

THE ANATOMY OF A MUNICIPAL DISPUTE LETTER: A LAYMAN'S GUIDE

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Introduction

Writing a letter to dispute a municipal bill is not just about complaining; it is about triggering a specific legal shield. Under South African law, specifically Section 102(2) of the Municipal Systems Act, a valid dispute stops the municipality from cutting off your services or taking legal action against you for the disputed amount.

However, the courts have been very strict about what counts as a "valid" dispute. If your letter is vague, incomplete, or just an angry rant, the municipality can ignore it and cut off your electricity or water anyway.

Every dispute has its own unique story — whether it is a water meter reading that is ten times too high, a charge for a service you do not receive, or a massive estimated bill while your property was empty. But regardless of your specific story, the law requires certain specific details to be present in your letter.

This guide breaks down, point by point and in plain layman's terms, exactly what must be included in your dispute letter to ensure it is legally binding and protects your rights.

1. The Magic Words: "Section 102(2) Dispute"

What it means in law: The law requires you to formally declare a dispute under the correct legislation. **What it means in layman's terms:** You must tell the municipality exactly what legal rule you are using. Do not just call it a "complaint" or a "query."

What you must write: At the very top of your letter, in the subject line, you must explicitly state: **"Formal Declaration of Dispute in terms of Section 102(2) of the Local Government: Municipal Systems Act 32 of 2000."**

By using these exact words, you are putting the municipality on notice that you know your rights and that they are legally forbidden from disconnecting your services for this specific amount while the dispute is active.

2. Your Identity and Property Details

What it means in law: The municipality must be able to link the dispute to a specific legal entity (you) and a specific property on their valuation roll. **What it means in layman's terms:** They need to know exactly who is complaining and which house or business the complaint is about.

What you must write: You must clearly list:

- Your full name (or the registered name of your company/trust).
- Your ID number (or company registration number).
- The physical address of the property.
- Your municipal account number.
- The specific meter number (if the dispute is about water or electricity).

3. The Exact Invoice Details

What it means in law: The Supreme Court of Appeal in the *Croftdene Mall* case ruled that a dispute must relate to a specific claim made by the municipality. You cannot dispute your account "in general." **What it means in layman's terms:** You cannot just say, "My bills are always wrong." You have to point to the exact piece of paper where the municipality asked you for the wrong amount of money.

What you must write: You must state:

- The date of the invoice you are disputing (e.g., "Invoice dated 15 October 2025").
- The invoice number (usually found at the top right of the bill).
- The specific billing period (e.g., "For consumption between 1 September and 30 September").

4. The Specific Amount in Dispute (The Most Important Part)

What it means in law: Section 102(2) of the Systems Act explicitly states that the dispute must concern a "specific amount claimed." The courts have ruled that failing to name the exact rand amount makes the dispute invalid. **What it means in layman's terms:** This is the golden rule. You must do the math. You cannot say, "The bill is too high." You must say exactly how much of the bill is wrong in Rands and Cents.

What you must write: You must break down the numbers clearly. For example:

- "The municipality billed me **R 15,000.00** for water."
- "My normal, historical average for water is **R 1,500.00**."
- "Therefore, the specific amount in dispute is **R 13,500.00**."

This tells the municipality exactly how much money is frozen and protected from debt collection.

5. The Factual Story (The "Irreconcilable Contentions")

What it means in law: The courts require that there be a genuine controversy where you and the municipality have "irreconcilable contentions" (opposing views). You must furnish enough facts to enable the municipality to investigate. **What it means in layman's terms:** You have to tell your story clearly. Why is the bill wrong? You have to give them enough information so they can actually go and check their systems or send someone to look at the meter.

What you must write: This is where your unique story goes. You must explain *why* the specific amount is wrong.

- **If it is a massive spike:** "The bill claims I used 200 kilolitres of water in one month. My historical average is 20 kilolitres. There are no leaks on the property, the house was occupied by the same two people, and the meter reading on the bill does not match the physical meter on my pavement."
 - **If it is a charge for a service not rendered:** "You have billed me R 500 for refuse removal. However, my property is on a private farm outside the municipal collection route, and municipal trucks have never collected refuse here." (This invokes the *Rademan* principle that you cannot be charged for services not rendered).
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6. The Tender of Payment for Undisputed Amounts

What it means in law: The law does not allow you to stop paying your entire bill just because one part of it is wrong. If you stop paying everything, you are in breach of the law, and they can cut you off. **What it means in layman's terms:** You have to show good faith. You must pay for the things you actually used and the things you agree you owe.

What you must write: You must explicitly state:

- "I confirm that I am continuing to pay all undisputed charges on my account in full (such as property rates, electricity, and refuse)."
- "Regarding the disputed water charge, I tender payment of my historical average of R 1,500.00 for this month, while the remaining R 13,500.00 remains in dispute."

This proves to a judge (if it ever goes to court) that you are a law-abiding citizen who is willing to pay your fair share, and not just someone trying to dodge their bills.

7. The Demand for Action and Warning Against Disconnection

What it means in law: You are reminding the municipality of their administrative duties under the Promotion of Administrative Justice Act (PAJA) and warning them of the legal consequences of unlawful credit control. **What it means in layman's terms:** You are telling them what they need to do next, and warning them that if they cut off your services illegally, you will take them to court.

What you must write: You must demand that they:

- Acknowledge receipt of your dispute.
 - Investigate the facts you have provided.
 - Provide written reasons for their decision once the investigation is complete.
 - **Crucially:** You must state, "I remind the municipality that in terms of Section 102(2) of the Systems Act, and as confirmed by the Supreme Court of Appeal in the *Glofurn* case, you are legally precluded from disconnecting my services or taking debt collection action regarding this disputed amount. Any attempt to do so will result in an urgent High Court interdict with costs."
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8. Proof of Previous Attempts (If Applicable)

What it means in law: It establishes a timeline of the municipality's failure to provide just administrative action. **What it means in layman's terms:** If you have been trying to fix this for months, you need to prove it. It shows the municipality is dragging its feet.

What you must write: If you logged a query before escalating to a formal dispute, mention it:

- "This formal dispute follows a query logged on 12 January 2026 (Reference number: 123456), to which the municipality has failed to respond for six months."
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Summary Checklist

Before you send your letter, check that it has:

- 1 The words "Section 102(2) Dispute" in the heading.
- 2 Your full details and account number.
- 3 The exact invoice date and number.
- 4 **The exact Rand amount in dispute.**
- 5 The factual story of why the bill is wrong.
- 6 A statement that you are paying the undisputed amounts.
- 7 A warning not to disconnect your services.

By including all these elements, you transform a simple complaint into a powerful legal document that forces the municipality to play by the rules.