



IN THE COURT OF APPEAL

AT NAIROBI

(CORAM: WAKI, MAKHANDIA & ODEK, JJ. A)

CIVIL APPEAL NO. 40 OF 2017

THE NATIONAL LAND COMMISSION.....APPELLANT

AND

THE REGISTERED TRUSTEE OF THE ARYA PRATINIDHISABHA,

EASTERN AFRICA.....1ST RESPONDENT

PARENT ASSOCIATION PARKLANDS ARYA GIRLS HIGH SCHOOL...2ND RESPONDENT

(Being an appeal from the Judgment and Decree of the High Court of Kenya at Nairobi (J.L. Onguto, J.) delivered on 20th December, 2016 in ELC No. 273 of 2005)

JUDGMENT OF THE COURT

This is an appeal by the **National Land Commission** “*the Commission*”. The Commission was established pursuant to Article 67 of the Constitution and statutorily operationalized by the National Land Commission Act. The Commission’s core mandate is to manage and administer public land on behalf of the national government as well as the devolved county governments. It brings this appeal against the judgment of the Constitutional & Human Rights Division of the High Court sitting in Nairobi delivered on 20th December 2016 by **Onguto, J.**

The judgment was the culmination of (Nrb) **Petition No. 273 of 2013**. The Petition had been instituted by the **Registered Trustee of the Arya Pratinidhi Sabha, Eastern Africa** “*the 1st respondent*”. Upon application, the **Parent Association Parklands Arya Girls High School** “*the 2nd respondent*” was admitted in the Petition as an interested party and passively supported the Commission’s case.

Through the Petition, the 1st respondent’s substantive prayer was for a declaration that the Commission had no mandate over the **Grant No. IR. 14848 (LR No. 209/19)** “*the suit property*” on the main premise that it was private land. The grant had been alienated to the 1st respondent by the colonial government for a term of ninety-nine (99) years with effect from 1st June 1956 subject to the special conditions contained in the grant.

Among the special conditions of the grant, was that the suit property be utilized for construction of a school and one dwelling-house for the accommodation of teachers employed by the school. The 1st respondent developed on the suit property a school known as **Parklands Arya Girls High School**. The school was completed in 1957 using funds exclusively contributed by the members of Arya Samaj, a voluntary body, and was originally named Arya Samaj Girls’ School but later changed to its present name. The school was to be governed by provisions of the **Education Ordinance, 1952**. In 2008, vide **Petition No. 225 of 2009**, the 1st respondent went to court alleging that the Ministry of Education, had interfered with the management of the school and also its proprietary rights over the same. The government had signalled its intention of changing the school to a boarding school which the management of the school opposed. In its determination, the High Court ruled that it was unconstitutional for the Government to purport to apply the provisions of the Education Act to interfere with the 1st respondent’s rights over the suit property. In its words, the High Court (**Musinga, J**), (as he was then) held that no provision in the Education Act, could be invoked to override the 1st respondent’s constitutional right to ownership of the suit property. Factually, the High Court found that the school had always been managed by the Arya Samaj Educational Board which had never consented, but had indeed objected, to any government take-over or involvement in the management of the school. The Judge proceeded to bar any further interference by the government in the school and issued a declaration to the effect that the 1st respondent was the legal owner of the suit property on which the school is built. There was further a declaration to the effect that any compulsory acquisition and taking possession of the suit

property amounted to unlawfully depriving the 1st respondent of its suit property and as such was unconstitutional, null and void.

Attempts by the Attorney General, on behalf of the government, to lodge an appeal against the High Court's judgment after two years of its delivery and therefore out of time, fizzled out after 21st November 2014 when the High Court denied the Attorney General requisite leave to appeal out of time. It appears though that the government was still keen on acquiring the suit property and the school as on 3rd February 2015, the appellant wrote a letter to the 1st respondent informing it that it had received a complaint from the Ministry of Education, Science & Technology regarding the conversion of the school from a public school to a private school, without regard to the fact that the school was classified as a public school under **Registration No. 9/A/336/84**. According to the government, the purported conversion had effectively locked out 95% of the students from free basic education thus running foul of Article 53 (1) of the Constitution which espouses the right of every child to free and compulsory basic education. The government therefore wished to invoke condition No. 12 of the Grant to secure the best interests of the children enrolled in the school and in the purported public interest. Condition 12 provides *inter alia*;

“notwithstanding anything to the contrary contained herein or implied by the said crown Lands Ordinance the grantee shall on receipt of six months’ notice in writing in that behalf, surrender all or part of the land required for public purposes without any compensation save in respect of such of the approved buildings as may have to be evacuated or demolished pursuant to the condition.”

