

Examination of the Challenges and Impact of Building Plan Approval Procedure on Real Estate Development in Uyo, Nigeria

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Abstract The landscape of Uyo metropolis is littered with buildings marked with 'stop work' order and this study sought to investigate the process of obtaining building plan approval and its impact on building construction or property development in the area. A cross-section of two hundred and twelve (212) applicants of building plan approval between 2011 and 2015 were surveyed. The gathered data were analyzed using simple percentages and relative importance index. The study found that less than half of the applicants received approval to commence building development and that it took an average of 6 months to 12 months to secure the approval. It was also shown that majority of buildings in Uyo metropolis are without building plan approval. Poor communication between the planning authority and developers, the high cost of application fees, and the extended period time it takes to obtain approval were found to be some of the challenges encountered by the applicants. This study also found that the existing procedure of building plan approval usually slow down the pace of construction activities and encourage unapproved construction of buildings. The study amongst other recommendations advocated for a total reform of the existing building plan approval system.

Keywords Building plan, UCCDA, Developer, Uyo Metropolis, Procedure

1. Introduction

A building permit is an official certificate of permission issued by local authorities to a builder to construct, enlarge, or alter a building (Dictionary.com). Also, Ayotamuno and Owei (2015) see planning permission or planning consent as the permission granted a developer or builder by planning authority to develop. As an essential requirement, every building especially in urban centers are expected to apply and obtain planning permit or approval before the construction takes place. The application and approval ensure that all development complies with planning standards and building codes enforced within the area at a particular time. It also ensures that minimum standard such as building line, height, size, set back, size of a room, ventilation, etc. are enforced for healthy living in the built environment.

Planning activities in Nigeria is regulated by the Nigerian Urban and Regional Planning Act (NURP) No 88 of 1992

which allows for decentralization of planning, whereas in Uyo, the Akwa Ibom State Edict No. 13 of 1988 which established Uyo capital city Development Authority (UCCDA), is the primary instrument of planning control in Uyo Metropolis. The UCCDA is empowered by the Edict to enforce development control within Uyo urban. Udoudoh (2007) has listed development control agencies in Uyo to include Ministry of lands and Town Planning, land use and Allocation Committee, Uyo Capital City Development Authority, and Akwa Ibom property and Investment Company Limited. The author observed that the proliferation of planning agencies in the city had been the basis of duplication of functions and the primary cause of ill-coordinated planning efforts, ineffective enforcement of planning regulations, etc.

In Uyo, the UCCDA requires that all developers desiring to commence construction within the capital city shall apply through written application address to the Executive Chairman of the authority upon payment of prescribed fee with relevant documents for approval. The relevant documents required for submission include submission fee, original copy of survey plan, certificate of Deposit of survey plan, and registered land agreement/power of Attorney/Letter of Allocation. Others include a certificate of occupancy, letter of consent from land use and allocation Committee, Affidavit of plot ownership, tax clearance

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certificate, three years local government rate ticket, three sets of architectural drawings, structural drawing, calculation sheets, environmental impact analysis report, site plan analysis report, etc. The application is rejected if the plan does not comply with the above requirements/documents or the proposal is likely to harm the environment.

There is no timeline for approval, but World Bank (2014) states that across Nigeria, dealing with construction permits takes an average of 14 procedures and 63 days, at the cost of 565.4% of income per capita. Also according to the same World Bank report, from unofficial estimates, only about 20% to 40% of physical development is constructed with legal permits. The situation in Uyo metropolis collaborates this unofficial estimate as a drive through the streets especially the newly developed areas will reveal that UCCDA marks almost eight out of every ten buildings for demolition for non-compliance with planning standard and non-approval. This high rate of non-approval and compliance in Uyo metropolis is the concern of this research. Therefore this study is designed to examine the challenges of building approval in Uyo metropolis.

