



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

FROM The Registrar, Supreme Court of Appeal

DATE 29 May 2017

STATUS Immediate

Please note that the media summary is for the benefit of the media and does not form part of the judgment.

Pearson v eTwekwini Municipality (241/2016) [2017] ZASCA 63 (29 May 2017)

Media Statement

The SCA dismissed an appeal against a decision of the High Court dismissing an application brought by the appellant for payment by the first respondent of the amount of R1 431 443.88. The appellant alleged that the exercise by the first respondent of its statutory powers in terms of s 102(1)(b) and s 118(3) of the Municipal Systems Act 32 of 2000 was unlawful. The exercise by the first respondent of its right to transfer credits between two accounts held by a single account holder in respect of two properties, where the properties had different owners and the subsequent exercise of its right to claim from the owner of a property any outstanding amounts not paid by the account holder, resulted in the liability of the owner of the first property being increased, whereas the liability of the owner of the second property was decreased. It was held that the conduct of the first respondent in transferring credits between the two accounts held by one account holder was authorised in terms of s 102(1)(b). The exercise of this power by the first respondent could have no bearing upon the lawfulness of the first respondent's subsequent exercise of its right to claim payment of the balance owing on the account, from the owner whose liability had been increased.

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