

CHAPTER 313

THE NATIONAL HOUSING AND CONSTRUCTION CORPORATION ACT.

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CHAPTER 313

THE NATIONAL HOUSING AND CONSTRUCTION CORPORATION ACT.

Commencement: 27 September, 1974.

An Act to make provision for the establishment of a National Housing and Construction Corporation and for other matters connected therewith or incidental thereto.

Interpretation.

1. Interpretation.

In this Act, unless the context otherwise requires—

- (a) “chairperson” means the chairperson of the board appointed under section 5;
- (b) “corporation” means the National Housing and Construction Corporation established by section 2;
- (c) “local authority” means a local government as defined in the Local Governments Act;
- (d) “Minister” means the Minister to whom functions under this Act are assigned.

Establishment and functions of the corporation.

2. Establishment and seal of the corporation.

(1) There is established a corporation to be known as the National Housing and Construction Corporation.

(2) The corporation shall have perpetual succession and a common seal and may sue or be sued in its corporate name.

(3) The corporation may, for and in connection with its functions under this Act, purchase, hold, manage and dispose of any property and may enter into such contracts and other transactions as may be expedient.

(4) The application of the seal of the corporation on any document shall be authenticated by the signatures of the chairperson and the general

manager, and in the absence of the chairperson two other members of the board designated in that behalf by the board shall sign in place of the chairperson.

(5) Every document purporting to be an instrument issued by the corporation and to be sealed with the seal of the corporation authenticated in the manner provided by this section shall be received and be deemed to be such an instrument without further proof unless the contrary is shown.

3. Functions of the corporation.

(1) The functions of the corporation shall be—

- (a) to develop, build and manage housing estates and to sell houses upon such terms of payment as the board may prescribe or to let houses at economic rents;
- (b) to build, or permit or assist the building, on any land owned, leased or controlled by the corporation of any premises which are considered by the corporation to contribute to the improvement or development of a housing estate; and
- (c) to undertake contracts of building and civil engineering works on behalf of the Government or any person.

(2) Without prejudice to subsection (1), it shall be the duty of the corporation to provide or assist in providing housing accommodation for citizens of Uganda at an economical cost.

4. Powers of the corporation.

The corporation shall have power, for the effective discharge of its functions—

- (a) to enter into contracts for the building of houses for the corporation on any estates developed or to be developed or managed by the corporation and to let or sell upon deferred terms of payment or otherwise any house so built;
- (b) to enter into agreement with any person to form a company or a partnership with the object of providing loans to persons resident in Uganda for building purposes or for purchasing dwelling or partly dwelling houses;
- (c) to lend or advance money to, or acquire any interest in, or otherwise assist in the subscription of capital in, any undertaking engaged in or proposing to establish any business for the building

- or acquisition of houses, as may be approved by the Minister in consultation with the Minister responsible for finance;
- (d) to delegate, subject to the written approval of the Minister, the management of a housing estate which has been developed or built by the corporation to any local authority or person willing to undertake such management; and
 - (e) subject to the foregoing provisions of this section, to do such other things as are conducive or necessary for the performance of its functions under this Act.

The board.

5. The board.

(1) The governing body of the corporation shall be a board consisting of a chairperson and not less than six nor more than eight other members.

(2) The chairperson and the other members of the board shall be appointed by the Minister for a period of two years and upon such terms and conditions as may be specified in the instruments of appointment.

(3) Any member of the board may resign his or her office by writing under his or her hand addressed to the Minister, or may be removed from office by the Minister for inability to perform the functions of his or her office or for any other sufficient reason.

(4) Any member of the board ceasing to hold office shall be eligible for reappointment.

6. Meetings of the board.

(1) The board shall meet for the discharge of its functions under this Act at least once every month at such time and place as the chairperson may appoint or upon the request in writing of three members of the board.

(2) The chairperson shall preside at all meetings of the board; and in his or her absence, such member of the board as the members present shall appoint shall preside.

(3) The board may invite any number of persons to act as consultants or advisers at any of its meetings as it may think fit.

