



THE KPDA NAIROBI CITY COUNTY GOVERNMENT (NCCG) BUILDING PERMITTING APPROVALS REPORT

OCTOBER TO DECEMBER 2018

The 2018 KPDA NCCG Building Permitting Approvals Activity Report provides a summary of statistical information on planning permitting activity in Nairobi for October to December 2018. Only statistics received from the Nairobi City County Government, Urban Planning Department have been used as references.

This report uses building permitting approval requests submitted to the Nairobi City County Government which are then analyzed and approved by a specialist committee appointed by the Urban Planning Department of the Nairobi City County Government. The report contains information on applications that have been approved by the specialist committee highlighting development locations, types, values, application revenues and process performances.



Building Plan Designs

SUMMARY STATISTICS

- A total of 797 planning permit applications were approved between October and December 2018. They were worth Kshs. 47.7B, giving the county a total of Kshs. 296, 644, 566 of revenue in terms of submission fees.

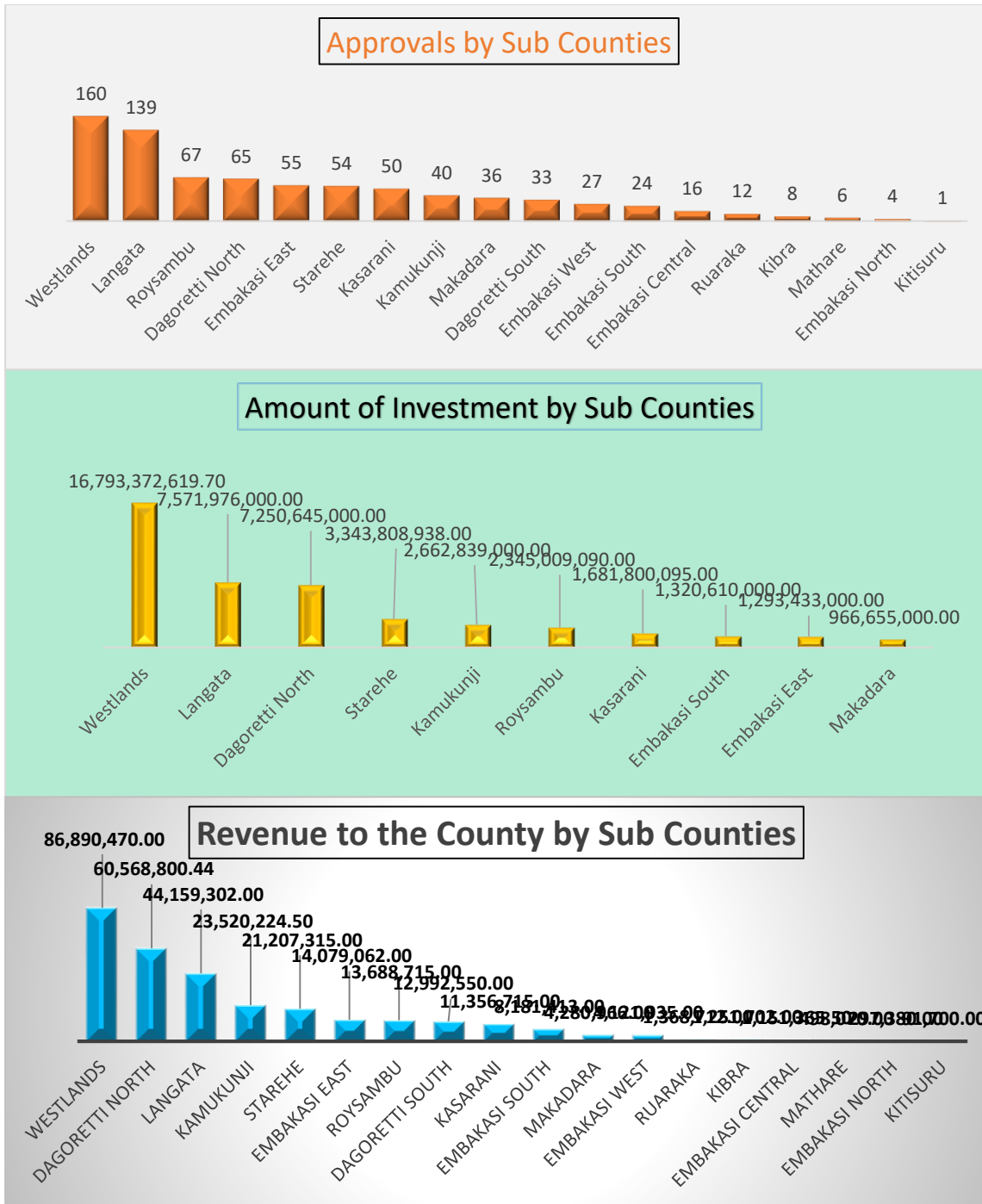
- The highest investment of Kshs. 2.5B in real estate in Nairobi County went to the Proposed Office Block (Banking Hall, Offices & 4 Level Parking) to be developed by I & M Realty Ltd in Parklands, Westlands Sub County. The approval earned the County revenue amounting to Kshs. 874, 000. However the approval that paid the highest submission fee of Kshs. 15, 904, 370 during this quarter is a Proposed Mixed - Use development (10 Levels Of Apartments, 1 Level Of Offices And 1 Levels Of Retail) to be located in Kileleshwa, Dagoretti North Sub County.
- On average the estimated value of building developments approved was Kshs. 59, 808, 665 with the submission fee averaging Kshs. 389, 567.
- Kenyan Building Code of 1997 classifies how buildings of different classes should be constructed. This quarter the approvals made are classified as follows:
 - ♣ 80% (640) - Domestic Class (commercial developments, domestic buildings and offices)
 - ♣ 12% (93) - Public Class (social halls, religious buildings, libraries, schools, etc.)
 - ♣ 8% (64) - Warehouse Class (industries, factories, and go downs)

