional services during the finalisation of Stage 2b and during Stage 3. This is because the cumulative value of the PSC contract sum will now require a Key Decision.
24. **Investment Zone (IZ) Grant Funding Agreement:** Bury Council is the accountable body for the IZ funding allocated by GMCA to the delivery of the Western Access scheme and is utilising this grant funding to procure and deliver the required cross boundary highway works and services on behalf of both Bury and Rochdale Councils.
25. Northern Gateway has been allocated £10m over a 5-year period from 2024/25 to advance the delivery of the Western Access project - a local highway scheme spanning the Districts of Bury and Rochdale, which will create additional capacity and improved flow on the local and strategic highway and see the introduction of active travel and public transport measures. The Western Access project has a critical interface with M66 J3 and work is ongoing with National Highways in respect of integrating the Western Access highway and transportation improvements where it interfaces with this key motorway junction.
26. An associated Grant Funding Agreement (GFA) has previously been signed between the GMCA and Bury Council (as the accountable body). The original

GFA covered the first-year tranche of £800k revenue grant allocation for 2024/25. Acceptance of this initial grant funding tranche was agreed at Bury Council's Cabinet meeting on 6th November 2024. As of Q3 FY 2025/26 the full £800k grant allocation has been expended. The second tranche of revenue grant allocation of £700k for 2025/26 was made available for Bury Council to draw down as necessary and a Deed of Variation to the original GFA was signed between the Council and GMCA during September 2025. Of the £700k, a balance of £214k was carried forward into FY26/27 and in line with the scheme cash flow, this amount was defrayed during Q1 FY 26/27. A new GFA has now been agreed with GMCA enabling the release of the final tranche of IZ capital grant (£8.5M).

27. Cabinet acceptance of the remaining £8.5 million of Investment Zone capital grant funding allocated to the Western Access scheme is now required for inclusion in the Council's Capital Programme. In line with the scheme cash flow, the £8.5M IZ grant will cover costs associated with the final Pre-construction stages, including the remaining Stage 2B and Stage 3 contract sums referred to in this Cabinet report for approval.

Links with the Corporate Priorities:

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

1. 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.
2. As Bury's largest employment allocation within the *Places for Everyone Plan*, Northern Gateway (JPA 1.1 Investment Zone site allocation) 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 Western Access scheme will create the necessary highway capacity and transportation improvements (including active travel / public transport) required to unlock the early phase delivery of the Northern Gateway Investment Zone site (JPA 1.1). By providing the catalyst for the development of the site this will support generating jobs for local people, enhancing opportunities for economic regeneration and providing links with existing and new communities.

Enterprise - The Northern Gateway 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 / multi-modal 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.

Strengths - The Northern Gateway 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 (multi-modal / active travel, public transport).

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**. There must be a signed off EIA template appended with a full analysis or explanation as to why an analysis is not needed for the report to be put forward to Cabinet. Sign off to be completed by the Council's Equality, Diversity and Inclusion (EDI) Manager (contact I.cawley@bury.gov.uk for advice).*

3. An Equality Impact Assessment concludes that scheme impacts are positive and will continue to be assessed as the project progresses.

Environmental Impact and Considerations:

*Please provide an explanation of the Environmental impact of this decision. Please include the impact on both **Carbon emissions** (contact climate@bury.gov.uk for advice) and **Biodiversity** (contact S.Tinsley@bury.gov.uk and Dennis.whittle@bury.gov.uk for advice)*

4. Environmental impacts will continue to be assessed and monitored as project delivery (including environmental surveys and investigations) progresses during the on-going OBC / Preliminary Design (RIBA 3 planning stage) and will be in-line with existing Council policies. This includes assessments of Biodiversity Net Gain requirements and associated estimated costs during the current Stage 2B period, and Carbon Assessments currently being undertaken for the purposes of informing the scheme OBC. The Northern Gateway Development Framework will seek to meet policy requirements, including physical, social and environmental impacts including biodiversity net gain. The development of the Western Access scheme OBC / Preliminary

Designs (RIBA 3 planning designs) and subsequent FBC / Detailed RIBA 4 technical designs will be prepared within this policy context.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Reputational / Stakeholder Confidence in the ability of Bury Council to deliver objectives undermined	• Appointing expert / experienced Main Contractor, Design Partner and project delivery team, including External Professional Team • Effective project management structures and Northern Gateway/ MDC governance in place (inc. developer representatives, National Highways etc) • Appropriate contract documentation to be used, including secondary break clauses • Effective contract and cost / budget management, including scheme Cash Flow developed and monitored • Ongoing proactive approach to risk management • Funding, Stakeholder / Communication Strategies developing • Appropriate legal and procurement support in place
Delivery Site conditions / utilities – adverse / unforeseen site conditions and utilities requiring diverting / upgrading	• Site investigations, including as part of on-going OBC development • Utility searches • On going proactive engagement with utility companies
Design complexity – lack of clarity in objectives and operational requirements	• Early review of scheme SOBC (initial Feasibility Stage exercise completed, OBC optioneering undertaken, PWF progressed, Preliminary Designs developed) • On-going, proactive involvement with scheme partners inc. BC,

