

## Land Claims Court gives some clarity on the Property Valuation Act

*In February, the Land Claims Court handed down judgement in the case of Moloto Community v Minister of Rural Development and Land Reform and Others, effectively confirming that a valuation by the Valuer-General does not exclude the jurisdiction of the courts in determining just and equitable compensation. Although the Property Valuation Act 17 of 2014 does not use the terms 'compensation' or 'expropriation' once in its provisions, the term 'value' was defined in a manner which mirrors the calculation of compensation for expropriation. This in turn sparked fears that the Valuer-General, using a formula promulgated by regulation, would determine the amount of compensation to which a property owner or bond holder would be due if they were to be expropriated for land reform purposes.*

*On analysing the law, experts have long held the belief that the Valuer-General cannot determine compensation to the exclusion of the court and merely informs the expropriating authority what offer to make or to assist in the investigative phase prior to expropriation. The Constitution states that compensation must ultimately be agreed upon, determined or approved by a court of law. Although procedural aspects prevented the point from being argued at length before the court, it was noted that there was nothing in the Act which the court could identify expressly that excludes its jurisdiction. In essence then, it was confirmed that a valuation by the Valuer-General would not replace the role of the courts as the final arbitrator when compensation for expropriation is calculated.*