2. Literature Review

Ekop (2007) examined the Physical planning process based on experiences and lessons learned from both the developed and developing worlds. The paper highlights the traditional approaches to physical planning which forms the basis for public sector infrastructure and services investment and a detailed system of land use regulation and control. The author stated that there are two broad traditions of physical planning and that since the 1960s such traditional approaches have been found wanting in both developed and developing countries. He also opined that the preparation and enforcement of the plan relied on obsolete planning ordinances, which place all planning powers and responsibilities with a central agency. The author highlighted the institutional shortcomings of this system to frequent shifting of responsibility for spatial planning by a central agency from Ministry to Ministry, which often leads to by-passing of the planning authority by both infrastructure delivery agencies and private developers. Another shortcoming arises where statutory legislation is not enforceable over the entire country, but only in statutory planning areas. Thirdly, the approval process for planning instruments is frequently over-centralized, lengthy and cumbersome. The paper advocated for improved standards and regulations, improved zoning techniques and geographic information system, as remedies to the challenges. There is no empirical evidence here apart from the author's opinion.

Etim (2007) in an expository paper discussed the challenges of environmental planning and regulation in Nigeria. The paper also appraised the expanding legitimacy of environmental planning in the environmental arena, arguing that environmental planning was not the exclusive preserve of any profession. The author defined

environmental planning as embodying planning and management activities in the environment, which aims at minimizing the damage caused by human activity in that environment. He stressed that environmental planning is not just about environmental impact studies but covers extensive areas of land development, land use, and environmental quality. The paper concludes that the benefits won (and the potential costs avoided) by prudent land development accrue to the population at large, in both present and future generations. He advocated the legitimacy of land use regulation for efficient, equitable and prudent land management. The conclusions are the author's opinion since no survey or empirical studies were carried out.

Obot (2007) examines the challenges of an emerging metropolis in Nigeria. The author identified the problems of Nigerian metropolis to include the planlessness and consequent inability of these cities to receive the influx of newcomers thereby giving rise to falling living standards and the emergence of slums. He reasoned that as the living conditions deteriorate in the over-crowded central districts, the overflow of one metropolis will mingle with the overflow of another to form the disorganized mass of formless, low-grade urban centers that could be nicknamed "Megapolis" as is the case in Mushin/Ikeja areas of Lagos, bypassing Ofa/Ogun area and sprawling toward Ibadan. According to the paper, another problem facing Nigerian metropolis is the lack of rational land use. He averred that in the urban system, there is no shortage of land, but ineffective use and organization of space and unnecessary despoliation of a healthful environment. A solution to the above problems, he advocated for a national urban policy that would recognize the plurality and features of the economic life of the city and give legitimacy to informal settlements and incorporate them into the scheme of things to meet their apparent needs. The paper also recommended the encouragement of access by the low-income group to land at peri-urban areas by an incremental process as a way out. This paper highlighted the problems of Nigerian metropolis without establishing the cause of those problems.

Udoudoh (2007) reviewed the various control measures on housing development and the controlling agencies in Nigeria, using a case study of Uyo. The author identified some of the problems militating against useful development control functions to include, the low level of public awareness and enlightenment on the provisions of Uyo Master Plan (1988) and Building Regulation (1998) for Uyo Capital City. He opined that property developers see the existing Uyo master plan and its provisions as a restrictive imposition on the development drive of the people. The paper also identified poor funding of Uyo Capital City Development Authority as hampering useful development control exercise. Unavailability of working equipment and vehicles and even where available, poorly maintained, lead to an excessive and unbearable delay in dispensing with granting or rejecting development approvals and permits. According to the author, this is evidenced by the number of building plans approval

where less than 50% of applicants were granted approval. The paper also identified cases of developers embarking on their projects without strict compliance with the approved standard leading to the development of non-conforming structures at every nook and cranny of the city. The author further observed that proliferation of development control agencies in Uyo has resulted in ill-coordinated planning efforts, ineffective enforcement of planning regulations and poorly harmonized development activities. The paper recommends timely processing of a certificate of occupancy and granting of approvals to building plans for development purposes. He stressed the importance of advancing the awareness and education of prospective developers where their proposal does not meet the stipulated requirement. Proper funding of the authority was also advocated. This study though using case study approach did not survey any of the agencies staff nor the applicants of building plan approval, to arrive at the conclusions thereon. Therefore the conclusions can be generalized.

