



THE SUPREME COURT OF APPEAL
REPUBLIC OF SOUTH AFRICA

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

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Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal

BODY CORPORATE CROFTDENE MALL v ETHEKWINI MUNICIPALITY (603/2010) [2011] ZASCA 188 (10 OCTOBER 2011)

The Supreme Court of Appeal today dismissed an appeal brought by the Body Corporate of Croftdene Mall, Durban against a judgment of the KwaZulu-Natal High Court (per Madondo-Hughes AJ) which held that a municipality may terminate a ratepayer's water and electricity services based on an outstanding debt for municipal rates.

The SCA found that in this case the arrear rates arose simply by reason of the body corporate's admitted failure to carry out its legal obligation under the Sectional Titles Act 95 of 1986 to impose levies on its members and collect from them a sufficient amount to enable it to pay the relevant municipal charges and levies. The SCA held that s 102 of the Local Government: Municipal Systems Act 32 of 2000 empowers a municipality, among its other debt collection and credit control mechanisms, to terminate a ratepayer's water and electricity services to enforce payment of arrear rates and that the body corporate, contrary to its allegations, had not raised a dispute of the nature envisaged by the provisions of the section that would bar the municipality from implementing such a measure.

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