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THE REPUBLIC OF UGANDA

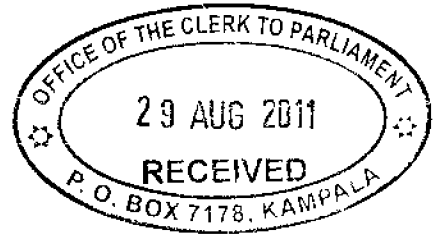
Ministry of Finance, Planning &  
Economic Development  
Plot 2-12, Apollo Kaggwa Road  
P.O. Box 8147  
Kampala  
Uganda.

In any correspondence on  
this subject please quote No. ISS.59/255/01

19<sup>th</sup> August 2011

The Permanent Secretary  
Ministry of Works and Transport  
P. O. Box 10  
ENTEBBE.

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Entebbe  
3/12/12



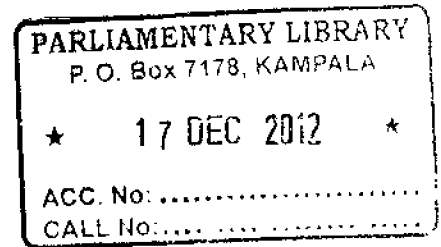
Clerk Clerk

Committee on Infrastructure  
for presentation  
for the reading of the Bill  
CP  
29/8/11

**CERTIFICATE OF FINANCIAL IMPLICATIONS OF THE BUILDING  
CONTROL BILL 2011**

I acknowledge receipt of your letter ref. BLD/84/153/01 dated 26<sup>th</sup> July, 2011 on the above mentioned subject. This is to submit to you the Certificate of Financial Implications for your necessary action.

C.M. Kassami



**PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

- c.c Hon. Minister of Works and Transport  
Ministry of Works and Transport
- c.c Hon. Minister of Lands, Housing and Urban Development  
Ministry of Lands, Housing and Urban Development
- c.c Solicitor General  
Ministry of Justice and Constitutional Affairs
- c.c Clerk to Parliament  
The Parliament of Uganda
- c.c The Permanent Secretary, Ministry of Lands, Housing and Urban Development

**Mission**

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"



THE REPUBLIC OF UGANDA

**CERTIFICATE  
OF  
FINANCIAL IMPLICATIONS  
(Made under S. 10 of the Budget Act)**

**THIS IS TO CERTIFY** that the Bill entitled **BUILDING CONTROL BILL (2011)** has been examined as required under S.10 of the Budget Act. I wish to report as follows:

**1.1 That the Bill has the following Objectives:**

The broad objective of this Bill is "To provide for planned construction of buildings countrywide (in both rural and urban areas) by making it mandatory that all building plans are first approved by the building Committees to be established in all the Local Governments (District and Urban Councils)".

**1.2 Specific Objectives of the Policy**

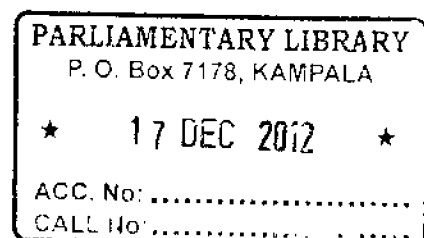
1. Consolidate, harmonize and amend laws relating to the erection of buildings;
2. Provide for building standards;
3. Establish the National Building Review Board (NBRB) and Building Committees; and
4. Promote and ensure planned, decent and safe building structures that are in harmony with the environment and for other related matters

**2.0 That the Bill will Achieve the Following Outputs:**

The main output of this Bill is **a new building sector policy document** whose general objective is to provide for the orderly development of the sector.

**3.0 Institutions and offices to be established by the Bill**

The proposed Bill provides for the establishment of the following institutions and offices:



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### **3.1 The National Building Review Board (NBRB)**

This board shall be established at the national level and will be responsible for supervising and monitoring (over seeing) the activities of the Building Committees at the Local Government (District and Urban Councils) level. To ensure technical compliance, professionals including architects, engineers, surveyors, physical planner, public health specialists and the private sector will be represented on NBRB. The finances of the board shall consist of monies appropriated by Parliament, fees charged for services rendered and grants and donations from Government or other sources.

### **3.2 Secretariat of the Building Review Board**

The Bill provides for establishment of the Secretariat of the Building Review Board, which shall be headed by the Chief Executive Officer of the Board and shall be responsible for the day-to-day operations of the Board.

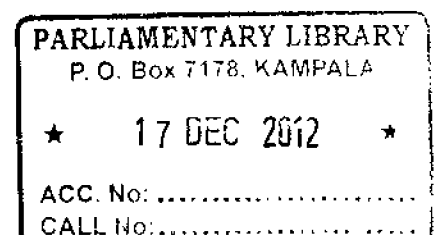
### **3.3 The Building Committees (BC)**

The Bill provides for the establishment of the Building Committees for each District and for each Urban Authority. The key function of this Committee will be to scrutinize and approve building plans. Their main responsibility will be that of enforcing building control regulations in areas of their jurisdictions. To reduce on the wage bill of local governments, it is proposed that the existing Development Committees should be re-designated as the Building Committees. Where Development Committees do not exist, the affected council may delegate the function to a competent person or other committees so chosen.

### **3.4 Building Control Officers (BCO) and Assistant Building Control Officers (ABCO)**

It is proposed in this Bill that each District should employ a Building Control Officer (BCO) and an Assistant Building Control Officer (ABCO) whose responsibility as technocrat shall be to receive and preliminarily scrutinize building plans and make recommendation on these plans for consideration by the Building Committee. It is proposed that the existing Building Inspectors/Superintendent of works at the district and urban councils should be re-designated as the BCOs while ABCO should be employed at sub-county/county level when need arises. This is to reduce the wage bills of the local governments and the cost of recruitment. However, the district Service Commissions shall appoint BCOs and ABCOs where there is currently none or where more are needed.