In a study of dealing with construction permits in Nigeria, the World Bank (2014) examine the procedures, time and cost of obtaining building approval. The study found that across Nigeria, dealing with construction permits takes an average of 14 procedures and 63 days at the cost of 565.4% of income per capita. The World Bank found that it is easier to comply with formalities to build a warehouse and connect it to utilities in Jigawa and Sokoto and more difficult in Abuja and Lagos States. The study reported that in the case of a simple construction project, applicants in Enugu, Jigawa, Kano, Kwara and Sokoto States, can submit the building permit application without the need of prior preconstruction clearances, whereas 29 states require an environmental impact assessment prior to applying for a building permit for any project regardless of the size and type of construction. It also found that in Adamawa, Akwa Ibom, Bayelsa, Ekiti, Lagos and Ogun States, the applicant must obtain additional proof of land ownership, even if in possession of a certificate of occupancy. The study further showed that obtaining building permit takes about two months in Adamawa, Akwa Ibom, and Kaduna, whereas the same process is carried out in less than two weeks in Enugu, Jigawa, and Ogun. The study concluded that builders spend more than a third of their time getting the building permit. The study also found that dealing with the building permit in Sokoto (173.5% of income per capita) and Cross River (214.6% of income per capita) is six and five times less expensive than in Enugu, respectively. The study recommends for reform in the planning authority such as the introduction of time limits and expediting the issuance of permits with fast-track procedures, simplifying preconstruction clearances, reducing building permit fees and making the connection to utilities more efficient. Unfortunately, in this World Bank study, the study average is too broad which can lead to unlimited generalization.

In Port Harcourt, Ayotamuno and Owei (2015) examined

the impact of Rivers State Geographic Information System (RIVGIS) and the "One-stop-Shop" concept for building plan approval. The authors observed that the timeline of 14 procedures and 90 working days to obtain a certificate of occupancy in Rivers State fails, because of many other shortcomings of the process which include bureaucratic bottlenecks and undue politicization of the process. The study averred that before the introduction of the "one-stop-shop" in 2012, building permit approval process was slow. Administrative delays were prevalent due to applicants files, being sent from one agency to the other, to verify different aspects of the drawings, resulting in building approvals taking as much as two years. This delay resulted in the erection of uncertified structures and their regular demolition in Port-Harcourt. The study revealed that with the introduction of the "One-Stop-Shop" in 2012, the process of getting building plan approval is carried out in one office. The study showed that applicants now received building plan approval within one month if all the other necessary documents are complete. The authors concluded that the reforms in River State has made the various processes more transparent, reduced the period of waiting to obtain building approval and certificate of occupancy, reduced the number of structures built without permits and the practice of quacks in the building profession checked. This study like the previous ones reviewed is without survey, hence its findings and conclusion can be described as the author's opinion. Thus, there is a need for the present study to survey the applicants of the building plan approval to empirically investigate the challenges and impact of building plan approval procedure on property development in Uyo.

3. Research Methodology

The study population consisted of all the applicants of building plan approval in Uyo capital city between 2011 and 2015. In the available records of Uyo Capital City Development Authority (UCCDA), the agency vested with the approval of building plans, there were 3,071 applicants within the five years period. The sample size is 10 percent of the total population which is 307 applicants. A closed-ended questionnaire with 212 responses from the survey gave an effective response rate of 69.06%. The resultant data were analyzed using simple percentage and relative importance index.

4. Discussion of Findings

This section presents the data obtained through the administration of the questionnaire. Questions were posed to the respondents and the responses are shown in tables 1 to 5. First, the respondents were asked if their application for building approval had been granted and their responses are recorded in table 1 below;

Table 1. Granting of approval of building plan

| Option | Frequency | Percentage |
|--------|-----------|------------|
| Yes | 96 | 45.28 |
| No | 116 | 54.72 |
| Total | 212 | 100.00 |

Source: Author's field Survey

The data in the above table 1 shows that 96 respondents representing 45.28% had gotten the approval of building plan submitted, whereas 116 respondents representing 54.72% did not. This means more than 50% of the applicants of building plan approval in Uyo capital city, did not receive their approval and this finding is in consonance with findings of Udoudoh (2007).

