

DRAFT

East Hertfordshire District Council

and

Sovereign Network Group

MEMORANDUM OF UNDERSTANDING

relating to collaboration at Sele Farm, Hertford

THIS AGREEMENT is made on

2026

Between:

- (1) **East Hertfordshire District Council (known as 'East Herts Council') of Wallfields, Pegs Lane, Hertford, SG13 8EQ** (the Council);
- (2) **Sovereign Network Group** (an exempt charity) and charitable Registered Society under the Co-Operative and Community Benefit Societies Act 2014 with FCA registration number 7448 and registered with the Regulator of Social Housing registration number 4837) whose registered office is at Sovereign House, Basing View, Basingstoke, RG21 4FA ("**SNG**")

each a "**Party**" and together, the "**Parties**".

RECITALS:

- (A) The Parties each hold interests in or around Sele Farm. They have agreed to work together in their common interest in connection with the Sele Farm Estate. .
- (B) The Parties wish to enter into this Agreement to set out their respective responsibilities and obligations with respect to working collaboratively to increase the overall supply of new and genuinely affordable housing.

IT IS AGREED as follows:

1. **INTERPRETATION**

- 1.1 The definitions and rules of interpretation in this clause shall apply to this Agreement.

Agreement: means this memorandum of understanding.

Business Day: means any day which is not a Saturday, Sunday or a bank or public holiday in England.

Collaboration: means joint working between the Parties in pursuit of the Objectives during the Collaboration Period in line with this Agreement.

Collaboration Period: means the period commencing the date of this Agreement and terminating on the earlier of:

- (i) 30 April 2032; and
- (ii) Three year(s) from the date hereof;

unless otherwise extended by the written agreement of both Parties (which agreement may be granted or withheld in each Party's absolute discretion).

Objectives: means:

- Active promotion of local resident/stakeholder engagement and consultation, creating opportunities for involvement to develop proposals which have the support of local residents
- Increase in the overall supply of new and genuinely affordable housing and

- Improvement in the quality of the local environment including maximising biodiversity

unless otherwise extended by the written agreement of both Parties (which agreement may be granted or withheld in each Party's absolute discretion).

Representative: has the meaning given in Clause 4.2

Sele Farm Area: means the totality of the area within the boundary as shown in Schedule 1 of this Agreement.

Team: has the meaning given in Clause 4.

- 1.2 The headings in this Agreement are inserted for convenience only and shall not affect its construction.
- 1.3 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular.
- 1.5 Where the words **include(s)**, **including** or **in particular** are used in this Agreement, they are deemed to have the words without limitation following them. Where the context permits, the words other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 1.6 Reference to the time of day is reference to that time in London, England.

2. **COMMENCEMENT AND DURATION**

- 2.1 This Agreement shall commence on the date of this Agreement and continue for the duration of the Collaboration Period. At the end of the Collaboration Period, the Parties will continue to collaborate with a view to bringing arrangements with third parties to an end and mitigating any liabilities thereunder.
- 2.2 The Parties agree that they shall work together collaboratively and in good faith at their own respective expense to progress the Objectives during the Collaboration Period.
- 2.3 The Parties both acknowledge that:
 - 2.3.1 this Agreement is binding on both of them;
 - 2.3.2 each owes the other a duty of good faith; and
 - 2.3.3 this Agreement does not constitute a binding agreement for the sale, purchase or letting of either Party's interests or part thereof to the other Party or require the Parties to enter into one.

- 2.4 The Parties agree not to disclose any confidential terms of the Collaboration, save as required by law, and are to instruct their respective professional advisors not to do so.
- 2.5 The Parties shall endeavour to agree any further heads of terms for the first steps of the Project within three months of the date of this Agreement
- 2.6 For the avoidance of doubt, the Parties do not intend this Agreement to be legally binding.

3. FINANCIAL CONTRIBUTION

Except as otherwise stated in this Agreement, each Party shall bear its own costs and expenses incurred in the negotiation, preparation, execution, implementation and enforcement of this Agreement, except that this clause 3 shall not prejudice the right of a Party to seek to recover its costs and expenses in any litigation or dispute resolution procedure which may arise out of this Agreement.