The government gave the 1st respondent a six (6) months’ notice to surrender the suit property. Any compensation to be paid was subject to discussion and agreement between all the parties including the Ministry of Education within the 6 months, the notice stated.

The 1st respondent spurred by the letter filed a petition in the High Court whose decision is the subject of this appeal. It reiterated and insisted that the suit property was private land and the school built thereon was a private school funded and built by the members of the Arya Samaj Community. It contended that the appellant had no right or powers to take over private land. It maintained that the suit property was outside the purview of the appellant's mandate to manage all public land on behalf of the national and devolved governments in accordance with the National Land Policy. The 1st respondent was categorical that the suit property was private land belonging to a community through a trust and developed and managed by it. It contended therefore that the purported action by the government was unconstitutional, discriminatory and illegal and prayed for a declaration to that effect.

In response the appellant reiterated the contents of the notice to repossess the suit premises. According to it, it had the mandate to repossess the suit property since it was public land and further, on the basis that there had been a violation of the terms of the grant.

In its application for joinder to the petition, the 2nd respondent contended that the school was a public secondary school as defined under sections 43 (1) (a) and 55 (1) and (2) of the Basic Education Act. It stated that as far back as 1953, the government through the Ministry of Education extended grants to the school for capital development, salaries, and periodic repairs. That majority of the teachers in the school were, in any event, employed by the Teachers Service Commission.

The petition was heard by way of affidavits, written submissions as well as oral highlights. In a judgment delivered on 20th December, 2016, Onguto, J. held thus:

“In final disposal, I find that the petition has merit and the petitioner has proven its case. The court has the ability under Article 23 to fashion appropriate remedies and I make the following orders.

a. A declaration is hereby issued that NLC's action in purporting to compulsorily acquire the petitioner's property namely Land Reference No. 209/19 without following the due process under Part VIII of the Land Act No. 6 of 2012 is unconstitutional and ultra vires the Land Act.

b. An order of certiorari is hereby issued for purposes of removing into this court the decision by the NLC of 3 February 2015 as contained in the NLC's dated 3 February 2015 and quashing in its entirety the decision and the contents of the letter dated 3 February 2015.

c. There shall be no order as to costs.”

The Commission was aggrieved by the judgment and decree and hence preferred this appeal on thirteen grounds. However, in his written submissions, it collapsed them into four. The grounds are:

- i. Whether the learned Judge erred in law and fact by failing to appreciate that the school was a public school from inception;
- ii. Whether the 1st respondent should be allowed to derogate from special condition No. 12 of the Grant;
- iii. Whether the learned Judge failed to appreciate that the appellant was exercising its constitutional and statutory mandate over the land;
- iv. Enforcement of public interest vis-a-viz individual interest;

From the pleadings and submissions, the other ground that sticks out and is critical, in our view, is the doctrine of *res judicata*.

In canvassing the grounds, through both written and oral submissions, Ms. Hashi, learned counsel for the 1st appellant pointed out that the 1st respondent had only been allowed to sponsor the school. That under section 2 of the Basic Education Act, a sponsor is a person or institution who makes a significant contribution and impact on the academic, financial, infrastructural and spiritual development of an institution of basic education. Further that under section 43 of the Act, there are public schools which are established, owned or operated by the government and includes sponsored schools. That the Basic Education Act was the Act under which the Grant was issued and was the determinant whether or not the initial purpose was still the one the suit property was being used for currently. That a Certificate of Registration was issued under registration number G/A/336/84 in which the school, had been classified as public school. The learned Judge was therefore faulted for holding that the provisions of the Act could not be used to determine the user of the suit property. The Judge was also faulted for derogating from the special conditions of the lease and treating the termination of the grant by the appellant as compulsory acquisition. According to the appellant, compulsory acquisition involves the government procedurally obtaining land from a person having duly compensated the owner with a view to putting it to public use. That surrender however was after breach of terms of grant and is a contractual entitlement that a lessor exercises when a lessee breaches any of the terms indicated in the grant. That under surrender, it was immaterial whether the appellant or a lessor intends to put the land into public use or not. It was submitted that under surrender, the lessee is only entitled to compensation if the terms of the grant allow for the same and it was not guaranteed. It was contended that the appellant's revocation of the grant was in exercise of its powers as an agent of the head lessor and that it was not in any way an action in pursuance of compulsory acquisition. Section 26 of the Land Act was cited for the contention that covenants and conditions under a grant, lease or license are binding on all persons claiming an interest in the land that is the subject of the grant.