(4) Questions proposed at a meeting of the board shall be determined by a simple majority of the members of the board present and voting; and in the case of an equality of votes, the person presiding at the meeting shall have a second or casting vote.

(5) Five members shall form a quorum.

(6) Any member of the board who has any personal interest in any transaction of the board or any matter before the board shall disclose the nature of his or her interest to the board and shall be disqualified from taking part in the deliberations of the board with respect to that transaction or matter, and the failure to make any disclosure required by this section may constitute a sufficient reason for the removal of the member from the board.

(7) Where the failure to make the disclosure required by this section results in such material or financial loss as is mentioned in section 307 of the Penal Code Act, the removal of the member from the board shall be without prejudice to any legal proceedings that may be taken in respect of any such loss.

(8) Subject to subsections (1) to (7), the board may regulate its own procedure.

7. Committees of the board.

(1) There may be such number of committees of the board as the board may determine.

(2) A committee shall consist of such members of the board, one of whom shall be chairperson, and such other persons, as the board may appoint.

(3) The board may, with the approval of the Minister, invite any number of persons to act as consultants or advisers to any committee.

(4) A committee shall have such functions as may be conferred on it by the board and, where a committee is appointed as a specialised agency of the board, the board may delegate to that committee any of its powers in connection therewith.

8. Remuneration of board members, etc.

The chairperson and the other members of the board and any other person attending any meeting of the board or its committee may be paid such remuneration or allowances as the Minister may determine.

Staff.

9. General manager.

(1) The corporation shall have a general manager who shall be appointed by the Minister for such period and upon such terms and conditions as the Minister may, subject to this Act, determine.

(2) No person shall be appointed general manager unless he or she has proven ability in building technology, civil engineering or business administration.

(3) The general manager shall devote his or her full time to the affairs of the corporation.

(4) Subject to this Act and to the general control of the board on matters of policy, the general manager shall be responsible for the management of the funds, property and business of the corporation and for its administration and organisation and the control of the staff of the corporation.

10. Secretary of the corporation.

(1) The corporation shall have a secretary who shall be a person of such experience as may be specified by the board.

(2) In addition to any other functions conferred on him or her by the board, the secretary shall be responsible for taking minutes at the meetings of the board and keeping the records of the transactions of the corporation.

(3) In the performance of his or her functions under this Act, the secretary shall, except where the board otherwise directs, be responsible to the general manager.

11. Staff of the corporation.

(1) The board may, for, and on behalf of the corporation, from time to time, and on such terms and conditions as it thinks fit, appoint such officers and employees as may be necessary for the proper and efficient discharge of the functions of the corporation.

(2) The board may grant pensions, gratuities or retiring benefits to the officers and other employees of the corporation and may require them to contribute to any pension, provident fund or superannuation scheme.

(3) No matter or thing done by any employee of the corporation shall, if it is done bona fide for the purposes of executing any provision of this Act, subject any such employee or any person acting by his or her direction to any civil liability.

Financial provisions.

12. Funds of the corporation.

The funds of the corporation shall consist of—

- (a) any grant from the Government of a capital nature;
- (b) any loans from the Government or any person;
- (c) any monies that may become payable to the corporation in the discharge of its functions under this Act.

13. Borrowing powers.

(1) The corporation may, subject to the approval of the Minister, in consultation with the Minister responsible for finance, borrow sums required by it for meeting any of its obligations or discharging any of its functions under this Act.

(2) An approval given under subsection (1) may be either general or limited to a particular borrowing or otherwise and may be either unconditional or subject to conditions.

(3) A person lending money to the corporation shall not be bound to inquire whether the borrowing of money is within the power of the corporation.

14. Guarantee by the Government.

(1) The Government may guarantee, by the undertaking of the Minister responsible for finance, in such manner and on such conditions as he or she thinks fit, the payment of the principal and interest on any authorised borrowings of the corporation.

(2) Any sums required by the Government for fulfilling any guarantee under this Act of borrowings of the corporation are charged upon the Consolidated Fund.