This guides the developer and other players in the industry to realize that materials for domestic Class of buildings would be the most on demand as compared to the other two.
- From the data, at least 11% of the 175 000 acres of the county were approved to be under some sort of construction or renovation with Dagoretti North, Kasarani, Langata and Makadara being the areas where most land activity was taking place during that quarter in that order.

PERMIT APPLICATION ACTIVITY BY SUB-COUNTY

Westlands and Langata Sub Counties are once again leading by number of approvals, 160 and 139 respectively, as similarly witnessed in the past few quarters. Roysambu took the third spot with 67 approvals, ousting Starehe from the spot. Majority of the approvals for Roysambu were for residential developments, which comes as no surprise as the constituency is located along the Nairobi - Thika Super Highway attracting middle income earners who work in Nairobi or Thika.

Similar to the previous quarter, Westlands, Langata and Dagoretti North saw the most investment by developers respectively. Westlands also received the highest revenue in terms of submission fees, with Dagoretti North and Langata in second and third positions respectively. On the other hand, Mathare, Embakasi North and Central contributed the least to the county's real estate revenue.



BUILDING CLASS AND ZONAL USER DENSITY ACTIVITY IN NAIROBI

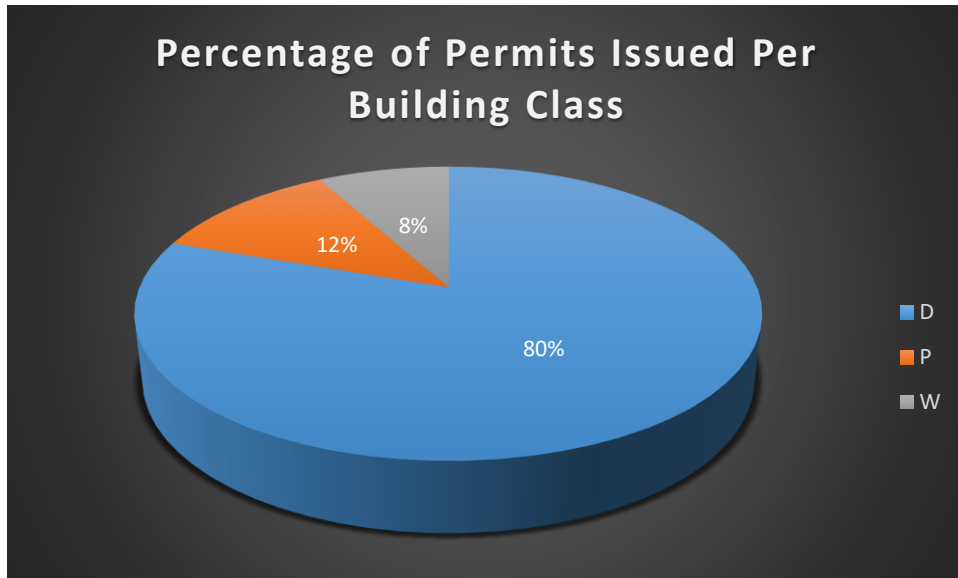
According to the Kenya building code of 1997;

Class D- means any building which is neither a public building nor a building of the warehouse class. Establishments of this nature were mainly approved to be built in Westlands, Langata and Starehe. They are majorly residential but a few are also commercial.