Next, the respondents that had their building plan approval were required to give approximate duration it took them to secure the approval and their responses in table 2 below.

Table 2. Duration of Obtaining the Approval

| Option | Frequency | Percentage |
|--------------------|-----------|------------|
| 1-3 months | 0 | 0.00 |
| 4 – 6 months | 12 | 12.50 |
| 7 – 9 months | 27 | 28.12 |
| 10-12 months | 47 | 48.96 |
| One year and above | 10 | 10.42 |
| Total | 96 | 100.00 |

Source: Author's field Survey

Table above reveals that none of the respondents had their building plan approval within 3 months of submission of the plan, 12 respondents representing 12.5% received their approval within 4-6 months; 27 (28.12%) respondents had

their approval within 7-9 months, 47 (48.96%) respondents secured their approval within 10-12 months of submission, while 10 (10.42%) of the respondents had theirs in the 1 year and above range. This data means that building plan approval in Uyo capital city takes an average duration of 6 months to 1 year. This finding contradicts the findings of the World Bank (2014) where it reported that obtaining building approval in Akwa Ibom State takes two months. However, it collaborates the findings of Udoudoh (2007).

The respondents on if they have developed the proposed building in table 3.

Table 3. Development of Proposed Building

| Option | Frequency | Percentage |
|--------|-----------|------------|
| Yes | 189 | 89.15 |
| No | 23 | 10.85 |
| Total | 212 | 100.00 |

Source: Author's field Survey

The above data shows that 189 respondents representing 89.15% had developed their proposed buildings, while only 23 respondents representing 10.85% had not. From table 1 earlier presented only 96 respondents had gotten their building plan approval, while in this table 3, 189 of them had already developed the proposed building which indicates that 93 of the respondents had developed their buildings without building plan approval. It also means that the respondents could not wait given the lengthy duration of obtaining approval in Uyo. This was the findings of Ayotamuno and Owei (2015).

The respondents were next required to rank the challenges they encountered in the building plan approval processes, with five indicating highest and one the least challenge.

Table 4. Challenges in the building plan approval processes

| S/No | Challenges | 1 | 2 | 3 | 4 | 5 | RII | Ranks |
|------|---|----|----|-----|----|----|------|-----------------|
| 1. | High cost and extended period needed to obtain the letter of consent/certificate of occupancy | 5 | 16 | 105 | 56 | 30 | 3.35 | 2 nd |
| 2. | The high cost of tax clearance | 8 | 39 | 96 | 48 | 21 | 3.17 | 5 th |
| 3. | Poor communication between the planning office and developers | 2 | 7 | 87 | 82 | 34 | 3.66 | 1 st |
| 4. | The high cost of application /submission fee | 10 | 23 | 101 | 47 | 31 | 3.31 | 3 rd |
| 5. | Design plan not meeting the control guidelines | 30 | 81 | 76 | 18 | 7 | 2.49 | 7 th |
| 6. | The high cost of paying professionals for EIA, SPAR, etc | 7 | 35 | 111 | 39 | 20 | 3.14 | 6 th |
| 7. | Lack of Transparency in the approval process. | 9 | 38 | 94 | 49 | 22 | 3.17 | 5 th |
| 8. | The unfriendliness of the staff of UCCDA. | 8 | 36 | 98 | 49 | 21 | 3.18 | 4 th |

