FORMAL LEGAL DISPUTE: SECTION 102(2) OF THE MUNICIPAL SYSTEMS ACT

URGENT AND IMPORTANT DELIVERED BY HAND / REGISTERED MAIL / EMAIL

To: The Municipal Manager / Revenue Department / Dispute Resolution Department **Municipality:** [Insert Name of Municipality] **Address:** [Insert Municipal Address] **Email:** [Insert Municipal Email Address]

Date: [Insert Date]

From: [Insert Your Name / Company Name] **ID/Registration Number:** [Insert ID or Company Reg Number] **Physical Address:** [Insert Property Address] **Municipal Account Number:** [Insert Account Number] **Water Meter Number:** [Insert Meter Number]

SUBJECT: FORMAL DECLARATION OF DISPUTE IN TERMS OF SECTION 102(2) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 32 OF 2000 REGARDING ANOMALOUS WATER CONSUMPTION CHARGES

Dear Sir/Madam,

1. INTRODUCTION AND DECLARATION OF DISPUTE

1.1. I, the undersigned, am the registered owner/occupier of the property situated at [Insert Property Address] and the holder of municipal account number [Insert Account Number].

1.2. I hereby formally declare a dispute in terms of **Section 102(2) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act")** regarding a specific, anomalous, and incorrect water consumption charge levied on my account.

1.3. This formal dispute follows a query previously lodged with the Water/Revenue Department on **[Insert Date of Original Query - 6 months ago]** (Reference Number: [Insert Reference Number if any]), to which the Municipality has failed to respond or take corrective action for a period of six (6) months, in direct contravention of its

statutory duties under Section 95(f) of the Systems Act and Section 33 of the Constitution.

2. THE SPECIFIC AMOUNT IN DISPUTE

2.1. In compliance with the requirements for a valid dispute as set out by the Supreme Court of Appeal in *Body Corporate Croftdene Mall v Ethekwini Municipality* 2012 (4) SA 169 (SCA), I hereby identify the specific amount and invoice in dispute:

- **Invoice Date / Billing Period:** [Insert Billing Month, e.g., October 2025]
- **Invoice Number:** [Insert Invoice Number]
- **Specific Item Disputed:** Water Consumption Charge
- **Amount Billed:** R [Insert the massive 10x amount]
- **Amount Acknowledged (Average):** R [Insert your normal average amount]
- **Specific Amount in Dispute: R [Insert the difference between the billed amount and the average amount]**

3. FACTUAL BASIS FOR THE DISPUTE

3.1. The disputed charge is factually incorrect, irrational, and physically impossible based on the historical consumption patterns of the property.

3.2. My historical average water consumption over the preceding 12 months is approximately **[Insert normal kilolitres, e.g., 20 kl]** per month, resulting in an average monthly charge of approximately **R [Insert normal amount]**.

3.3. For the single billing period of [Insert Disputed Month], the Municipality has billed me for **[Insert the massive kilolitres, e.g., 200 kl]**, which is exactly **ten (10) times** my normal monthly consumption.

3.4. In the subsequent months following the disputed invoice, my consumption immediately returned to the normal average of [Insert normal kilolitres] per month, proving that the spike was an isolated anomaly.

3.5. I submit that this anomalous charge is the result of either:

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(a) A gross misreading of the water meter by the municipal contractor;
(b) A data capturing error or system glitch; or
(c) A faulty or defective water meter.
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3.6. There were no leaks on the property (a plumber's report can be provided upon request), no construction, and no change in occupancy that could possibly account for a 1000% increase in water consumption in a single month.

4. LEGAL GROUNDS AND MUNICIPAL OBLIGATIONS

4.1. Failure to Provide Just Administrative Action (PAJA and the Constitution) The Municipality's failure to respond to my formal query lodged six months ago constitutes a violation of my right to just administrative action under Section 33 of the Constitution and the Promotion of Administrative Justice Act 3 of 2000 (PAJA). Furthermore, it violates Section 95(f) of the Systems Act, which mandates the Municipality to provide "prompt reply and corrective action" to complaints.

4.2. The Principle of Reciprocity (The Rademan Judgment) I draw your attention to the Constitutional Court judgment in *Rademan v Moqhaka Local Municipality* [2013] ZACC 11. At paragraph [42], the Court established the fundamental principle that a municipality is only entitled to payment for services *actually rendered*.

> *"[42] …where a municipality claims payment from a resident or ratepayer for services, it is only entitled to payment for services that it has rendered. By the same token, where a municipality claims from a resident, customer or ratepayer payment for services, the resident, customer or ratepayer is only obliged to pay the municipality for services that have been rendered."*

Because it is factually impossible that I consumed 10 times my normal water usage, the Municipality is demanding payment for water that was *never supplied or consumed*. In terms of paragraph [43] of the *Rademan* judgment, no money is "due and payable" for a service not rendered.

4.3. Statutory Prohibition on Credit Control (Section 102(2) of the Systems Act) Because I have now formally declared a dispute concerning a specific amount, the Municipality is legally precluded by Section 102(2) of the Systems Act from implementing any credit control or debt collection measures regarding this disputed amount.

As confirmed by the Supreme Court of Appeal in *City of Tshwane Metropolitan Municipality v Glofurn (Pty) Ltd* [ZASCA $^{101}/_{2024}$], the Municipality **may not disconnect my water or electricity supply**, nor may it issue summons or blacklist me, pending the final resolution of this dispute.

5. TENDER OF PAYMENT FOR UNDISPUTED AMOUNTS

5.1. I confirm that I am not withholding payment as a form of protest.

5.2. I have continued, and will continue, to pay all undisputed charges on my municipal account in full (including property rates, refuse removal, electricity, and sanitation).

5.3. Regarding the disputed water service, I tender payment of my historical average monthly amount of **R [Insert normal average amount]** for the disputed month, and I will continue to pay for my actual, verified consumption in all subsequent months.

6. DEMAND FOR RESOLUTION

I hereby demand that the Municipality:

1. **Acknowledge receipt** of this formal dispute in writing within seven (7) days.
2. **Immediately flag my account** to ensure that no automated credit control measures (disconnections) are instituted regarding the disputed amount.
3. **Investigate the anomaly**, including verifying the meter readings and testing the meter if necessary.
4. **Reverse the incorrect charge** of R [Insert Disputed Amount] and pass the necessary credit to my account.
5. **Provide written reasons** for the outcome of the investigation, as required by Section 5 of PAJA.

Should the Municipality fail to resolve this dispute, or should it unlawfully attempt to disconnect my services in contravention of Section 102(2) of the Systems Act and the *Glofurn* SCA judgment, I reserve the right to approach the High Court on an urgent basis for an interdict and a declaratory order, and I will seek a punitive costs order against the Municipality.

I await your prompt response.

Yours faithfully,

[Your Signature] [Your Printed Name] [Your Contact Number]

Attachments:

1. Copy of the disputed municipal invoice [Insert Month/Year]
2. Copies of 3 previous invoices showing normal average consumption
3. Copy of the original query submitted on [Insert Date 6 months ago]
4. [Optional] Plumber’s certificate confirming no leaks on the property