

38305

C0533/485
KENYA

38305

NAIROBI TOWN PLANNING

Previous

3234/33

Subsequent

R. 297

8/3/57

R. 309

5/5/57

Publicin

7/4

M. Flou

5/4

to be 309

6/4

R. 299

15/4

302

Case
TOWN PLANNING.

1. ACTING GOV'S DEPUTY.....143.....27.2.37.
States that, in a/c described, Exec. Council advises that Govt. should waive all claim to refund of £6,320 advanced to Nairobi Municipal Council in connection with the Nairobi Town Planning Scheme and, subject to S. of S's approval, proposes Council should be so informed.

X No.
v. below.
M.P.

The Nairobi Town Planning arrangements approved in 3234/33 provided that Government should advance a cash sum of £6,320 to the Town Planning Authority (i.e. the Municipal Council) and place at the disposal of the Council, Crown land up to a total of £43,000.

The Council's contribution to the scheme was estimated to be £26,000. In addition it was agreed that half of the £6,320 advanced by Government should be repaid from the proceeds of the sale, by the Council, of any remnants of Crown land remaining after the town planning had been completed. It was further agreed that Government would not press for the repayment of the other half of the £6,320 until the 30th September, 1937, when the question of repayment of this half would be re-considered.

It now appears that the Municipal Council's commitment, originally estimated to be £26,000, has been increased by £13,000 or £14,000. Moreover, the Council has not yet been able to dispose of any of the remnants of the Crown land. So they ask that Government should waive its claim in respect of the £6,320.

With the advice of Executive Council the O.A.G. is prepared to agree to the Council's request. He therefore asks for approval.

? Approve the proposal in paragraph 7 of the O.A.G.'s despatch.

C. J. G. Smith

30.3.37.

The £6,320 was not a cash advance to the Municipal Council. It had been expended by Govt. in connection with the operations of

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X No. v. Submt. 199.

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C. H. Goswami

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a Board wh. had passed the Municipal Council or Town Planning Authority, & the arrangement proposed was that the Municipal Council shd. assume responsibility (on the conditions indicated) for the repayment of this loan to Govt.

It is astonishing that, at the time of the negotiations with the Municipal Council, the two parties to the negotiations shd. have been working on the basis of two sets of estimates differing by so much as £16,000, & it is even more astonishing that it does not seem to have occurred to anyone to inform Govt. that the figures on wh. they were working were obsolete!

However, in the circumstances now explained, it seems reasonable that Govt. shd. waive the repayment of this expenditure.

? approve.

J.P. Popham
3/4

It's a hopeless show any way you look at it. But we can only approve (It is really letting the Council off a liability which they accepted under protest - I think the Govt. was quite in its rights in asking them to take it on but in matters)

L.S.G. 229

24 March

AIR MAIL
194

2 to Kenya - 309 - (1 annex)

15/4/37



KENYA

NO. 309

AIR MAIL

DOWNING STREET,

15 April 1937.

J.P. Popham
Sir,

I have the honour to acknowledge the receipt of Mr. ^{Wade's} ~~Legg's~~ despatch No. 143 of the 27th February, and to inform you that, in the circumstances described therein, I agree that the Nairobi Municipal Council may be relieved of the obligation of refunding to the Kenya Government the sum of £6,320 advanced by Government in connection with the Nairobi Town Planning Scheme.

2. I therefore approve of the Municipal Council's being informed that the Kenya Government waives all claim to the refund of the sum in question.

I have the honour to be,

Sir,

Your most obedient,
humble servant,

(Signed) W. ORMSBY GORE.

GOVERNOR

AIR CHIEF MARSHAL

SIR ROBERT BROOKE-POPHAM, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.,
etc., etc., etc.

C. O.

Mr. Grossmith.

Mr.

Ms.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley

Sir J. Shuckburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.



April, 1937.

Skr

Sir,

DRAFT.

KENYA.

NO.

O.A.G.

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Mr. Nade's
the receipt of your despatch No.143

of the 27th February, and to inform you

that, in the circumstances described

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Municipal Council may be relieved of

the obligation of refunding to the

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the Nairobi Town Planning Scheme.

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FURTHER ACTION.

RECEIVED
12 MAR 1937
C. O. REGY
Government House

5

AIR MAIL

KENYA
No. 143



NAIROBI
KENYA

27 FEBRUARY 1937.

Sir,

I have the honour to refer to the despatch No. 542 of the 21st July, 1933, in which Sir Philip Cunliffe-Lister (now Lord Swinton) conveyed his covering sanction of the arrangement for carrying into effect the Nairobi Town Planning Scheme, which arrangement was set out in detail in Sir Joseph Byrne's despatch No. 344 of the 5th June, 1933.