In its submissions, the 1st respondent through Mr. A.B. Shah, learned counsel, was adamant that it was not granted the suit property to build a public school. It pointed out that condition No. 3 of the grant only stated that the land and buildings were to be used for the erection of a school and one house for the accommodation of teachers employed in connection therewith. That the condition did not require a public school to be established on the suit property. In its view, it had complied with the condition of building a school on the suit property through contribution by members towards the construction of the school. It pointed out that the decision in Petition No. 225 of 2008 had determined that the school was a private school and that the said decision was a decision *in rem*, binding against all the world. According to the 1st respondent, the parties cannot re-litigate matters already decided by a competent court of law. The respondent urged that the issues raised by the appellant were *res judicata* since that judgment had not been appealed against. The 1st respondent denied that receiving resources from the government made it a public school. It urged that receiving resources was in line with the government's policy to cooperate with the private sector to provide secondary education.

It was further the 1st respondent's contention that special condition No. 12 was inconsistent with **Article 40 (3)** of the Constitution in so far as it purported to override a constitutional provision. In the respondents' view, the condition was a threat to its rights to property and unjustifiably limited its right to it. This was since, Article 40 (3) (b) (i) of the Constitution required just compensation for land compulsorily acquired. However, special condition 12 limits compensation to the buildings that may be evacuated or demolished. It was argued further, that special condition No. 4 was inapplicable since the school was still operational and had not ceased to function as envisaged in the condition. It is submitted that beyond the power to acquire land compulsorily, the appellant had no mandate over private land.

In its submissions in support of the appeal, orally and in writing, the 2nd respondent through **Mr. Munyua** learned Counsel, stated that though the suit property was registered in the name of the 1st respondent, the school built thereon was public school; that the suit property was leased to the 1st respondent for purposes of building a public school; that conversion of the school from a public to a private school automatically terminated the lease since it was derogation from the purpose which the lease was granted. According to it, the issues arising for determination was whether the Judge erred in finding that the suit property was private land as opposed to public; whether the judge erred in his holding that the appellant did not have mandate over the suit property; and whether the appellant could order the 1st respondent to surrender the suit property.

The 2nd respondent maintained that the school was a public school according to records held at the Ministry of Education. It reiterated that majority of teachers at the school were employed by the TSC; that the school had received grants from government from as far as 1953; that the government dictated which insurance company the school would use to insure its assets and that the board of Governors was appointed by the Government and the PTA; that a public school was defined as a school maintained or assisted out of public funds. It cited the case of **Shree Visa Oshwal Community Nairobi Registered Trustees v AG & 3 Others (2014) eKLR** for the proposition. The 2nd respondent pointed out that Article 67 (2) (e) of the Constitution gave the appellant power to initiate investigations and complaints and recommend appropriate redress.

Before we delve into the merits of the appeal, we deem it necessary to bear certain principles in mind. Firstly, as this is a first appeal, it is our duty to analyse and re-evaluate the evidence on record and reach our own conclusions. We can only interfere with a finding of fact by the trial court where, the finding is based on no evidence, or a misapprehension of evidence, or the judge is shown demonstrably to have acted on wrong principles in arriving at the finding. (See **Selle v Associated Motorboat Co. [1968] EA 123**.)