4. TEAM

- 4.1 The Parties have established a Team which will work jointly and cohesively to improve the Sele Farm Estate. SNG will chair those meetings and determine the agenda for the same.
- 4.2 The Team shall consist of six Representatives with three Representatives appointed by each of the Parties. The initial Team shall consist of the following:

Party	Representative
SNG	Dawn McKenzie
SNG	Ros Paris
SNG	Despina Loizou
East Herts Council	Jonathan Geall
East Herts Council	Katherine Gilcreest
East Herts Council	Housing Strategy Officer – to be appointed

- 4.3 The Team shall meet at least every two months at a venue reasonably convenient for all Representatives or on a conference or virtual call at which all participants are able to speak to and hear each of the other participants.
- 4.4 Each Representative of the Team shall be entitled to appoint one or more alternates of their choice to represent them in all respects at meetings and each Party may replace any of their Representatives from time to time by giving the other Parties prior notice in writing. Each Party shall bear responsibility and liability for any claims related to any change in their respective Representative.
- 4.5 The Parties will authorise the Team as necessary from time to time to undertake such appropriate steps as deemed necessary to progress the overall direction, supervision and management of the Collaboration, having regard to the Objectives and their own internal policies and practices.

5. SCOPE OF THE COLLABORATION

- 5.1 It is understood that that SNG will in pursuit of the Objectives of the Collaboration:
 - 5.1.1 lead a consultation process with local residents and stakeholders to feed into a clear vision for Sele Farm providing a range of opportunities to identify and shape a set of themes which will frame any future proposals coming forward
 - 5.1.2 identify potential opportunities to deliver affordable housing to meet needs as agreed by both Parties, with any market housing only included to cross-subsidise and maximise affordable provision
 - 5.1.3 seek and allocate any appropriate grant funding it might wish to so as to advance the Objectives
 - 5.1.4 endeavour to prioritise the Objectives within its business planning and resource allocations.
- 5.2 And the Council will in pursuit of the Objectives of the Collaboration:
 - 5.2.1 assess at suitable and regular intervals the case for offering plots of land within the Sele Farm Area to SNG, having regard at all times to any identified development potential of such plots and the Objectives, for acquisition at either market value or below market value, including nil cost, while having regard at all times to the required consents and regulations applicable to local authority disposals
 - 5.2.2 seek and allocate any appropriate grant funding it might wish to so as to advance the Objectives.
- 5.3 The Parties seek to, in effect, pool consideration of land, funding and powers to enable opportunities for new affordable housing development within the Sele Farm Area.

6. **ENABLING OF THE COLLABORATION**

The Parties agree, in consideration of each of their obligations in this Agreement, to work together during the Collaboration Period to further the Objectives. Each Party agrees that it will not (save in the course of usual day to day strategic asset management (which may include disposals)) seek to enter into any arrangements which would adversely impact on the Objectives.

7. **INTELLECTUAL PROPERTY**

7.1 Where a Party makes available to the Team the benefit of its existing technology, materials, trademarks, logos or other intellectual property for use in connection with the Collaboration (**Providing Party**), any intellectual property rights which vest in such intellectual property shall remain in the ownership of the Providing Party. No other Party shall have any right, and shall not permit any consultant, contractor or other person, to use any such materials, trademarks, logos or other intellectual property rights for purposes not related to the Collaboration without the Providing Party's prior written consent.

7.2 All technology, materials, trademarks, logos or other intellectual property developed primarily for use jointly by the Parties in connection with the Collaboration shall, unless otherwise agreed between them, belong to the Parties equally as joint owners. Each Party shall, if requested by another Party, enter into such assignment or other formal documentation as may be necessary or desirable to record that joint ownership.

8. **CONFIDENTIALITY**

8.1 Each Party (**Receiving Party**) will keep confidential and will not use, copy, adapt, alter, disclose or part with the possession of any information, whether in written or any other form, which has been or may be disclosed to it by (or on behalf of) another Party (**Disclosing Party**) about any work in connection with the Collaboration or in the course of the discussions leading up to or the entering into or performance of this Agreement and which is identified as confidential or is clearly by its nature confidential (**Confidential Information**) except insofar as strictly necessary to perform its obligations or exercise its rights under this Agreement and/or insofar as the Confidential Information is required:

8.1.1 to be disclosed to the Receiving Party's employees, officers and professional advisers. Any disclosure of Confidential Information permitted by this clause 8.1.1 will be in confidence, will only be to the extent that any persons to whom the information is disclosed needs to know the same for the performance of their duties in relation to the Collaboration and/or this Agreement and the Receiving Party will be obliged to procure that all such persons are aware of the obligation of confidentiality and undertake to comply with it; or

8.1.2 to be disclosed by applicable law, an applicable regulatory authority, or securities exchange to which a Receiving Party is subject.

