

[Last checked: 14 October 2024.*]

*The last time this Act was reviewed for updates.

STATE LIABILITY ACT 20 OF 1957

[Updated to 11 October 2024.**]

**Date of last changes incorporated into this Act.

(Afrikaans text signed by the Governor-General.)

(Assented to 26th March, 1957.)

Commencement: 5 April 1957

Act 20 of 1957 (G. 5850, GoN 520),
Act 9 of 1989 (GoN 428, G. 11743, c.i.o 1 April 1990 [GoN 578, G. 12364]),
Act 201 of 1993 (GoN 186, G. 15467, c.i.o 27 April 1994),
Act 14 of 2011 (GoN 684, G. 34545, c.i.o 30 August 2011),
Act 8 of 2017 (GoN 770, G. 41018, c.i.o 2 August 2017).

[NOTE: The administration, powers and functions of this Act are transferred to the **Minister of Justice and Constitutional Development**, effective immediately before the President assumed office on 19 June 2024 – Proc 199 / G. 51368 / 11 October 2024.]

ACT

To consolidate the law relating to the liability of the State in respect of acts of its servants.

BE IT ENACTED by the Queen's Most Excellent Majesty, the Senate and the House of Assembly of the Union of South Africa, as follows:—

ARRANGEMENT OF SECTIONS

1. Claims against the State cognizable in any competent court
 2. Proceedings to be taken against executive authority of department concerned
 3. Satisfaction of final court orders sounding in money
 4. Savings
 - 4A. Definitions
 5. Repeal of Act 1 of 1910
 6. Short title
-
1. **Claims against the State cognizable in any competent court**

Any claim against the State which would, if that claim had arisen against a person, be the ground of an action in any competent court, shall be cognizable by such court, whether the claim arises out of any contract lawfully entered into on behalf of the State or out of any wrong committed by any servant of the State acting in his capacity and within the scope of his authority as such servant.

2. Proceedings to be taken against executive authority of department concerned

- (1) In any action or other proceedings instituted against a department, the executive authority of the department concerned must be cited as nominal defendant or respondent.
- (2) The plaintiff or applicant, as the case may be, or his or her legal representative must—
 - (a) after any court process instituting proceedings and in which the executive authority of a department is cited as nominal defendant or respondent has been issued, serve a copy of that process on the head of the department concerned at the head office of the department; and
 - (b) within five days after the service of the process contemplated in paragraph (a), serve a copy of that process on the office of the State Attorney operating within the area of jurisdiction of the court from which the process was issued.
- (3) Upon receipt of the process contemplated in subsection (2), the State Attorney must—
 - (a) without undue delay, send a written request to the head of the department concerned to provide the State Attorney with written instructions regarding the proceedings; and
 - (b) within 10 days of receipt of the process, provide the head of department with legal advice on the merits of the matter.

[S 2 am by s 1 of Act 201 of 1993; subs by s 1 of Act 14 of 2011, s 3 of Act 8 of 2017.]

3. Satisfaction of final court orders sounding in money

- (1) Subject to subsections (4) to (8), no execution, attachment or like process for the satisfaction of a final court order sounding in money may be issued against the defendant or respondent in any action or legal proceedings against the State or against any property of the State, but the amount, if any, which may be required to satisfy any final court order given or made against the nominal defendant or respondent in any such action or proceedings must be paid as contemplated in this section.
- (2) The State Attorney or attorney of record appearing on behalf of the department concerned, as the case may be, must, within seven days after a court order sounding in money against a department becomes final, in writing, inform the executive authority and accounting officer of that department and the relevant treasury of the final court order.

(3)

- (a) A final court order against a department for the payment of money must be satisfied—
 - (i) within 30 days of the date of the order becoming final; or
 - (ii) within the time period agreed upon by the judgment creditor and the accounting officer of the department concerned.
- (b)
 - (i) The accounting officer of the department concerned must make payment in terms of such order within the time period specified in paragraph (a)(i) or (ii).
 - (ii)* Such payment must be charged against the appropriated budget of the department concerned.

*Provisions of s 3(3)(b)(ii) to (16) of the State Liability Act, 1957 (Act 20 of 1957), apply in respect of a final court order sounding in money against a department which was given before the commencement of this Act and which is not satisfied within 30 days after the commencement of this Act: see Act 14 of 2011 s 4 (Transitional measure).