We shall start with the issue of *res judicata* as we think it may well determine the fate of this appeal

The doctrine of *res judicata* was introduced to our jurisdiction by section 7 of the Civil Procedure Act (Cap.21) which provides as follows,

“No Court shall try any suit or issue in which the matter directly and substantially in issue has been directly and substantially in issue in a former suit between the same parties or between parties, under whom they or any of them claim, litigating under the same title, in a Court competent to try such subsequent suit or the suit in which such issue has been subsequently raised, and has been heard and finally determined by such Court”

The rationale for the doctrine has been discussed in the case of **Independent Electoral & Boundaries Commission v Maina Kiai & 5 Others (2017) eKLR** where this Court observed as follows: -

“The rule or doctrine of res judicata serves the salutary aim of bringing finality to litigation and affords parties closure and respite from the spectre of being vexed, haunted and hounded by issues and suits that have already been determined by a competent court. It is designed as a pragmatic and common-sensical protection against wastage of time and resources in an endless round of litigation at the behest of intrepid pleaders hoping, by a multiplicity of suits and fora, to obtain at last, outcomes favourable to themselves. Without it, there would be no end to litigation, and the judicial process would be rendered a noisome nuisance and brought to disrepute and calumny. The foundations of res judicata thus rest in the public interest for swift, sure and certain justice.”

Further that,

“... the general rule is that where a litigant seeks to re-open in a fresh action an issue which was previously raised and decided on the merits in an earlier action between the same parties, the public interest in the finality of litigation (The finality principle) outweighs the public interest in achieving justice between the parties (the justice principle) and therefore the doctrine of res judicata applies. In such cases, it is usually immaterial that the decision which gives rise to the estoppel is wrong because a competent tribunal has jurisdiction to decide wrongly, as well as correctly and if it makes a mistake its decision is binding unless corrected on appeal”

In the case still and relying on the case of **E.T. v Attorney General & Another (2012), eKLR**, it was observed that it is incumbent upon courts to always be vigilant to guard against litigants evading the doctrine of *res judicata* by introducing new causes of action so as to seek the same remedy before the court. The test is whether the plaintiff or defendant in the second suit is trying to bring before the court in another way and in a form of a new cause of action that which has been resolved by a court of competent jurisdiction. It has been held that the doctrine of *res judicata* aims to bring to an end litigation and prevents parties from being vexed and harassed by unending litigation over same issues that courts have already pronounced themselves on.

To revisit the present appeal, around August 2007, the government through the Ministry of Education wrote to the 1st respondent and directed it to conduct discussions with relevant stakeholders on plans or intentions of turning the school into a boarding school. Again on 4th March 2008, the Permanent Secretary in the same Ministry wrote to the principal of the school and informed her that the Provincial Education Board had approved the introduction of a boarding wing and authorized her to admit boarding students with effect from 2008 once the facilities were available. Following those events, the 1st respondent moved to court, vide **Nairobi Petition No. 225 of 2008** alleging that the Government was interfering with both management of the school as well as its proprietary right, and successfully sought a plethora of declarations. The petition was against the Attorney General sued on behalf of the Ministry of Education. Among the pertinent reliefs or declarations obtained by the 1st respondent after a full court hearing and worthy reproducing them verbatim, were as follows:

“1. An order directing the respondent to forthwith stop contravening and/or violating the fundamental rights and freedoms of the petitioner in the performance of function of his public office purportedly exercised under the provisions of the Education Act, Cap 211 Laws of Kenya.

2. A declaration that the petitioner is constitutionally entitled to own, control and manage property of any description and acquire a proprietary interest in and/or right over property of any description in Kenya, including schools and other educational institutions wholly established, built, managed, ran and controlled by it without deprivation.

3. A declaration that the petitioner is the legal owner of land reference No. 209/19 in Parklands, Nairobi on which Parklands Arya Girls High School, Nairobi is built.

4. A declaration that Parklands Arya Girls High School, Nairobi is property vested under the Arya Samaj Education Board and a proper subject of protection of Fundamental Rights and Freedoms enshrined under the Constitution of Kenya and deserves protection from undue influence and unjustified deprivation by the respondent or other agents of the state.

5. A declaration that the compulsory takeover by the respondent through the honourable Minister of Education of educational of any and/or petitioner’s own expense, has, is and is likely to continue infringing the petitioner’s constitutional rights.

6. A declaration that the compulsory acquisition and taking possession of the petitioner’s property by the Honourable Minister for Education and which property the respondent has no interest or right amounts to unlawfully depriving the petitioner of its property and as such, is unconstitutional, null and void.

