

NO. 05453601

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

-of-

SOUTH ESSEX HOMES LIMITED

1. **NAME**

The name of the company is SOUTH ESSEX HOMES Limited ("the Organisation").

2. **REGISTERED OFFICE**

The Organisation's registered office is to be located in England.

3. **OBJECTS**

The objects of the Organisation shall be primarily in the areas where Southend-on-Sea Borough Council own or manage housing stock to:

- (1) provide, manage, maintain, improve, demolish or convert the housing stock owned or managed by Southend-on-Sea Borough Council from time to time together with any other amenities or facilities for the benefit of residents of such housing stock either exclusively or together with persons who are not residents of such housing stock;
- (2) provide amenities and services of any description for residents of housing stock owned or managed by Southend-on-Sea Borough Council from time to time either exclusively or together with persons who are not residents of such housing stock;
- (3) provide advice and assistance to all tenants, leaseholders, and licensees, of Southend-on-Sea Borough Council and applicants for housing and

applicants for housing advice in respect of Southend-on-Sea Borough Council housing;

- (4) carry out any activity which contributes to the regeneration or development in the area of Southend-on-Sea Borough Council (within the meaning of Section 126 of the Housing Grants Construction and Regeneration Act 1996) including but not limited to:-
 - (a) securing that land and buildings are brought into effective use;
 - (b) contributing to or encouraging economic development;
 - (c) creating and maintaining an attractive and safe environment;
 - (d) preventing crime and anti social behaviour or reducing the fear of crime;
 - (e) providing or improving housing or social and recreational facilities for the purpose of encouraging people to live or work in the said area or for the purpose of benefiting people who live there;
 - (f) providing employment for local people;
 - (g) providing or improving training, educational facilities and health services for local people;
 - (h) assisting local people to make use of opportunities for education, training or employment;
 - (i) meeting the special needs of local people which arise because of disability or because of their sex or the racial group to which they belong.
- (5) provide, construct, improve or manage housing to be kept available for letting or hostels;
- (6) provide, manage, maintain or improve accommodation required from time to time for the benefit of persons who require temporary accommodation;
- (7) provide services of any description for Southend-on-Sea Borough Council;
- (8) assess applicants for housing assistance;
- (9) assess applications by residents of housing stock owned or managed by Southend-on-Sea Borough Council to exercise the right to buy under Part V of the Housing Act 1985;

- (10) enabling or assisting any residents of the housing stock owned or managed by either Southend-on-Sea Borough Council or the Organisation to acquire, or to acquire and enter into occupation of, houses.

4. **POWERS**

Subject to Clause 6 the Organisation shall have power to do any thing that a natural or corporate person can lawfully do which is necessary or expedient in furtherance of its objects unless prohibited by this Memorandum

5. Subject to Clause 6 and without limiting the powers described in Clause 4 the Organisation shall have power to:

- (1) carry out works to land, buildings or other property;
- (2) contract with the Council Member in furtherance of its objects;
- (3) promote tenant participation in housing and estate management to encourage tenant and community empowerment;
- (4) subject to the prior written consent of the Council Member and to such consents as may be required by law to borrow money, issue loan stock or raise money in such manner as the Organisation shall think fit and to secure the repayment of any money borrowed raised or owing by such security as the Organisation shall see fit (including by way of floating charge) upon the whole or any part of the Organisation's property or assets (whether present or future) and also by giving similar security to secure and guarantee the performance by the Organisation of any obligation or liability it may undertake or which may become binding on it;
- (5) insure and arrange insurance cover for the Organisation from and against all such risks as the Board may think fit and to pay any premium in respect of such insurance;
- (6) insure and arrange insurance cover for and to indemnify its employees and voluntary workers and the Council Member from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Organisation PROVIDED THAT such insurance shall not extend to any liability in respect of an act or omission which such Board Member or Board Members knew or ought reasonably to have known was a breach of duty or trust or which was committed by such Board Member or Board

Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust;

- (7) invest any monies of the Organisation not immediately required for the furtherance of its objects as it determines and as permitted by law;
- (8) subject to such consents as may be required by law and compliance with all formal guidance issued by the Organisation's regulators (if any) to purchase or otherwise acquire or to encourage or promote and in any way support or aid the establishment and development of any subsidiary, or any other body established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Organisation or for the furtherance of the objects of the Organisation;
- (9) subject to the prior written consent of the Council Member, make donations, grants or loans or provide services or assistance to such persons and Organisations and on such terms as the Organisation shall think fit to further the objects of the Organisation

PROVIDED THAT in case the Organisation shall take or hold any property which may be subject to any trusts, the Organisation shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

