CHAPTER 7  COMPENSATION FOR DAMAGES OR LOSS DUE TO THE ACTIVITIES OF SANRAL

7.1 OVERVIEW 2

7.2 PROCEDURES 2

7.3 INFORMATION REQUIRED BY SANRAL 2

7.4 ANNEXURES 3

ANNEXURE 7.4.1 The process for handling third party claims 4

ANNEXURE A Letter to the claimant 6

ANNEXURE B 7

ANNEXURE 7.4.2 The claim form which must be completed and submitted by a claimant 8


7.1 OVERVIEW

7.1.1 In terms of the Act, SANRAL may, at its discretion and on any conditions it considers fit:

7.1.1.1 pay the costs or part of the costs incurred by a municipality or province in connection with a road or other works which, by agreement between SANRAL and the municipality or Premier of the province, as the case may be, may have become necessary as a result of the construction, maintenance or rehabilitation of a national road;

7.1.1.2 pay an amount to any person for any damage, loss or inconvenience which, in the opinion of SANRAL, has been or will be suffered by the person as a result of the exercise or performance of any of the powers, functions or duties entrusted to SANRAL or any other person by or in terms of the Act, and for which no compensation is payable in terms of the Act;

7.1.2 This section allows SANRAL to enter into agreements with municipalities and provinces and authorises the expenditure that arises therefrom.

7.1.3 It also permits SANRAL to reach commercially sensible arrangements with persons who may otherwise have a claim against SANRAL. It allows SANRAL to be proactive in reaching a settlement and thereby avoiding expensive and protracted litigation.

7.2 PROCEDURES

7.2.1 Any agreement concluded between SANRAL and a municipality or provincial authority must be signed on behalf of SANRAL by a duly authorised representative. The person who signs the agreement must have delegated authority to do so on behalf of the Board of Directors of SANRAL.

7.2.2 SANRAL has insured itself against claims by third parties and it is imperative that all claims are referred to the insurers who will deal with the matter thereafter. Any agreement or offer of settlement must be sanctioned by the insurers in order to ensure that the insurers do not revoke a claim because of such offer or admission of liability on the part of SANRAL.

7.2.3 Therefore, any agreement for the settlement of a potential claim must be authorised by a person who has delegated authority to reach such an agreement but in all cases, SANRAL must be careful to not prejudice itself and cause its insurers to revoke a claim as a result of a settlement or agreement that is concluded by it.

7.2.4 The terms and conditions of an agreement or offer of settlement will depend on the circumstances of each particular matter.

7.3 INFORMATION REQUIRED BY SANRAL

7.3.1 In the event that SANRAL is contemplating an agreement with a
municipality or province in connection with a road or other works, SANRAL will require information on the following matters:

7.3.1.1 the parties must agree on the effective date of the agreement;

7.3.1.2 the duration or termination date of the agreement must be known;

7.3.1.3 the basis on which costs are to be apportioned must be determined;

7.3.1.4 the obligations of each of the parties must be clearly set out in the agreement (for example, if the matter in question is a construction project, the agreement must provide for who will be responsible for security);

7.3.1.5 in the event that authority is delegated by one party to another, the extent of that authority must be clearly set out (for example, if SANRAL delegates its authority to a municipality under section 52(3) to take action against a person who is unlawfully trading on a national road, the agreement must prescribe what action the relevant municipal official may take and at what stage SANRAL must be consulted for instructions on further action).

7.3.2 In the event that SANRAL receives a claim for compensation for damage, loss or inconvenience caused by the exercise of any of the powers, functions or duties entrusted to SANRAL in terms of the Act, SANRAL must obtain the following information in order to assess the claim:

7.3.2.1 details as to the potential damage, loss or inconvenience;

7.3.2.2 proposals on how this can be avoided;

7.3.2.3 details regarding the amount of compensation claimed and how it has been determined.

7.3.3 A copy of the claim form that must be completed and submitted to SANRAL by a claimant is attached as Annexure 7.4.2.

7.3.4 SANRAL’s insurers must immediately be notified of the claim and the process described in Annexure 7.4.1 must be followed thereafter.

