

Case Study: The Koingnaas Community v Kamiesberg Municipality

A Fight for Justice, Self-Determination, and the Return of Stolen Assets

Introduction: A Community Betrayed

The story of Koingnaas, a small town in the Northern Cape, is a microcosm of a larger struggle playing out across South Africa: the battle between dysfunctional, often predatory municipalities and the communities they are constitutionally mandated to serve. This case, however, has a unique and egregious twist. It is not just about the failure to deliver services; it is about the theft of a community's entire legacy—R64 million in assets, including R21 million in cash, that were contractually the property of the residents, transferred to the Kamiesberg Local Municipality in 2017, and subsequently squandered.

This deep-dive case study examines the complete history of the Koingnaas Belastingbetalersvereniging (KBBV) and its fight for survival and justice. It details the initial asset transfer, the collapse of municipal services, the community's inspiring move to self-determination, the ongoing legal battles, and the staggering financial claim that rightfully belongs to the people of Koingnaas.

The Original Sin: The R64 Million Heist

To understand the present, one must look back to 2017. As part of the town's transition from a privately-owned mining town to a public one under the Kamiesberg Municipality, a significant portfolio of assets was transferred. These assets were contractually designated for the benefit of the Koingnaas community.

Asset Type	Value (2017)
Cash	R21,000,000
Equipment & Infrastructure	R43,000,000
Total Value	R64,000,000

These were not a gift to the municipality to use as it pleased. They were the community's inheritance, intended to ensure the smooth continuation of services and the town's future prosperity. The municipality's 2017 financial statements reflected this transfer. However, instead of safeguarding these assets, the Kamiesberg Municipality absorbed them into its general accounts. The equipment vanished or fell into disrepair, and the R21 million in cash disappeared into the black hole of municipal mismanagement. In the words of the community and its representatives, "The Municipality stole it all."

The Collapse and the Rise of the KBBV

Predictably, following the asset seizure, municipal services in Koingnaas collapsed. By 2020, the town was facing:

- Sewerage running in the streets
- Frequent and prolonged water supply interruptions
- Non-functioning streetlights, leading to a rise in crime
- A complete breakdown of refuse removal
- A general state of decay and neglect

In October 2020, inspired by the self-service actions of the community in Reddersburg, Johan Grabe, the chairperson of the Mossel Bay Ratepayers Association, connected with local residents. This led to the formation of the Koingnaas Belastingbetalersvereniging (KBBV) in April 2021.

The KBBV, following the proven NTU strategy, began by declaring disputes over the non-promulgation of property tax tariffs. When their attempts to engage with the municipal manager were met with silence and inaction, the community took a bold and decisive step. On December 5, 2021, the residents of Koingnaas began to govern themselves. Young and old, men and women, they took to the streets, repairing infrastructure, fixing potholes, and restoring basic services.

It was a powerful act of self-determination, a community reclaiming its agency in the face of state failure.

The Legal Battle: From Interdict to the Supreme Court of Appeal

The municipality's response was not to assist, but to obstruct. They sent the town's only policeman to stop the residents from carrying out repairs. When that failed, the municipality sought an urgent interdict in the Kimberley High Court on December 15, 2021, to prohibit the community from continuing their work.

This sparked a series of legal battles:

1.Kimberley High Court (December 2021): The court granted the municipality's interdict, forcing the residents to stop their repair work. This was a temporary setback, but the KBBV was determined to fight on.

2.Kimberley High Court (September 2023): The KBBV's appeal to have the interdict overturned was heard. Unfortunately, the court confirmed the interim order, a decision that seemed to punish the community for doing the municipality's job.

3.Supreme Court of Appeal (SCA) - Application (September 2024): Undeterred, the KBBV applied for leave to appeal to the SCA in Bloemfontein. This application was dismissed, a decision that forced the KBBV to petition the SCA directly.