- (4) If a final court order against a department for the payment of money is not satisfied within 30 days of the date of the order becoming final as provided for in subsection (3)(a)(i) or the time period agreed upon as provided for in subsection (3)(a)(ii), the judgment creditor may serve the court order in terms of the applicable Rules of Court on the executive authority and accounting officer of the department concerned, the State Attorney or attorney of record appearing on behalf of the department concerned and the relevant treasury.
- (5) The relevant treasury must, within 14 days of service of the final court order as provided for in subsection (4), ensure that—
 - (a) the judgment debt is satisfied; or
 - (b) acceptable arrangements have been made with the judgment creditor for the satisfaction of the judgment debt, should there be inadequate funds available in the vote of the department concerned.
- (6) If the relevant treasury fails to ensure that—
 - (a) the judgment debt is satisfied; or
 - (b) acceptable arrangements have been made with the judgment creditor for the satisfaction of the judgment debt, should there be inadequate funds available in the vote of the department concerned,

within the time period specified in subsection (5), the registrar or clerk of the court concerned, as the case may be, must, upon the written request of the judgment creditor or his or her legal representative, issue a writ of execution or a warrant of execution in terms of the applicable Rules of Court against movable property owned by the State and used by the department concerned: Provided that a writ of execution or a warrant of execution, where a judgment by default was granted against a department, can only be issued by the registrar or clerk of the court if he or she is satisfied that the requirements of subsection (4) have been complied with.

[S 3(6) subs by s 4 of Act 8 of 2017.]

(7)

- (a) Subject to paragraph (b), the sheriff of the court concerned must, pursuant to the writ of execution or the warrant of execution, as the case may be, attach, but not remove, movable property owned by the State and used by the department concerned.
- (b) The sheriff and the accounting officer of the department concerned, or an official of his or her department designated in writing by him or her, may, in writing, agree on the movable property owned by the State and used by the department concerned that may not be attached, removed and sold in execution of the judgment debt because it will severely disrupt service delivery, threaten life or put the security of the public at risk.
- (c) If no agreement referred to in paragraph (b) is reached, the sheriff may attach any movable property owned by the State and used by the department concerned, the proceeds of the sale of which, in his or her opinion, will be sufficient to satisfy the judgment debt against the department concerned.

(8) In the absence of any application contemplated in subsection (10), the sheriff of the court concerned may, after the expiration of 30 days from the date of attachment, remove and sell the attached movable property in execution of the judgment debt.

(9) Subject to this Act, the Rules of Court, where applicable, apply to the issuing of a writ of execution or a warrant of execution, as the case may be, and the attachment, removal and sale of movable property in execution of a judgment debt against the State.

(10)

- (a) A party having a direct and material interest may, before the attached movable property is sold in execution of the judgment debt, apply to the court which granted the order, for a stay on grounds that the execution of the attached movable property—
 - (i) would severely disrupt service delivery, threaten life or put the security of the public at risk; or
 - (ii) is not in the interests of justice.

- (b) If an application referred to in paragraph (a) is brought by the department concerned, the application must contain a list of movable property and the location thereof, compiled by the department concerned, that may be attached and sold in execution of the judgment debt.
 - (c) Notice of an application in terms of paragraph (a) must be given to the judgment creditor and sheriff concerned.
- (11) In order to comply with its obligations in terms of subsection (5), and in general to ensure that final court orders are satisfied by departments without any delay, the relevant treasury may—
- (a) make or issue appropriate regulations, instructions, circulars, guidelines and reporting rules;
 - (b) issue a direction to a department to make a payment in order to satisfy any outstanding final court order;
 - (c) conduct an investigation, inspection or review into any failure by a department to pay any outstanding final court orders;
 - (d) issue an instruction to take remedial action or to obtain specified support, where—
 - (i) there has been non-compliance by a department with the provisions of this section, or regulations, instructions, circulars, guidelines or directions made or issued by the relevant treasury; or
 - (ii) there is a need for intervention in view of the financial, governance or management situation, condition or failure of a department;
 - (e) withhold from a department's voted funds sufficient funds to provide for the satisfaction of any outstanding final court order against a department, which funds may only be released to the department upon the submission of proof acceptable to the relevant treasury that the court order in question has been satisfied;
 - (f) satisfy any outstanding final court order on behalf of a department, which satisfaction must be recorded and debited against the appropriated budget of the department concerned; or
 - (g) debit the costs associated with the satisfaction of a final court order provided for in paragraph (f), an administration charge and a penalty from the appropriated budget of the department concerned.
- (12) Should there be insufficient funds available in the appropriated budget of the department concerned for the current financial year, the withholding of funds in terms of subsection (11)(e) or the satisfaction

of the final court order in terms of subsection (11)(f) may extend to the appropriated budget of the department concerned for more than one financial year in terms of an arrangement provided for in subsection (5)(b).