Class P- means a building used or intended to be used either ordinarily or occasionally, as a church, chapel or other places of public worship, or as a hospital, public institution, college or school not being merely a private dwelling house so used, theatre, public hall, public concert room, public ballroom, public lecture room, or public exhibition room, or as a public place of assembly for persons admitted thereto by tickets or otherwise, or used or intended to be used, wither ordinarily or occasionally, for any other public purpose.

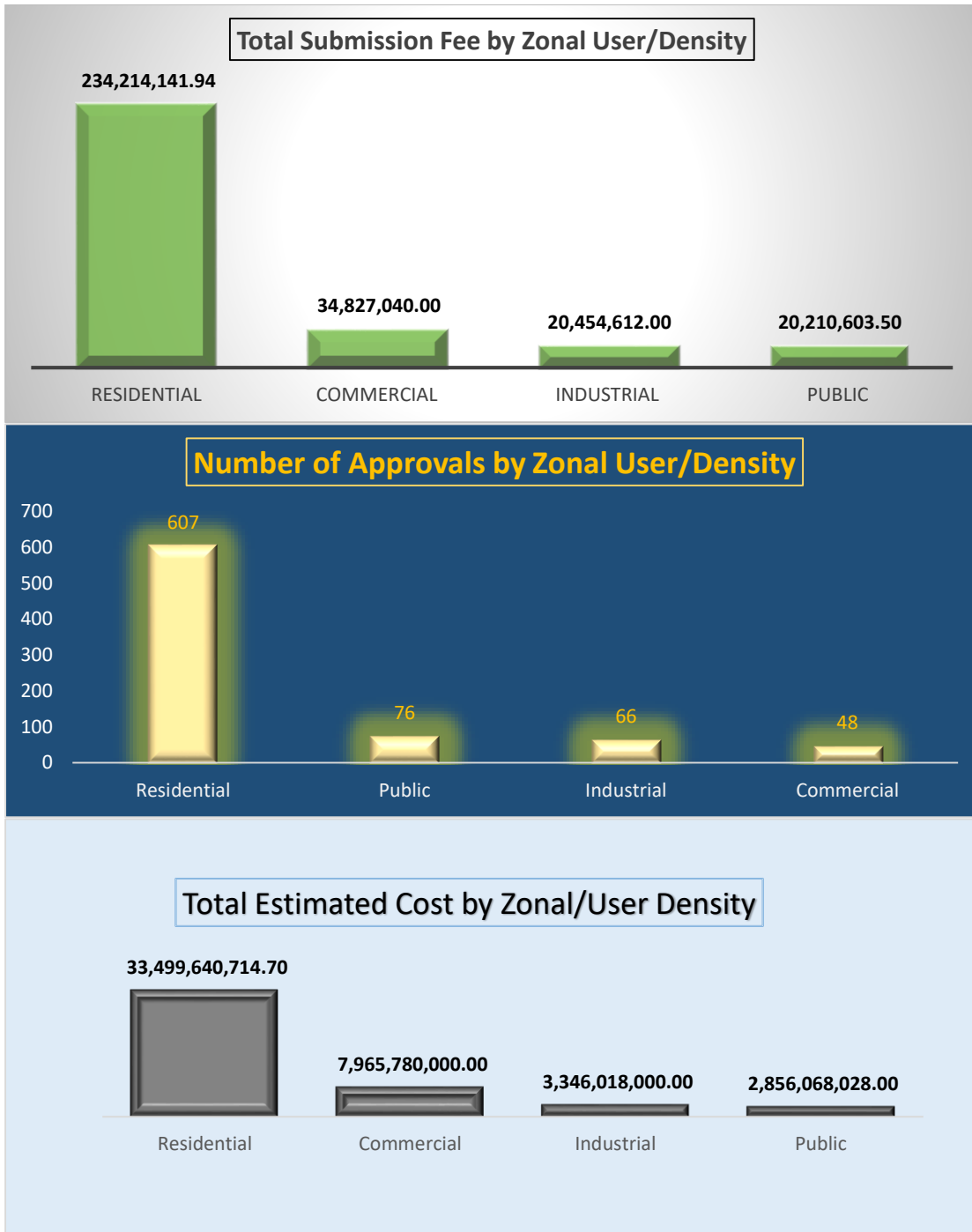
Class W- means a building designed or lawfully used as a warehouse, godown or factory, or for carrying on a wholesale business, but does not include any living accommodation which may form part of or be annexed to such building, and the formation of an access to a plot.