7.4 ANNEXURES

7.4.1 The process for handling third party claims.

7.4.2 The claim form which must be completed and submitted by a claimant.
7.4 ANNEXURES

Annexure 7.4.1 The process for handling third party claims

THIRD PARTY CLAIMS PROCESS

1. PURPOSE

The purpose of this process is to provide SANRAL's Project Managers, Claims Officers and Alexander Forbes (SANRAL's Brokers) with procedures to be followed in handling of claims instituted by members of the public against SANRAL/SANRAL against members of the public.

These procedures are not intended to be comprehensive but to provide basic steps to be followed in handling of claims. The procedures focus on two aspects that are claims against SANRAL involving contractors on site and claims against SANRAL by members of the public.

It is expected of Project Managers (PM), Claim Officers (CO) and Alexander Forbers (AF) to strictly adhere to these procedures. Also that the procedures should be read in line with part I of the claim procedure manual pc.doc#199493.

2. CLAIMS AGAINST SANRAL INVOLVING CONTRACTORS ON SITE

Upon notification of a potential claim the following procedures should be adhered to:

2.1 A letter of acknowledgement “Annexure A” and claim forms should be forwarded by “Claims Officer” to the “claimant”

2.2 Claims Officer to register claim on spreadsheet;

2.3 CO to e-mail the claim to the Project Manager and copy Alexander Forbes;

2.4 CO forward hard copy of claim to Project Manager;

2.5 Letter of acknowledgement from Alexander Forbes to claimant;

2.6 Project Manager to complete “Annexure B” to the Contractor, copying the Engineer and Alexander Forbes within 1 week of receipt; and

2.7 The Project Manager to receive report from contractor and discuss recommendations with RM.

2.7.1 WHERE CONTRACTOR NOT NEGLIGENT

2.7.1.1 Project Manager to forward copy of contractors report and Regional Manager’s recommendation to Alexander Forbes, for a response to claimant that claim have been rejected;
2.7.1.2 Should the claimant wish to pursue the matter, Alexander Forbes to advise claimant; and

2.7.1.3 Copy of letters to Project Manager and Claims Officer.

2.7.2 WHERE CONTRACTOR IS NEGLIGENT

2.7.2.1 Regional Manager’s recommendation forwarded to contractor by Alexander Forbes;

2.7.2.2 Alexander Forbes to instruct contractor to settle claim. Copy of instruction to Claims Officer + Project Manager;

2.7.2.3 Alexander Forbes to follow-up with contractor on payment and keep Project Manager & Claims Officer updated; and

2.7.2.4 Alex Forbes to constantly liaise with Project Manager on info etc on claim.

3 CLAIMS AGAINST SANRAL

Upon notification of a potential claim against SANRAL where no contractor is involved, the following procedures should be adhered to:

3.1 Claim forms will be forwarded by “Claims Officer” to the “claimant”

3.2 Claims Officer to register claim on spreadsheet;

3.3 Claims Officer to e-mail the claim to project manager and copy Alexander Forbes;

3.4 Claims Officer forward hard copy of claim to Project Manager;

3.5 Alexander Forbes to acknowledge receipt of intention to claim as well as attach the “liability incident report form” requesting claimant to complete and return;

3.6 Alexander Forbes to appoint an assessor who will establish detail cause of the accident/claim;

3.7 Based on the findings of the assessor the Insurance Company will in writing advice the Project Manager whether to reject or settle the claim; copying Haniel Motaung (HM), RM & CO;

3.8 The Regional Manager to make recommendation to the Chief Executive Officer (CEO), which is forwarded through to HM to address with CEO;

3.9 CEO’s decision to be conveyed by HM to AF, RM & CO; and

3.10 On rejection/settlement of the claim HM to instruct AF to settle/reject claim, copying CO & PM.
Dear Sir

CLAIM FOR ALLEGED DAMAGE TO MOTOR VEHICLE REG. NO. ROUTE NO.

The completed form received by this office on _____________ pertaining to alleged damages to your motor vehicle has reference.