Source: Author's field Survey

An examination of the above table 4 will show that all the listed challenges are significant except "Design plan not meeting the controlling guideline" with an index of 2.49. For design plan not meeting the guideline, it means that the design was probably not done or checked by a qualified architect. The few respondents that had the challenge could be as a result of negligence on the part of the architect that signed the design drawings since every drawing is required

to be signed and sealed by a qualified architect. Among the significant challenges, surprisingly, "poor communication between the planning office and developers" was ranked the highest with an index of 3.66 over other challenges that relate to money. This shows the high level of poor interaction, information, and communication that exist in Uyo Capital City Development Authority. High cost and the long period needed to obtain a letter of consent/certificate of occupancy

was ranked second with an index of 3.35, closely followed by the high cost of application/submission fees for building plan approval with an index of 3.31. This infers that the respondents are discouraged by the high cost of fees charged by government agencies in the processes of approval and it could inhibit development. Also significantly ranked is the "unfriendliness of the staff" of UCCDA with an index of 3.18. In the fifth position with indices of 3.17 each are "high cost of tax clearance"; "inadequate transparency in the

approval process", while high cost of paying professionals for preparation of environmental impact assessment (EIA), site plan analysis report (SPAR)" was ranked sixth with an index of 3.14. The above findings collaborate the findings of Udoudoh (2007) and Ayotamuno and Owei (2015).

Next, the respondents were also required to rank the impact of the present building plan approval processes on building development in Uyo and table 5 below records their responses.

Table 5. Impact of the building plan approval Processes on building development in Uyo

| S/No | Impact | 1 | 2 | 3 | 4 | 5 | RII | Rank |
|------|---|----|----|-----|----|----|------|-----------------|
| 1. | Slows down the pace of development as time wasted on the approval phase. | 2 | 6 | 94 | 71 | 39 | 3.66 | 1 st |
| 2. | It discourages genuine developers from starting construction activities, thereby reducing the number of accommodation and employment that such construction would have created. | 7 | 23 | 102 | 62 | 18 | 3.29 | 5 th |
| 3. | It results in uncertified/Unapproved buildings as some of the developers will bypass or ignore the approval process and go ahead to build. | 3 | 5 | 89 | 84 | 31 | 3.64 | 2 nd |
| 4. | It increases the chances of demolition and the cost of operation for the planning authority. | 6 | 27 | 107 | 44 | 28 | 3.29 | 5 th |
| 5. | It encourages quackery in the building industry. | 19 | 11 | 76 | 70 | 46 | 3.63 | 3 rd |
| 6. | It results in abuse of the process by some staff of the approval authority/developers. | 3 | 18 | 83 | 63 | 40 | 3.59 | 4 th |

Source: Author's field Survey

Data from the above table shows that all the factors significantly impact the rate of building development in Uyo metropolis. The existing procedure for building plan approval in Uyo tends to slow down the pace of development as time wasted and this is ranked highest with an index of 3.66, followed by that "it results in uncertified/unapproved building" with an index of 3.64. The process will also encourage quackery with an index of 3.63 as most of the developers will resort to unethical practices to cut costs. The process will also be abused by the corrupt staff of the planning authority who would collect gratification from the developers and refuse to enforce the demolition order. This factor is ranked fourth with an index of 3.59 while in a tied fifth position with indices of 3.29 each are "it discourages genuine developers from starting construction activities and "it increases the chances of demolition and the cost of operation for the planning authority." The studies of Udoudoh (2007), World Bank (2014) and Ayotamuno and Owei (2015) collaboration these findings.

developers, high cost and extended period needed to obtain a letter of consent/certificate of occupancy, the high cost of application/submission fee and unfriendliness of the authority's staff are the leading challenges that the applicants encountered in Uyo. It is also the conclusion of this study that the present procedure of building plan approval in Uyo slows down construction activities, encourage unapproved construction of buildings, encourage quackery in the building industry and encourage the abuse of the approval process.

To reverse the trend, a total reform of the system is necessary. The various fees charged at the different approving offices should be reduced. A timeline can be introduced to guide both the staff and the developer — timely information on the requirements and communicating same to applicants for needed action on time. The staff should endeavor to radiate a positive attitude towards applicants, and the system must be made more transparent.

5. Conclusions and Recommendations

This study investigated the process of building plan approval in Uyo and its impact on building development. The study concludes that less than half of the applicants received approval of their plan from the planning authority and that it takes an average of 6 to 12 months to secure the said approval. It also asserted that most of the buildings in Uyo are without approval. It further concluded that poor communication between the planning authority and

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