15. Repayments by the corporation.

The corporation shall make to the Minister at such times and in such manner as the Minister may, with the approval of the Minister responsible for finance, direct—

- (a) payments of any sums issued by the Government in fulfilment of any guarantee under section 14;
- (b) payments of interest on any amount outstanding for the time being in respect of such sums so borrowed;
- (c) payments out of any surplus sums held by the corporation.

16. Estimates.

(1) The corporation shall, within such period from the end of each financial year as the Minister shall determine, make and submit to the Minister for his or her approval estimates of the income and expenditure of the corporation for the next ensuing year.

(2) No expenditure shall be made out of the funds of the corporation unless the expenditure has been approved by the Minister under the estimates for the year in which such expenditure is to be made or in any other estimates supplementary to these estimates.

17. Corporation to operate on sound financial principles.

In the discharge of its functions under this Act, the corporation shall so conduct its business that taking one transaction with another, and taking one year with another—

- (a) its revenue is sufficient for meeting all charges, including interest on capital and loans properly chargeable to revenue account;

- (b) sufficient provision is made to provide for depreciation of assets; and
- (c) where any loss or bad debt arises in respect of any transaction, provision is made in respect of other transactions whether of similar nature or otherwise, to offset the amount of that loss or debt.

18. Investments.

The corporation may, subject to section 4, invest any monies under its control in any project approved by the Minister, in consultation with the Minister responsible for finance.

19. Accounts and audit.

(1) The corporation shall keep proper books of account and proper records in relation to them.

(2) For the purposes of this section, proper books of account shall be deemed not to have been kept with respect to the business of the corporation if there are not kept such books as are necessary to give a true and fair view of the state of the affairs of the corporation and to explain its transactions.

(3) The accounts shall, in respect of every financial year, be subject to audit by the Auditor General or an auditor appointed by him or her.

(4) The Auditor General shall deliver to the Minister a copy of the audited accounts of the corporation not later than six months from the end of the financial year to which they relate.

(5) The Minister shall lay before Parliament a copy of the audited accounts delivered under subsection (4).

(6) In this section, "financial year" means the period of twelve months ending on 31st December, or such other period of twelve months as the Minister may, by writing under his or her hand, authorise the corporation to adopt as its financial year.

Miscellaneous.

20. Transfer of property and assets.

Any property or assets which immediately before the commencement of this Act were vested in the corporation, then known as the National Housing Corporation, are transferred to the corporation together with any obligations or liabilities attaching to the property or assets.

21. Minister's power of direction.

The Minister may, subject to this Act, give written directions of a general or specific nature to the corporation, and the corporation shall be bound to comply with any such direction.

22. Annual reports.

The board shall, not later than six months after the end of each financial year, make and submit to the Minister a report showing the performance of the board during that financial year, including the extent to which any direction given by the Minister during that financial year has been carried out.

23. Byelaws of the corporation.

The board may, with prior approval of the Minister, make byelaws, not inconsistent with this Act, regulating the conduct of the business of the corporation and, without derogating from the generality of the foregoing, regulating the following matters—

- (a) the books and accounts to be kept by the corporation;
- (b) the securing of legal advice and the conduct of legal proceedings;
- (c) the selling of houses to applicants whether on deferred terms of payment or otherwise;
- (d) the rates of interest, charges and commission to be contained in the agreements made by the corporation in respect of houses sold upon deferred terms of payment, subject to any written law in force governing the same;
- (e) the amount of rent chargeable to the tenants of the corporation;
- (f) the rates of charges for any construction or civil engineering work undertaken by the corporation on behalf of the Government or any person;
- (g) the appointment, discipline and dismissal of the employees of the

corporation; (h) the payment of pensions, gratuities and other like payments on both retirement or termination, whether by the contributory or noncontributory arrangement, to employees of the corporation; and (i) the transfer of functions from the corporation to any local authority or to any person.

24. Regulations.

The Minister may, by statutory instrument, make building regulations and regulations for the control of professional and consultancy fees payable by the corporation and generally for better carrying out the provisions and principles of this Act.

History: Decree 19/1974.

Cross References

Local Governments Act, Cap. 243.

Penal Code Act, Cap. 120.