Please note that the South African National Roads Agency Limited, (SANRAL), has appointed (contractor), who is now responsible for the operation and maintenance of the __________ National Road Network.

In terms of this appointment, all risk and responsibilities relating to the claims of this nature has been transferred to __________ (Contractor) and therefore the honour to resolve this claim lies with __________ (Contractor).

Your forms have been submitted to Messrs (Contractor)__________________ who is currently working on this section of road for investigation and finalisation.

Mr __________________ from ______________________________ may be contacted directly on ___________________________ for the status on the investigation.

Kind Regards,

________________

Project Manager

cc: The Engineer - per fax
   The Contractor  -per fax
   Alexander Forbes -per fax
ANNEXURE B

CONTRACTOR
ADDRESS

WITHOUT PREJUDICE

Dear Sir

ALLEGED DAMAGE TO MOTOR VEHICLE (REG NO.) CONTRACT NO. & DESCRIPTION

The South African National Roads Agency Limited, (SANRAL) herewith submits the attached documentation pertaining to a claim for alleged damages received from Mr ____________, for the purpose of evaluation, processing and finalising in terms of clauses 1.13, 4.1, 4.4, 4.8, 4.15, 17.1, 17.2 and 18 of the FIDIC Conditions of Contract as amended for Construction.

In terms of these clauses contained in the contract entered into between ........and SANRAL, all risk and responsibilities of claims of this nature is transferred to your organisation and therefore the honour to resolve this claim in a competent manner lies with (Contractor)). Rejection of the claim without “reasonable application of the mind” and without a proper investigation and sufficient reason that will stand up for scrutiny in a court of law would not be acceptable.

Please liaise directly with the claimant and keep SANRAL informed timeously of the status of this claim.

Kind Regards,

__________________
Project Manager

cc: The Engineer - per fax
    Alexander Forbes - per fax
7.4 ANNEXURES

Annexure 7.4.2

WITHOUT PREJUDICE

DATE:

TO:

FAX:

TEL:

PLEASE COMPLETE AND RETURN TO:

THE SOUTH AFRICAN NATIONAL ROADS AGENCY (LTD):

FOR ATTENTION:

THE REGIONAL MANAGER
SOUTHERN REGION
PO BOX 27230
GREENACRES
6057

OR FAX TO:

(041) 398 3211 For Attention: Ms J Gouws
or email: gouwsj@nra.co.za
## DETAILS OF REGISTERED OWNER OF VEHICLE

Name & Surname  
ID Number  
Tel: home  
Tel: work  
Cell number  
Fax number  
e-mail  
Postal Address  
Physical Address  

## DETAILS OF DRIVER AT TIME OF INCIDENT (if different from the owner)

Name & Surname  
ID Number  
Tel: home  
Tel: work  
Cell number  
Fax number  
e-mail  
Postal Address  
Physical Address  

## VEHICLE DETAILS

Model  
Type  
Registration number  

## DETAILS OF INCIDENT

Date  
Time (day/night)  
Speed travelled  
Weather condition  
Exact Location *  
Direction of travel  
National Road eg. N2, N6 etc  
Section  
km  

## SAPS INFORMATION

SAPS Docket no.  
Police Station & tel.  
Date reported  

## INSURANCE DETAILS

Company  
Contact person & tel.  
Policy number  

---

Note 1: Refer to the route markers, spaced approximately every 200m along the road (between the road reserve [fence line] and the edge of the road)  

Please attach copies of (i) ID Document (ii) Drivers Licence & (iii) Registration certificate of vehicle; together with three written [3] quotes for repairs  

### DECLARATION:

I, _______________________________ hereby declare that this claim for alleged damage to my vehicle on the date and time as described above has not been submitted to my insurers indicated or to any other insurers. If evidence to the contrary is revealed, I accept that this claim will be declared null and void and that no further claim can be instituted against the South African National Roads Agency Ltd. I also declare that all the information supplied herein is true.  

________________________ ______________  
SIGNATURE DATE
COMPREHENSIVE DESCRIPTION OF INCIDENT

Please supply all requested information to expedite the process.