7. A declaration that the respondent’s actions lack any lawful and/or reasonable justification, is discriminatory, attributable wholly or mainly to the petitioner’s description by regulation or other local connection and a gross violation of the petitioner’s constitutionally guaranteed fundamental rights and freedom of protection from discrimination enshrined under section 82 of the Constitution.

8. A declaration that the Honourable Minister’s action prejudices the rights and freedoms of the petitioner and offends the due process of law, is against public policy, is unlawful and a contravention of the Constitution of the Republic of Kenya.

9. A declaration that the applicant’s right to its freedom to manifest and propagate its religion or belief in worship, teaching,

practice and observance, as well as the right to protection of its freedom to establish, maintain and manage places of education at its own expense under section 78(1) and (2) of the Constitution respectively, have been, are being and are likely to continue being violated.

10. a declaration that the applicant is entitled to its constitutional rights and freedom of protection from deprivation of its property as set out under the provisions of section 75 of the Constitution and the compulsory acquisition and takeover of its schools by the Ministry of Education is unlawful, unconstitutional, null and void.

11. A declaration that the compulsory acquisition and takeover of Parklands Arya Girls High School, Nairobi by the Ministry of Education is a violation of the petitioner's freedom of assembly and association and a threat to its interests safeguarded under the provisions of section 80 of the Constitution of Kenya.

12. A declaration that the petitioner is rightfully entitled to a constitutional redress in pursuance of section 84(1) of the Constitution of Kenya.

13. An order barring the respondent from compulsory acquiring, de-registering and taking over the ownership and control of the land on which the petitioner's Parklands Arya Girls High School and other education institutions in Kenya are established.

14. An order prohibiting the respondent and/or its agents from further interfering with the ownership, possession, maintenance, administration, finance, management and day to day running of any or all education institutions and/or schools established at the petitioner's own expense and/or managed, maintained and controlled by the petitioner.

15. An order prohibiting the respondent and/or its agents from setting up boarding school facilities at the petitioner's parklands Arya Girls High School, Nairobi or any other school wholly established at the Petitioner's own expense. "

The matter would have rested there especially since attempts by the Attorney General, on behalf of the government, to lodge an appeal against the judgment after two years of its delivery and therefore out of time, were rejected by this Court on 21st November 2014 when it denied the Attorney General requisite leave to appeal out of time.

As already alluded above, on 3rd February 2015, the appellant wrote a letter to the 1st respondent informing it that it had received a complaint from the **Ministry of Education, Science & Technology** that the 1st respondent had wrongfully converted the school from a public to a private school. The appellant, deeming itself with powers over the suit property sought surrender of the lease ostensibly on allegations that through the conversion the 1st respondent had breached the special conditions of the Grant entitling it to recover it in public interest. The 1st respondent sought protection in court through the Petition now the subject of this Appeal. In the Petition, the 1st respondent hinged its arguments on the fact that a competent court of law had pronounced itself on the matters raised by the appellant in its complaint and or defence. That since no appeal had been preferred against the judgment and decree, the declarations and orders issued by Musinga, J. stood and remained binding.

The question of *res judicata* was canvassed before Onguto, J. since in his judgment, the Judge remarked as follows,

"Mr. Ondieki argued the NLC's case and submitted that the issue before the court was not res judicata and the doctrine of estoppel did not apply as the issue before Musinga J in Petition No. 225 of 2008 had nothing to do with the title to the subject property but rather the management of the school."

However, the judge having found that **Special Condition No. 12** did not meet the constitutional muster, and any action on the basis of the said condition was unconstitutional, he did not see the need to revisit the issue. We do not think that this was a proper approach. *Res judicata* is a matter of jurisdiction. As it has been said constantly, matters of jurisdiction cannot simply be wished away. This should have been the judge's first port of call. See **Lillian S" v Caltex Oil (Kenya) Ltd [1989] eKLR**. Had the judge dealt with the issue of *res judicata* first, it may well have settled the dispute without him having to go into the merits of the petition. The issue was reiterated and canvassed before us. The learned judge having avoided to deal with the issue does not in any way bar us from dealing with it as a first appellate court.

A reading of the declarations and orders issued by **Musinga, J.** clearly reflect that the court pronounced itself on both ownership/title of the suit property, management of the school, whether the school was private or public, and finally, whether the suit premises inclusive of the school could be repossessed by the government. These are the very same issues that the appellant and the 2nd respondent rode on in opposition to, or in reply to the petition. Before us, the 1st respondent's counsel reiterated that the issues raised in answer to the petition were *res judicata*. The appellant and respondents, on the other hand took the view that the doctrine was inapplicable as the appellant was not a party to those proceedings.