As usual, majority of the approvals made (80%) were submitted under the building class category domestic class which includes domestic buildings, commercial developments and offices.



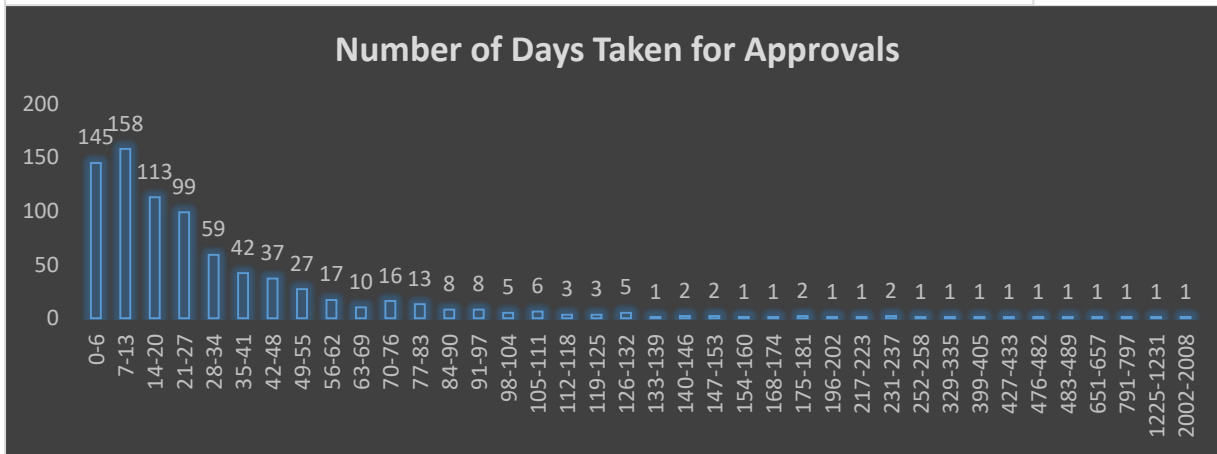
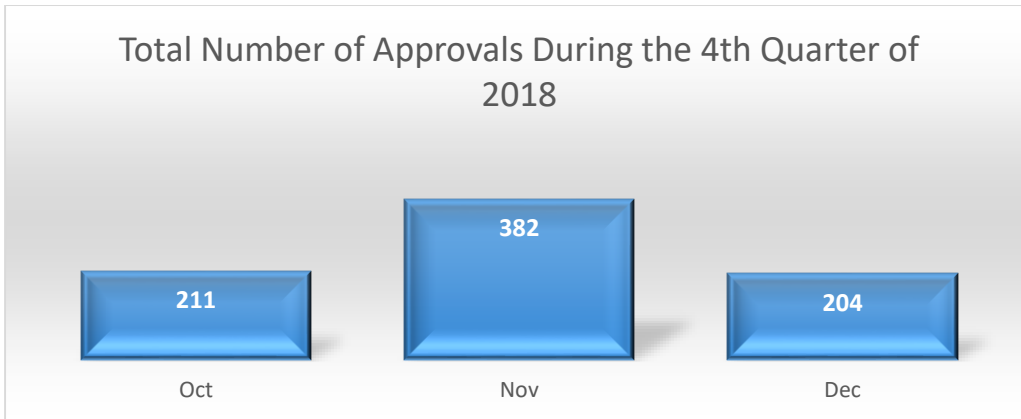
This is an indication that more investments are always going to accommodate the ballooning population in the county that harbors the country's capital city as more people trickle in to mainly work in the county.

More than Kshs. 33B was invested in residential usage while Kshs. 3B was invested in industrial usage in an era when the government is keen on industrialization out of the Kshs. **47, 667, 506, 742 worth of investments**. These investments contributed Kshs. 234M and Kshs. 20M respectively to the County's revenue in form of approval submission fees out of the total Kshs. **309, 706, 397**.