- 8.2 The Receiving Party hereby undertakes to each other Party to use the Confidential Information disclosed to it by or on behalf of the Disclosing Party solely in connection with the performance of this Agreement and not otherwise for its own benefit or the benefit of any third party.
- 8.3 Confidential Information shall include the terms of this Agreement but does not include information which:
- 8.3.1 is or becomes generally available to the public otherwise than as a direct or indirect result of disclosure by the Receiving Party or a person employed or engaged by the Receiving Party contrary to its obligations of confidentiality;
 - 8.3.2 is or was made available or becomes available to the Receiving Party otherwise than pursuant to this Agreement and free of any restrictions as to its use or disclosure; or
 - 8.3.3 the Receiving Party is able to prove was already in its possession at the date it was received or obtained or which the Receiving Party obtains from some other person with good legal title to the same or which is independently developed by or for the Receiving Party.
- 8.4 In all cases a Party shall inform the other Party immediately upon becoming aware or suspecting that an unauthorised person has become aware of Confidential Information, or that an unauthorised disclosure of Confidential information has been made.
- 8.5 The provisions of this clause 8 shall continue in force notwithstanding termination or expiry of this Agreement.

9. **ANNOUNCEMENTS**

- 9.1 Subject to clause 9.2, no announcement, circular or similar public communication in connection with this Agreement or the Collaboration shall be made or issued by or on behalf of the Parties without the prior written consent of the other Party (which shall not be unreasonably withheld or delayed).
- 9.2 The restrictions in clause 9.1 shall not apply to any statement which is required to be made by applicable law, an applicable regulatory authority, or securities exchange to which a Party is subject.

10. **RELATIONSHIP OF THE PARTIES**

Nothing in this Agreement is intended to, or shall be deemed to create or imply the existence of a partnership, agency or joint venture between the Parties nor any arrangement which would impose liability on a Party for the acts or omissions of any other Party. In particular, except as expressly referenced in this Agreement, each Party acknowledges that it does not have the authority to, and agrees that it shall not, at any time without prior written consent make or enter into any commitments on behalf of another Party.

11. **NOTICES**

11.1 Any notice or other communication given under, or in connection with, the matters contemplated by this Agreement shall be in writing in English and sent to the other Party or Parties by a method set out in clause 11.2.

11.2 Any notice or communication referred to in clause 11.1 is deemed to have been received:

11.2.1 if delivered by hand, at the time of delivery;

11.2.2 in the case of pre-paid recorded delivery or registered post, 48 hours from the date of posting save in case of a notice sent to FPL when it shall be deemed to have been received 5 Business Days from the date of posting; and

11.2.3 in the case of email, at the time of transmission,

provided that if deemed receipt occurs after 5pm on a Business Day, or on a day which is not a Business Day, the notice is deemed to have been received at 9am on the next Business Day.

11.3 Notice will be valid if served by email in accordance with clause 11.1, provided the notice is expressly stated to be sent on behalf of the Party giving it and no automated error message has been sent by the recipient's email server in relation to that notice.

11.4 The contact details of the Parties for the purposes of clause 11.1 are:

Party	Contact	Address	Email address
SNG	Dawn McKenzie	The Hive, 22 Wembley Park Boulevard, London HA9 0HP	Dawn.McKenzie@sng.org.uk
East Herts Council	Jonathan Geall	Wallfields, Pegs Lane, Hertford SG13 8EQ	jonathan.geall@eastherts.gov.uk

or such other address or email address as may be notified in writing from time to time by the relevant Party to each other party and the Company.

12. **RESOLUTION OF DISPUTES**

12.1 If a dispute occurs between the Parties relating to a matter arising out of or in connection with the Collaboration, the Parties shall be required to first comply with the provisions of this clause 12 to resolve that dispute.

- 12.2 A Party that considers it has a dispute with another Party or Parties ("Notifying Party") may serve a notice on those other Parties ("Other Party") stating that in its reasonable opinion a dispute has occurred and identifying the particulars of that dispute ("Dispute Notice").
- 12.3 The Other Party and the Notifying Party (each represented by their applicable representative) agree to attend a meeting ("Dispute Meeting") as soon as reasonably practicable (and in any event within 20 Business Days from the date the Other Party received the Dispute Notice). The Parties' respective representatives shall use reasonable endeavours to resolve the disputed matters in good faith.
- 12.4 If the Other Party and the Notifying Party reach agreement on a resolution regarding the disputed matters at the Dispute Meeting, then the Other Party and the Notifying Party shall take such reasonably necessary steps to act on that resolution.
- 12.5 If the representatives of the Other Party and the Notifying Party are unable to resolve the dispute at the Dispute Meeting, the Other Party and the Notifying Party agree to refer the disputed matters to a senior executive of their respective Party's corporate group, who shall attend a further meeting ("Further Meeting") within 20 Business Days of the Dispute Meeting and use reasonable endeavours to resolve the disputed matters in good faith.
- 12.6 If the Other Party and the Notifying Party reach agreement on a resolution regarding the disputed matters at the Further Meeting, then the Other Party and the Notifying Party shall take such reasonably necessary steps to act on that resolution.

13. **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the Parties and supersedes all previous agreements, arrangements, understandings or proposals (whether written or oral) of any nature between the Parties relating to the subject matter of this Agreement.