(13)

- (a) Satisfaction of an outstanding final court order on behalf of a department by the relevant treasury in terms of subsection (11)(f) is regarded as the satisfaction thereof by the department concerned, and not by the relevant treasury, for which the accounting officer of the department concerned is responsible, accountable and liable in terms of the Public Finance Management Act.
- (b) Satisfaction of an outstanding final court order in terms of subsection (11)(f) does not absolve the accounting officer of liability for financial misconduct in terms of subsection (16).

(14)

- (a) Satisfaction of a final court order by an accounting officer must be made in accordance with the Public Finance Management Act, and all applicable regulations, instructions, circulars, guidelines and reporting rules which may be made or issued by the relevant treasury.
- (b) An accounting officer must classify and process the settlement of a final court order, including a final court order satisfied by the relevant treasury in terms of subsection (11)(f).
- (c) The classification in terms of paragraph (b) must indicate the type of expenditure and whether it is unauthorised, irregular, or fruitless or wasteful expenditure.
- (d) The accounting officer of the department concerned must comply with the requirements relating to the applicable type of expenditure as set out in the Public Finance Management Act, and all applicable regulations, instructions, circulars, guidelines and reporting rules which may be made or issued by the relevant treasury.

(15)

- (a) The accounting officer of a department must put in place appropriate budgeting procedures in accordance with all regulations, instructions, circulars, guidelines and reporting rules which may be made or issued by the relevant treasury, to ensure the timeous satisfaction of final court orders.
- (b) The budgeting procedures referred to in paragraph (a) must include measures for the appropriate identification and recording of potential contingent liabilities which may arise as a result of claims which have been initiated against the department concerned.

(16)

- (a) An accounting officer of a department who fails to comply with any provision of this section, or any applicable regulation, instruction, circular, guideline, reporting rule or directive made or issued by the relevant treasury in order to ensure the satisfaction of final court orders and adherence to this section, constitutes financial misconduct as referred to in the Public Finance Management Act, and is guilty of an offence provided for in that Act.
- (b) The duty to ensure the timeous satisfaction of final court orders in accordance with the requirements of this section, may not be assigned by the accounting officer to another official of the department in terms of the Public Finance Management Act.

[S 3 am by s 36(6) (Sch 2 - Part 6) of Act 9 of 1989, s 2 of Act 201 of 1993; subs by s 2 of Act 14 of 2011.]

4. Savings

Nothing in this Act contained shall affect any provision of any law which—

- (a) limits the liability of the State or the national government or a provincial government or any department thereof in respect of any act or omission of its servants; or

[S 4(a) am by s 3 of Act 201 of 1993.]

- (b) prescribes specified periods within which a claim is to be made in respect of any such liability; or
- (c) imposes conditions on the institution of any action.

4A. Definitions

In this Act, unless the context indicates otherwise—

“**accounting officer**” means a person referred to in section 36 of the Public Finance Management Act;

“**appropriated budget**” means the budget of a department which is appropriated in terms of appropriation legislation in the annual budget or an adjustments budget;

“**day**” means a day that is not a public holiday, Saturday or Sunday;

[“day” ins by s 5(a) of Act 8 of 2017.]

“**department**” means a national or provincial department;

“**executive authority**”, in relation to—

- (a) a national department, means the Cabinet member who is accountable to Parliament for that department; and
- (b) a provincial department, means the member of the Executive Council of a province who is accountable to the provincial legislature for that department;

“final court order” means an order—

- (a) given or confirmed by a court of final instance; or
- (b) given by any other court where the time for noting an appeal against the judgment or order to a higher court has expired and no appeal has been lodged: Provided that where a court thereafter grants condonation for the late lodging of an appeal, an order given or confirmed by the court hearing such appeal;

“head of department” means the incumbent of a post mentioned in Column 2 of Schedule 1, 2 or 3 to the Public Service Act, 1994 (Proc. 103 of 1994), and includes any employee acting in such post;

[“head of department” ins by s 5(b) of Act 8 of 2017.]

“Public Finance Management Act” means the Public Finance Management Act, 1999 (Act 1 of 1999);

“relevant treasury” means—

- (a) the National Treasury established by section 5 of the Public Finance Management Act; or
- (b) a provincial treasury established by section 17 of the Public Finance Management Act, as the case may be; and

“Rules of Court” include—

- (a) the rules made by the Rules Board for Courts of Law under the provisions of the Rules Board for Courts of Law Act, 1985 (Act 107 of 1985), or under the provisions of any other law; and
- (b) any other rule applicable to any other court, established by an Act of Parliament.

[S 4A ins by s 3 of Act 14 of 2011; “Rules of Court” subs by s 5(c) of Act 8 of 2017.]

5. Repeal of Act 1 of 1910

The Crown Liabilities Act, 1910, is hereby repealed.

6. Short title

This Act shall be called the State Liability Act, 1957.