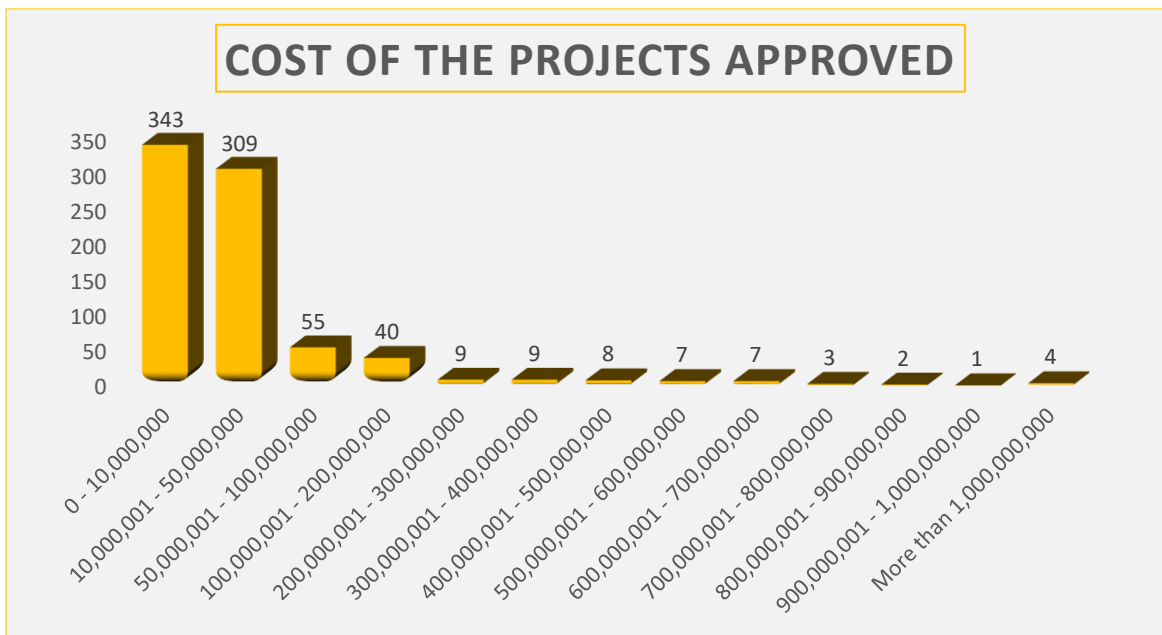


GRAPHS DEPICTING PERIOD OF APPROVALS

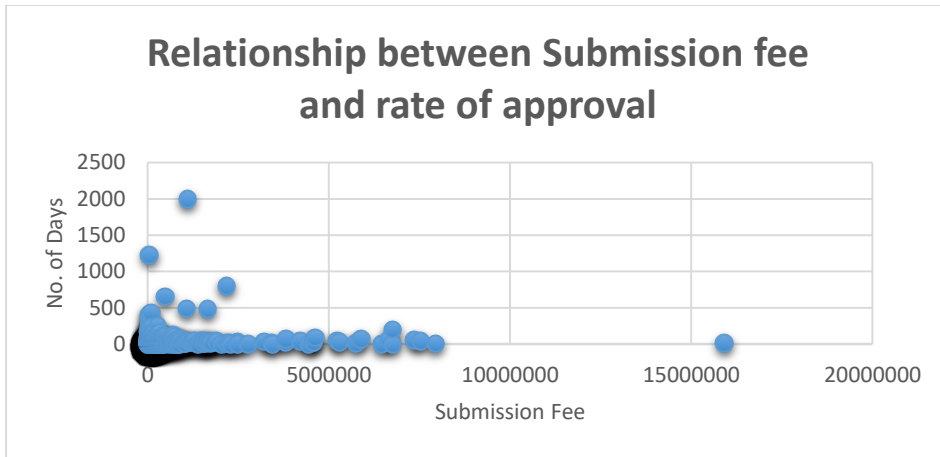
- November was the busiest month for the approving committee while the other two months were almost equal in terms of number of approvals to go through. Most of the development projects took 14 to 20 days to be approved whereas a few other projects took over a year to be approved.