14. **VARIATION**

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each Party.

15. **NO WAIVER**

No failure or any delay by any Party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict any further exercise of that or any other right or remedy.

16. **SEVERANCE**

If any court or competent authority finds any provision (or part provision) of this Agreement to be invalid or unenforceable then such invalidity or unenforceability shall not affect the other provisions of this Agreement which shall remain in full force and effect.

17. **COUNTERPARTS**

17.1 This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to form part of and together constitute this Agreement.

17.2 Delivery of an executed counterpart sent by email (in PDF, JPEG, or a similar file format) shall take effect as delivery of an executed counterpart of this Agreement.

18. **ASSIGNMENT**

The Parties shall not be entitled to assign, transfer or create any trust in respect of the benefit or burden of any provision of this Agreement without the prior written consent of the other Parties PROVIDED THAT it is intended that this Agreement shall continue to bind any successor organisation to either Party.

19. **THIRD PARTY RIGHTS**

19.1 Each Party confirms that it is entering into this Agreement for its own benefit and not for the benefit of any other person.

19.2 A person who is not a Party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

20. **GOVERNING LAW AND JURISDICTION**

20.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and interpreted in accordance with English law.

20.2 The Parties irrevocably agree that the courts of England shall have exclusive jurisdiction over any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

EXECUTED by the Parties on the date first mentioned above

Signed by [Name] duly
authorised for and on behalf of
East Hertfordshire District Council

Authorised Signatory

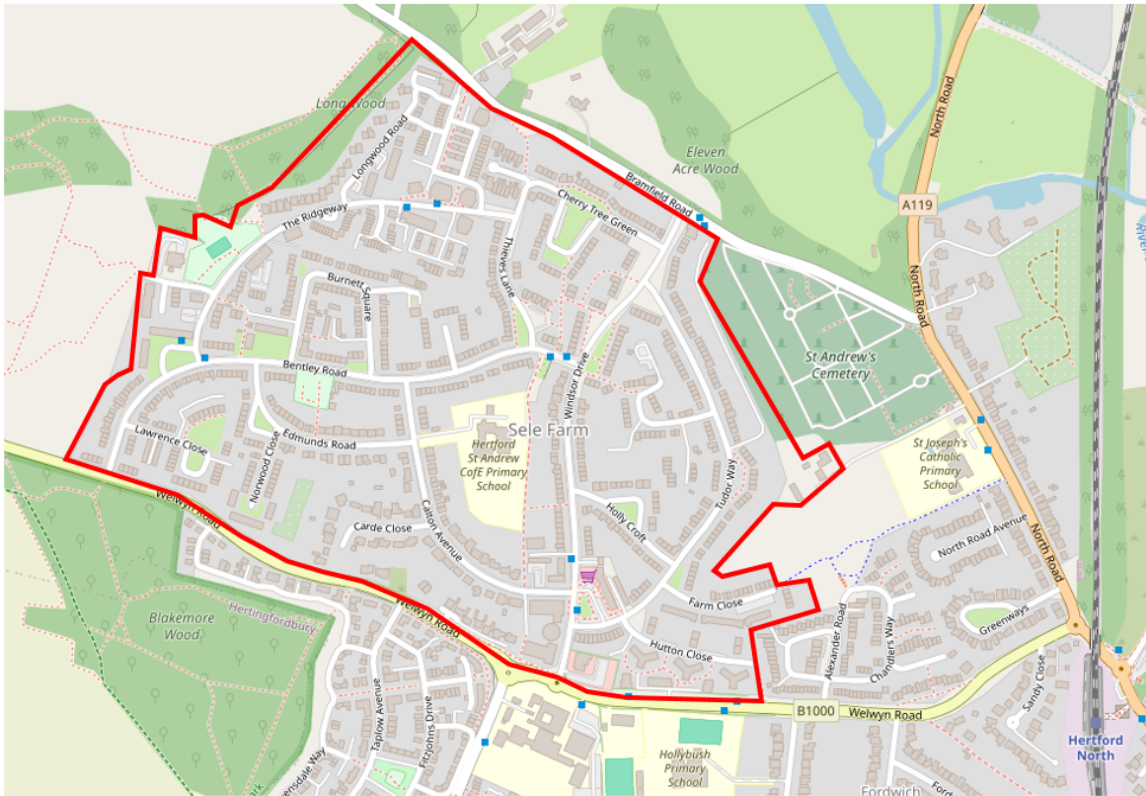
Signed by [Name] duly
authorised for and on behalf of
Sovereign Network Group

Authorised Signatory

Schedule 1

Sele Farm Area

The area within the red line constitutes the Sele Farm Area for purposes of this Memorandum of Understanding.



East Herts Council's landholdings in the area can be viewed on East Herts Council's [website](#).