As part of its day-to-day activity, the Ministry responsible for building/construction works shall meet the cost of monitoring the implementation of the policy.



#### 4.0 Additional Funding and Building Implications are as follows:

The total financial implication of the Bill is Ushs. 1.78 bn phased over a period of three years. The details of this is as follows;

Details	ESTIMATE FY 2012/13 (SHS)	ESTIMATE FY 2013/14 (SHS)	ESTIMATE FY 2014/15 (SHS)
Employee Costs	164,600,000	164,600,000	164,600,000
Administration Costs	64,008,000	52,008,000	52,008,000
Supplies and Services	296,265,000	64,369,000	67,005,900
Transport and Plant Costs	60,000,000	45,000,000	47,000,000
Property Costs	55,560,000	36,800,000	41,800,000
Transfer Payments to other Agencies	150,000,000	75,000,000	80,000,000
Other Expenditures	26,060,000	25,000,000	30,000,000
Loan Charges	6,000,000	6,000,000	6,000,000
<b>Grand Total</b>	<b>822,493,000</b>	<b>468,777,000</b>	<b>488,413,900</b>

#### 4.1 Ministry Responsible for Building/Construction Works Headquarters

There will be increased monitoring of construction by technical staff at the Ministry Headquarters. The additional costs envisaged for Travel inland and Fuel/Lubricants will be accommodated within the Sector's Budget Framework.

#### 4.2 National Building Review Board (NBRB)

The NBRB will be established when the building Control Act is promulgated and will require a total amount of **Ushs. 822,493,000/=** in the first financial year for staff salaries, establishment costs and operational costs, details of which are attached. The requirements for the second and third years are **Ushs. 468,777,000/=** and **Ushs. 488,413,900/=** respectively.

#### 4.3 Building Committee

##### i). Architects

The existing Planning and Development Committees at the District Councils and Urban Councils will convert into Building Committees. However, an architect, to be appointed by the District Service Commission for each District Council and Urban Council, and a representative of people with disabilities nominated by the National Council for people with Disabilities (NUDIPU) will also be members of the Committees. This will attract additional costs for salaries and allowances for the architects estimated at **Ushs. 13,920,000/=** per council per annum.

**ii). Building Control Officers**

The existing Building Inspectors/Superintendent of Works at the District Councils and Urban Councils are to be re-designated Building Control Officers (BCOs).

However, the District Service Commissions shall appoint BCOs and Assistant BCOs where there are currently none and where more are needed. This will attract additional costs for salaries and allowances estimated at **Ushs. 13,920,000/=** per council per annum.

**iii). Assistant Building Control Officers**

These will be next in rank to the Building Control Officers. The estimated additional cost for the Assistant Building Control Officer for salary and allowances is estimated at **Ushs. 13,872,000/=** per council per annum.

**iv). Building Committee Expenses**

Building Committee expenses for recreation, welfare and entertainment is estimated at **Ushs. 7,200,000/=** per council per annum.

**5.0 Details of Additional Costs for Building Committees per Council per Annum**

**i) Architects**

a) Salary for Architect	Month 12	720,000	8,640,000
b) Subsistence allowance for 2 Field inspections by the Architect for 2 nights on average per trip	Days 48	110,000	5,280,000
	<b>Total =</b>		<b>13,920,000</b> per Architect

**ii) Building Control Officers**

a) Salary for Building Control Officers	Month 12	720,000	8,640,000
b) Subsistence allowance for 2 Field inspections by the BCO for 2 nights on average per trip	Days 48	110,000	5,280,000
	<b>Total =</b>		<b>13,920,000</b> per BCO

**iii) Assistant Building Control Officers (ABCO)**

a) Salary for Building Control Officers	Month 12	716,000	8,592,000
b) Subsistence allowance for 2 Field inspections by the BCO for 2 nights on average per trip	Days 48	110,000	5,280,000
	<b>Total =</b>		<b>13,872,000</b> per ABCO

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iv) Building Committee Expenses			
Recreation, welfare and entertainment	12m	600,000	<u>7,200,000</u>
<b>Grand Total (i) – (iv)</b>			<b><u>48,912,000/= P.A.</u></b>

**6.0 Expected Savings, Revenue and Benefits to Government.**

**6.1 Expected Revenue**

The following are the major sources of revenue expected to be generated from the Bill:

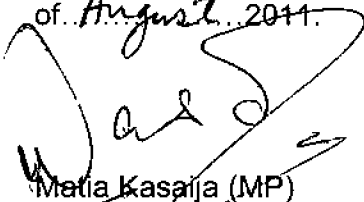
- **Inspection fees** which shall be paid by the applicants
- **Plans approval fees** which shall also be paid by the applicants; and
- **Fines** imposed on offenders of the regulations.

The above Revenues are expected to more than offset the additional costs per annum.

**6.2 Expected Benefits**

- i) The greatest benefit of the Bill is expected to be saving of human lives being lost due to collapse of poorly constructed buildings. This law will put an end to the now-too-frequent cases of shoddy works, defective and inefficient structures and fatal accidents related to building constructions;
- ii) Neat, standardized, well-planned, healthy, environmentally friendly and attractive building structures;
- iii) Improved land use due to better physical planning;
- iv) Increased income for Government from fines, inspection fees and plan approval fees;
- v) Increased tax base for government; and
- vi) Increase in employment opportunities.

Submitted to Cabinet under my hand on this.....<sup>26<sup>th</sup></sup> day  
of August, 2011.



**Matia Kasajja (MP)**  
**MINISTER OF STATE FOR PLANNING ALSO HOLDING PORTFOLIO OF**  
**MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT**

Received by.....

Date.....