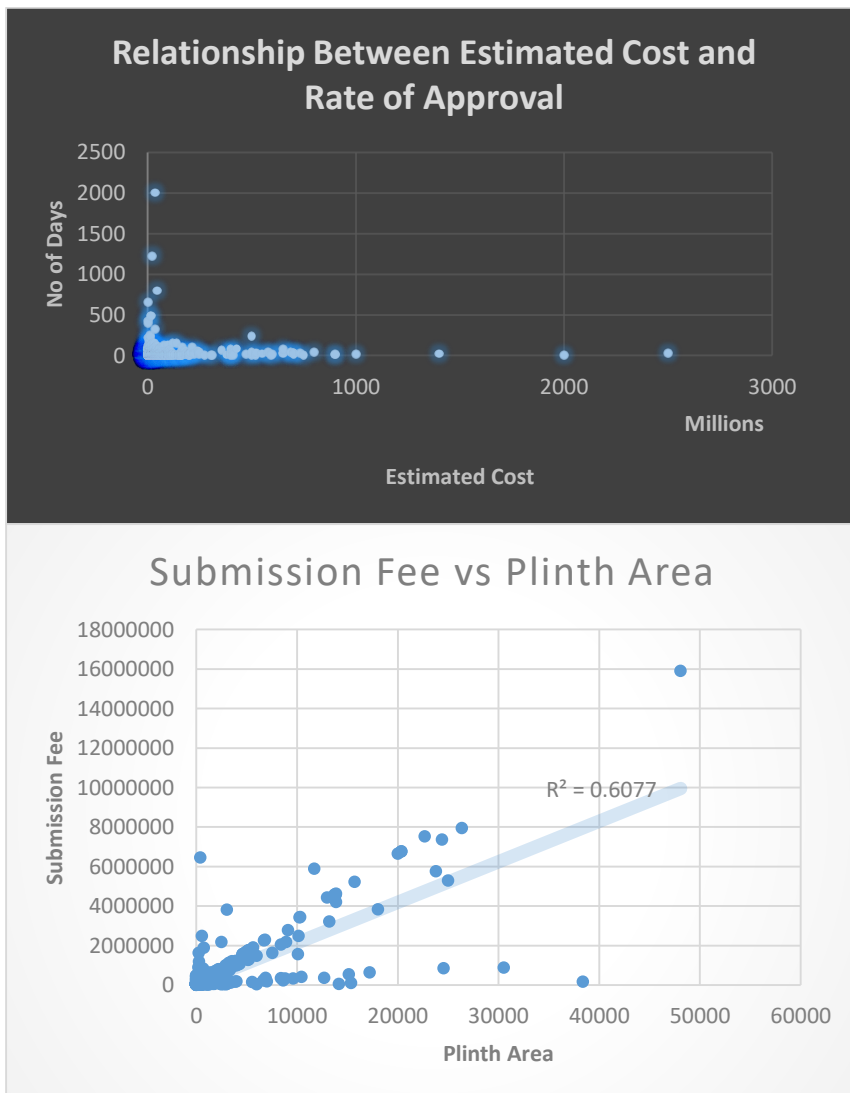
GRAPHS DEPICTING VALUE OF PROJECTS APPROVED AND THEIR REVENUE CONTRIBUTION TO NAIROBI COUNTY.



- Out of 797 buildings, 343 cost ten million and below while 50 buildings were valued over Kshs. 200 million.



- As the building code requires, most of the submission fee (60%) was dependent on the plinth area which in turn dictated the cost of the investment apart from a few outliers as shown in the graphs. However the amount of revenue a project contributed to the county did not guarantee them faster approval or priority in service, as evidenced by the graph above showing that both high paying and low paying projects took a few days to be approved.



COMPARATIVE ANALYSIS OF THE FOUR QUARTERS IN 2018

		2018 QUARTERS			
		1 ST QUARTER (KSHS)	2 ND QUARTER (KSHS)	3 RD QUARTER (KSHS)	4 TH QUARTER (KSHS)
ESTIMATED VALUE		24, 591, 632, 414	30, 054, 132, 149	38, 627, 460, 996	47, 667, 506, 742
SUBMISSION FEE		264, 840, 680	199, 419, 433	372, 092, 454	309, 706, 397
BUILDING CLASS APPROVALS	DOMESTIC	504	391	476	640
	PUBLIC	59	53	72	93
	WAREHOUSE	32	40	52	64

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the KPDA by the Nairobi City County Development Control Section, Urban Planning Sector.

FOR MORE INFORMATION, KINDLY CONTACT THE KPDA SECRETARIAT

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