6. The Organisation shall not, without the prior written consent of the Council Member, have the power to:
 - (1) receive a sum which, if it were a local authority, would be a capital receipt;
 - (2) receive consideration to which, if it were a local authority, Section 61 of the 1989 Act would apply;
 - (3) receive a sum by way of grant from a European Union institution to which, if it were a local authority, Section 63(4) of the 1989 Act would apply;
 - (4) enter into a credit transaction (as defined by Article 12(2) of the Order);
 - (5) with respect to a credit transaction agree to a variation of terms which, if it were a local authority, would be a variation within the meaning of Section 51(1) of the 1989 Act;
 - (6) incur additional liabilities within the meaning of Article 16 of the Order;
 - (7) reduce its liabilities within the meaning of Article 16 of the Order;
 - (8) do or cause to be done any act or thing which by virtue of any regulations passed under Section 18 of the 2003 Act (to the extent that those

regulations replace the provisions set out in sub-clauses (1) to (7) above) will be deemed to be done by or to the Council; or

- (9) to do any act or thing which does or might cause the Council to be in breach of the CIPFA Prudential Code for Capital Finance in Local Authorities.

7. APPLICATION OF INCOME AND PROPERTY

The income and property of the Organisation shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, save as provided below by way of dividend, bonus or otherwise howsoever by way of profit, to the Council Member and no Board Member shall be appointed to any office of the Organisation paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the Organisation PROVIDED THAT nothing herein shall prevent any payment in good faith by the Organisation:-

- (1) Of reasonable and proper remuneration (including pensions, contributory pension payments, payment of premiums to pension policies and terminal grants and gratuities) to any officer or employee of the Organisation (not being a Board Member) in return for any services rendered to the Organisation;
- (2) Of fees, remuneration or other benefit in money or money's worth to a company of which a Board Member may be a member holding not more than 2% of the share capital of the company;
- (3) To any Board Member of reasonable out-of pocket expenses and such other sums as may be determined by the Council Member PROVIDED THAT no sum shall be paid to a Board Member in excess of that permitted by any guidance issued from time to time by the Office of the Deputy Prime Minister or such other of Her Majesty's Departments relating to payment of Board Members of Arms Length Management Companies PROVIDED FURTHER THAT no sum shall be paid to a Board Member who is an elected member of the Council Member in excess of that permitted by the Order;
- (4) Of reasonable and proper remuneration to the Council Member or employees thereof (not being Board Members) in return for any services rendered to the Organisation;
- (5) Of reasonable and proper rent for premises demised or let by the Council Member;
- (6) Of reasonable and proper interest on money lent by the Council Member

PROVIDED FURTHER THAT nothing shall prevent the Organisation from managing a property in accordance with its objects (including the full range of activities it may undertake) notwithstanding the fact that the tenant, lessee or licensee (or prospective tenant, lessee or licensee) of such property may be a Board Member SUBJECT TO the proviso that any Board Member who is a beneficiary of the Organisation shall not be entitled to speak in any debate or cast his/her vote in respect of any matter relating solely to the property of which he is lessee, tenant or licensee and shall absent himself/herself from such proceedings but such Board Member shall be entitled to speak and vote in respect of matters which relate not only to such property but also to other properties managed by the Organisation.

8. **EQUAL OPPORTUNITIES**

The Organisation shall at all times take into consideration the principles of equality of opportunity irrespective of age, gender, race, nationality, ethnic origin, religion, sexual orientation or disability.

9. **LIMITED LIABILITY**

The liability of the Council Member is limited.

10. **MEMBERS GUARANTEE**

The Council Member undertakes to contribute to the assets of the Organisation, in the event of the same being wound up while they are a member of the Organisation, or within one year after they cease to be a member of the Organisation, for payment of the debts and liabilities of the Organisation contracted before they cease to be a member of the Organisation, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

11. **WINDING UP**

If, upon the winding up or dissolution of the Organisation, there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall be paid or transferred to the Housing Revenue Account (as defined in the 1989 Act) of the Council Member.

12. **DEFINITIONS**

- (a) "Order" shall mean the Local Authorities (Companies) Order 1995 as amended or re-enacted from time to time;
- (b) "the 1989 Act" shall mean the Local Government and Housing Act 1989 as amended or re-enacted from time to time;

- (c) "the 2003 Act" shall mean the Local Government Act 2003 as amended or re-enacted from time to time;
- (d) terms defined in the Articles of Association of the Organisation shall have the same meaning in this Memorandum of Association.

I the person whose name and address are subscribed, am desirous of being formed into a company in pursuance of this Memorandum of Association.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBER

LAWGRAM DIRECTORS LIMITED

190 STRAND LONDON

WC2R 1JN

DATED 19 May 2005

WITNESS to the above:-

L DUNLOP
190 STRAND
LONDON WC2R 1JN