2. In paragraph 5 of Sir Joseph Byrne's despatch reference was made to the proposed terms of repayment by the Nairobi Municipal Council of an advance of £6,320 which had been made by Government. It was agreed that this repayment should be subject to the proviso that one half of the sum would be ^a first charge against the sale of land referred to in categories (a) and (b) of paragraph 3 of the despatch, and that, as to the other half, Government would not press for repayment until the 30th September, 1937, when the matter would be reviewed in the light of expenditure incurred on town planning in Nairobi and the benefits received, but that if the estimated cost of the scheme had been exceeded Government would not demand the repayment of the second half.

3. The principal item in view at the time when the arrangement was made was the re-planning of the Duke Street area, and the financial assistance to be provided by Government had for its object the carrying out of this portion of Nairobi Town Planning Scheme No. 1. It

was

THE RIGHT HONOURABLE
W. ORMSBY GORE, P.O., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON. S.W. 1.

(2) ON 3234/33

(1) " "

Arak (2)

was, moreover, recognised that from time to time expenses would be incurred, to an extent not then estimated, in carrying out the remainder of the Scheme No.1, particularly in the River Road, Canal Road and Stewart Street areas.

When the final arrangements were made with the Council, however, one of the conditions was that, in consideration of the financial assistance already given and to be given by Government, the Council would finance all future Town Planning and would, from its own funds, provide for the cost of Town Planning Staff and for the normal activities of Town Planning throughout the Municipality.

4. The Council, after three years' experience as Town Planning Authority, found that the cost of dealing with areas outside the Duke Street Scheme was greater than had been expected, and submitted a formal request for further Government assistance. It was suggested that this assistance should take the form of waiving all claim on the part of Government to the refund of £6,320 expended by Government on Town Planning Staff and other expenses incurred before the Municipal Council took over the duties of Town Planning Authority.

The acceptance by the Council of this debit charge had been under protest for the following reasons:-

(a) The Council had not been responsible for the expenditure of the money, and therefore did not regard the sum as "advanced" by Government but rather as expenditure incurred by the former Town Planning Authority in providing for staff and for the normal activities of Town Planning; the Council was unable to admit the equity of passing on to the Municipal Council the cost of administering the Town Planning Ordinance during a period anterior to the Council becoming the Town Planning Authority.

(b) It was not clear what proportion of the £6,320 was a direct charge against the scheme for the Duke

Duke Street area.

(c) The figure upon which the arrangement had so far proceeded had been based on estimates only and might be considerably exceeded when the actual expenditure was to be incurred.

The original proposal was modified at the request of the Council and was finally accepted in the form in which it was reported to you in Sir Joseph Byrne's despatch of the 5th June, 1933.

(1) on 3234/33

5. As regards objection (c) in paragraph 4, it now transpires that the figures of estimated costs which were at that time before Government differed from those on which the Council based its comments. The estimated cost of the Duke Street Scheme as submitted to Government totalled £38,786 made up as follows:-

| | £ |
|--|---------------|
| (a) Purchase of land for new roads, road widenings, etc..... | 5000 |
| (b) Compensation for demolition and alteration of buildings.. | 27786 |
| (c) Cost of preparing Scheme..... | 6000 |
| | <hr/> |
| | <u>£38786</u> |

These figures were based on the provisional estimates submitted by the Municipal Engineer, Nairobi, to the Nairobi Area Town Planning Authority. During the period of the discussions with Government in regard to the application of the Council as the Town Planning Authority the Municipal Engineering Staff proceeded with a more detailed investigation as a result of which the estimated cost of land purchase was increased to £18,054 and building compensation to £36,238 - a total of £54,292. This discrepancy has only recently come to light.

It is probably a correct assumption that had Government been aware that, in accepting the proposals submitted, the Municipal Council would be taking over

so large a financial obligation the liability of the Council for the refund of the costs of preparing the Scheme would not have been insisted upon.

6. I am satisfied that the Council's expenses in carrying out the development plan for the River Road and Canal Road areas will be heavy, amounting in all, to between £13,000 and £14,000 and that the cost of the Duke Street Scheme has not fallen below the estimates on which the Council worked. Moreover the Council has not yet been able to dispose of any of the land from the sale of which it was proposed to reimburse Government for one half of the sum of £6,320.

7. In these circumstances Executive Council has advised that the Government should waive all claim to the refund of the sum of £6,320, and subject to your approval I propose that the Municipal Council should be so informed. This sum was not, strictly speaking, an advance and its exclusion from the financial settlement with the Council will not involve writing off an asset.

I have the honour to be,

Sir,

Your most obedient,

humble servant,

M. M. M. M.
ACTING GOVERNOR'S DEPUTY.