4.Supreme Court of Appeal (SCA) - Petition (February 2025): This was the turning point. On February 26, 2025, the SCA, recognizing the profound importance of the case, granted the KBBV leave to appeal.

The case was referred back to be heard by a Full Bench of the Northern Cape Division of the High Court.

This SCA order is a monumental victory. It sets aside the previous cost orders and validates the KBBV's legal position. The matter will now be heard by three judges, giving it the weight and scrutiny it deserves. The central question is now squarely before the court: Do residents of a town have the right to provide services for themselves when the municipality has failed in its constitutional obligations?

The Financial Claim: A Debt That Has Come Due

The legal battle over the right to self-service runs parallel to the massive financial claim the community has against the municipality. The R64 million in assets was stolen in 2017. This is not just a moral claim; it is a legal and financial debt.

Calculating the interest on this amount reveals the staggering scale of the financial loss.

Using a standard interest rate of 9% per annum, compounded annually, the claim has grown exponentially.

The R64 Million Claim with Compound Interest

Year	Principal Amount	Interest (9%)	End-of-Year Value
2017	R64,000,000.00	R5,760,000.00	R69,760,000.00
2018	R69,760,000.00	R6,278,400.00	R76,038,400.00
2019	R76,038,400.00	R6,843,456.00	R82,881,856.00
2020	R82,881,856.00	R7,459,367.04	R90,341,223.04
2021	R90,341,223.04	R8,130,710.07	R98,471,933.11
2022	R98,471,933.11	R8,862,473.98	R107,334,407.09
2023	R107,334,407.09	R9,660,096.64	R116,994,503.73
2024	R116,994,503.73	R10,529,505.34	R127,524,009.07
2025	R127,524,009.07	R11,477,160.82	R139,001,169.88

As of the end of 2025, the community's claim against the Kamiesberg Municipality is not R64 million, but a staggering R139 million. This is the amount that must be returned to the people of Koingnaas.

Future Projections

The debt will continue to grow until it is settled:

•By 2030: The claim will be worth over R196 million.

•By 2035: The claim will exceed R301 million.

The Future of Koingnaas: A Constitutional Showdown

The upcoming hearing before the Full Bench of the High Court is about more than just Koingnaas. As Jaap Kelder notes, this case is of such critical importance that it will likely be taken all the way to the Constitutional Court. It will set a precedent for every community in South Africa.

The core legal and constitutional questions are:

1.The Right to Self-Determination: When a municipality catastrophically fails in its constitutional duties, do citizens have the right to step in and provide their own essential services?

2.The Sanctity of Community Assets: Can a municipality legally absorb and dissipate assets that are contractually and morally the property of a specific community?

3.The Power of the Dispute: Does a lawfully declared dispute over unpromulgated rates and failed service delivery grant a community the right to withhold payment and redirect those funds to self-service?

A victory for the KBBV will be a victory for every South African. It will affirm that citizens are not helpless subjects of the state, but are sovereign actors who can, and must, take control of their own destiny when the government fails them. It will establish a legal framework for communities to reclaim their power and their assets from dysfunctional municipalities.

Conclusion: A Fight for the Soul of Local Government

The Koingnaas case is the ultimate expression of the NTU's philosophy. It combines the legal strategy of challenging unlawful rates with the practical, courageous act of community self-service. It is a fight on two fronts: in the courts and on the streets.

The community of Koingnaas has already paid an astronomical price, with legal fees exceeding R1 million. Yet, they persevere, supported by the NTU and a network of concerned citizens across the country. Their struggle is a testament to the indomitable spirit of a community that refuses to be a victim.

The theft of the R64 million is the original sin that set this tragedy in motion. The return of that money, with interest, is not just a matter of financial restitution; it is a matter of justice. A victory in this case will not just restore the finances of Koingnaas; it will restore faith in the principle that in South Africa, the people, ultimately, are sovereign.

Motto of the NTU:

Stronger together,

Never give up,

There is always a way,

Perseverance is the key.