

**TITLE OF REPORT: Surplus Declaration of Dryden Centre, Evistones Road,
Low Fell, NE9 5UA**

**REPORT OF: Kevin Scarlett, Strategic Director Housing Environment and
Healthy Communities and Helen Ferguson, Strategic Director
Childrens Social Care and Lifelong Learning**

Purpose of the Report

1. To seek approval for the Dryden Centre to be declared surplus to Council requirements and inform Cabinet of the proposed future course of action in relation to the building:

Background

2. The Dryden Centre, which is shown outlined in black on the attached plan is held for Educational purposes, although most recently it was used as a training centre and offices. Since 2012, the Council has gradually been withdrawing services from the property, one of the two buildings has been vacant due its poor condition since 2012 which was declared surplus at the time. In 2019 a lease covering approximately a third of the ground floor was granted to the Cumbria, Northumberland and Tyne and Wear NHS Trust (CNTW).
3. Over the last 12 months, the Council has relocated all of its services and CNTW vacated at the end of March 2024. The property is currently vacant.
4. Alternative uses such as housing, offices and corporate educational provision have been considered but are not viable. Discussions are currently taking place with a private education provider to determine whether the property would be suitable for their needs.

Proposal

5. It is proposed that the Dryden Centre, be declared surplus to Council requirements, and that negotiations with the private education provider be progressed by the Strategic Director of Housing, Environment and Healthy Communities who is authorised to agree provisional terms subject to a further Cabinet report.

Recommendations

6. It is recommended that Cabinet
 - (i) declare the Dryden Centre shown edged black on the attached plan surplus to Council's requirements.
 - (ii) Agree for discussion to progress with the educational provider, with a further report to be received by Cabinet once draft terms are provisionally agreed between parties for a long leasehold.

For the following reasons:

- a. To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan.
- b. To realise savings for the Council.

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Policy Context

1. The proposal is in accordance with the Corporate Plan (2023-2028) “Working together and fighting for a better future for Gateshead” , by potentially facilitating a capital receipt/ premium, producing savings by declaring a building surplus, and enabling the provision of educational facilities for a private operator.
2. The proposal is also in accordance with the provisions of the Corporate Asset Strategy and Management Plan. In particular, making the best use of Council assets.

Background

3. The Dryden Centre comprises two of former school buildings and associated car park. The main building comprises of offices and training facilities arranged over the basement, ground and first floors. A smaller two storey block was decommissioned in 2012 due to its deteriorating condition. There is a caretaker’s house and playing fields also associated with the site but these are not subject to this report. All of the land is held for educational purposes, but the majority of the site has not been used for that purpose for some years.
4. The accommodation was primarily used by Council as offices for Education, Schools and Inclusion and to provide training accommodation for staff, teachers and foster carers. A section of the building known as State of the Art (SoTA) was also used to deliver training to people with Learning Difficulties. Since 2019 approximately a third of the ground floor was let to CNTW.
5. Over the last 12 – 18 months the Council use of the building have been reduced. The training facility for people with Learning Disabilities have moved to the former Birtley Childrens Centre in Barley Mow. The music service has moved into the former nursery block at Chowdene Family Hub. The training rooms have moved into the former Lifelong Learning to Kingsmeadow. All office based staff have been relocated to the Civic Centre and the Dryden Centre is now empty.
6. Consideration has been given to other potential uses for both the property and the associated playing fields. Option appraisals have been carried out for both the property itself and the extended site (including the playing fields).
7. Whilst not required for a number of years, the extended site i.e. the playing fields are also anticipated to be required for any future replacement of the Kells Lane Primary School. The playing fields currently provide two sports pitches which form part of the Councils 2017 playing pitch strategy, and the draft replacement document, so need to continue to be available for this use.
8. The playing fields are presently used by Gateshead Rugby Club, and also occasionally by the neighbouring Dryden School.
9. The title deeds inform of a restricted covenant which limits the use of the land to Educational purposes. Any change of use from this purpose on disposal could result in a further payment being made to the beneficiary of the covenant, whether or not the covenant is exercisable.

10. The caretakers house associated with the Dryden Centre is located on the common access road shared with Dryden School which is situated immediately adjacent to the property. The caretaker accommodation is currently occupied, and is not a considered in this report.
11. Given likely costs of demolition or refurbishment together with access issues, residential development of the building / site is unlikely to create any significant value over and above what is likely to be paid as a premium for educational use.
12. The Dryden Centre building is now vacant, with discussions **being held** to find a new educational operator of the building
13. It is further proposed that any transaction with an educational provider is on a long lease basis with premium payable. This is seen as preferable as the Council is retaining adjoining land and property to the Dryden Centre.
14. The currently identified private educational establishment's current operation is housed in an unfit building, and a long term lease of the Dryden Centre would meet their anticipated growth needs and provide a far preferable educational facility. The Council has been in formative discussions to determine how the Dryden Centre could deliver this need, whilst protecting the neighbouring Dryden's school's operational need (and any future need). Currently it is understood that the private educational operator is engaging with planning and transport consultants and formulating a planning pre-app approach.
15. It is noted that any future use of the Dryden Centre and land will need a bespoke and detailed transport plan, given the nature of the surrounding roads which provide access to the Dryden Centre.
16. It is proposed that discussions progress with the private educational operator, and once detailed heads of terms are agreed a further report is received by Cabinet to ratify any transaction.

Consultation

17. In preparing this report consultation has taken place with the Leader, Deputy Leader, Portfolio Holders and Ward Councillors. No objections to the proposals have been received.

Alternative Options

18. There is no other option that enables the Council to use the building for continuation of services, so the option to declare surplus is the only option.
19. The options or alternative use of the site, include demolition and consideration of alternative development on the site, or refurbishment for alternative use of the Dryden Centre in situ. These options have been discounted, due to the challenges of facilitating a non-educational alternative use considering delivery viability, transport and the title restrictions on the land put in place by the previous owner dating to when the Council acquired the site.

Implications of Recommended Option

20. Resources:

- a. **Financial Implications** – The Strategic Director, Resources and Digital confirms that declaring the Dryden Centre surplus has recognised a £89,380 saving realised as part of the approach to budget setting for 2024/25.
- b. **Human Resources Implications** – There are no implications arising directly from this report.
- c. **Property Implications** - The Council will manage the property through its surplus property budget, pending disposal of the building

28. **Risk Management Implication** – The declaring of the property as surplus does not carry any other risks than those identified within the report.

29. **Equality and Diversity Implications** – There are no Equality and Diversity Implications arising from this report.

30. **Crime and Disorder Implications** – There are no crime and disorder implications arising directly from this report

31. **Health Implications** - There are no health implications arising directly from this report

32. **Climate Emergency and Sustainability Implications** - There are no sustainability implications arising directly from this report

33. **Human Rights Implications** - There are no human right implications arising directly from this report

34. **Ward Implications** – Low Fell

35. **Background Information** The surplus declaration to demolish the annex part o the site was approved at Cabinet on the 19th June 2012 (minute no C35), but this was not actioned.