	RBC, National Highways, TfGM during pre-construction stages • Clear objectives setting (planning, highways / public transport operations, transport modelling, compliance etc) • Engagement and consultation
Supplier risk – availability of expert contractor/s; risk of contractor failure	• Agreed Procurement Strategy • Public Procurement Frameworks utilised (SCAPE, Procure Partnerships) to expedite procurement in full compliance with Council Procurement policy, inc. early contractor involvement, PSC and ECC contracts in place • Due diligence – transfer design risk to main contractor (Design & Build) • Established contract forms utilised, including break clauses • Effective contract administration • Option C risk sharing and commercial incentivisation mechanism included in the Main Contract
Permissions – delays securing planning, highways approvals	• Early, on-going involvement with Bury Council and Rochdale Council planning and highways teams to define requirements (planning applications, s278 agreement etc), agreed determination process. Cross boundary Working Group established. • Early, on-going involvement with National Highways (Western Access / M66 J3 interface) • Ensure planning strategy aligned with delivery strategy – scope and timing of JV planning application
Funding / Budget Project costs – risk that costs increase above projections	• IZ Grant Funding Agreement and Deed of Variation in place releasing Year 1 – 3 revenue grant funding • IZ GFA remaining years (£8.5M capital grant) in place • Scheme estimated costs continually under review (aligned to OBC / RIBA 3 design

	development / optioneering/ modelling/ sensitivity analysis) • Appropriate cost consultancy / cash flow modelling support • Appropriate Contingency and Risk allowances • Agreed competitively tendered Procurement Framework rates utilised • Funding Strategy under development (including claw back funding mechanisms) • Contract break clauses (including X22 mechanism) in place to minimise commercial risk to the Council

Procurement Implications:

5. As set out in the report

Legal Implications:

6. The recommendations relate to the continuation of the Council's existing contractual arrangements with Balfour Beatty Civil Engineering Limited and Bentley Project Management (UK) Limited to support the delivery of the Northern Gateway Western Access Scheme through the remaining pre-construction stages. Any contractual amendments or approvals required to implement the recommendations must be completed in accordance with the terms of the existing contracts, the Council's Constitution and Contract Procedure Rules.
7. The approval of the Stage 3 contract sum for Balfour Beatty Civil Engineering Limited will enable the continued development of the Full Business Case and detailed design. Approval of this expenditure does not commit the Council to proceeding to the construction phase, which will be subject to separate approvals and funding arrangements.
8. The additional contract sum in respect of Bentley Project Management (UK) Limited brings the total contract value above the Key Decision threshold and therefore requires Cabinet approval. Provided that any contract modification remains within the scope of the original procurement and contractual

arrangements, the proposed variation is capable of being lawfully implemented.

Financial Implications:

9. This report seeks approval for expenditure of £3,552,915 covering the provisional maximum Stage 3 cost for Balfour Beatty and the remainder of the Stage 2b and Stage 3 costs for Bentley Project Management (split £3,129,915 for Balfour Beatty and £423,000 for Bentley Project Management). This expenditure will be funded from the remaining £8,500,000 of Investment Zone (IZ) Grant funding, acceptance of which is also sought in this report.
10. In addition to the expenditure detailed above, there is forecast expenditure of £1,891,037 for Balfour Beatty's remaining stage 2b costs that will also need to be funded from the remaining IZ grant, plus any other associated costs such as legal fees and internal project management costs.
11. The forecast expenditure to August 2028, which is the estimated end of the Stage 3 process, is £7,165,272 (excludes any land assembly costs but includes the stage 2b and Stage 3 costs for Balfour Beatty and Bentley Project Management detailed above).
12. Any remaining IZ grant funding will be utilised during the construction phase of the project. £52,100,000 Good Growth Funding has been allocated by GMCA to cover this phase but is subject to approval of a Full Business Case and satisfaction of any other grant funding conditions. This funding will need to be secured before the notice to proceed can be signed with the contractor (Balfour Beatty) and a further report will be brought to Cabinet detailing the costs and funding sources.

Appendices:

Please list any appended documents (please save these as clearly labelled separate documents in the Teams folder).

Appendix 1: Northern Gateway PfE Adoption EqIA

Background papers:

Please list any background documents to this report and include a hyperlink where possible.

Bury Cabinet Report – February 2025: [Northern Gateway - Western Access Scheme Pre-Construction Stage Contract Award v04.pdf](#)

Bury Cabinet Report – December 2025: [Northern Gateway Western Access Scheme.pdf](#)

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

Term	Meaning
RIBA	Royal Institute of British Architects (stages of development)
OBC	Outline Business Case
FBC	Full Business Case
NEC 4	New Engineering Contract series 4
PSC	Professional Service Contract
ECC	Engineering and Construction Contract (NEC4)
IZ	Investment Zone
PfE	Places for Everyone Plan
MDC	Mayoral Development Corporation (Atom Valley/ Northern Gateway)