For the doctrine to be successfully invoked the following elements must suffice and it has been held that they are conjunctive rather than disjunctive. In **Kenya Commercial Bank Limited v Benjoh Amalgamated Limited (2017) eKLR**, it was stated as follows,

"The elements of res judicata have been held to be conjunctive rather than disjunctive. As such, the elements reproduced below must all be present before a suit or an issue is deemed res judicata on account of a former suit;

a. The suit or issue was directly and substantially in issue in the former suit.

b. That former suit was between the same parties or parties under whom they or any of them claim.

c. Those parties were litigating under the same title.

d. The issue was heard and finally determined in the former suit.

e. The court that formerly heard and determined the issue was competent to try the subsequent suit or the suit in which the issue is raised.”

On the first element, the suit must raise issues that are directly and substantially in issue as in the former suit. In **O M S v Principal Magistrate Marsabit (2016) eKLR**, this court quoted with approval a passage from the English case of **Green Haig versus Mallard (1974) 2 All ER 255, 257** as below;

“...res judicata for this purpose is not confined to the issues which the Court is actively asked to decide, but ... it covers issues or facts which are so clearly part of the subject matter of the litigation and so clearly could have been raised, that it would be an abuse of the Court to allow a new proceeding to be started in respect of them.” (Emphasis added)

The doctrine therefore extends to any issue that ought to be put forth for a conclusive and wholesome, rather than piecemeal, determination of the rights or obligations of the parties. In the former suit, the High Court’s determination was with regard to ownership and/or title to the suit property but also management of the school. It also addressed the question of recovery and or repossession of the suit premises. In the subsequent petition, the appellant still seeks to impugn the 1st respondent’s title to the suit property. It must also be borne in mind that the judgment in **Nairobi Petition No. 225 of 2008** was a judgment *in rem* as opposed to a judgment *in personam*. The resultant judgment did not merely bind the parties to the said action but was effective the whole world. The Black’s Law Dictionary, 9th Edition defines a judgment *in rem* as;

“An action in rem is one in which the judgment of the Court determines the title to the property and the rights of the parties, not merely as between themselves, but also as against all persons at any time dealing with them or with the property upon which the court had adjudicated.”

To expound further, a decision in rem was discussed in **Kamunyu & Others v Attorney General & Others (2007) 1 EA 116** as follows;

“In a suit seeking judgement in rem, that is a judgement applicable to the whole world, an individual does not sue on behalf of the whole world, but sues for judgement which is effective against the whole world. In other words, in the present case, the appellants when successful in the suit obtain judgement, which is effective against the whole world but does not confer benefits upon the whole world.”

The complaints raised by the appellant, in our view, had been settled by Musinga, J. It is apparent from the record that the complaint leading to the subsequent petition originated from the Ministry of Education. The Ministry as a party to the former suit ought to have brought in full its case for determination. It cannot purport to go through another government agency or department or commission to circumvent the doctrine of *res judicata* and in the process continue vexing the 1st respondent. The mechanisms for challenging the decision in **Petition No. 225 of 2008** by way of an appeal having been exhausted, the government, purporting to act through another department to challenge the 1st respondent’s ownership of the suit property, cannot be countenanced as it is a complete abuse and in violation of the doctrine of *res judicata*. The government and by extension the appellant, is bound by the previous judgment of the High Court until and unless the same is set aside, reviewed or varied. Both the Ministry of Education and the appellant herein were claiming under the same title and under the same party, namely the government.

We think that this determination is sufficient to dispose of this appeal. It is not therefore necessary to consider the other grounds of appeal or even notice of grounds for affirming the decision. Accordingly, the appeal fails and is dismissed with costs to the 1st respondent.

Dated and delivered at Nairobi this 28th day of June, 2019.

P. N. WAKI

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JUDGE OF APPEAL

ASIKE-MAKHANDIA

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JUDGE OF APPEAL

J. OTIENO-ODEK

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JUDGE OF APPEAL

I certify that this is a true copy of the original

DEPUTY REGISTRA