

NEWSLETTER

March 2021

This newsletter provides a brief overview of RTMS membership statistics and trends, an interesting article by Steve Cornelius on issues regarding Third Party insurance claims, two case studies and an update on the PBS pilot project.

Once again, I encourage you to submit case studies for possible inclusion in future newsletters as a means of sharing and promoting best practice.

The next RTMS National Steering committee meeting will be held on 16 March during which we will discuss plans for RTMS/PBS workshops and courses during this year. Please feel free to E-mail me any issues you would like to be discussed at the meeting.

All the best and drive safe.

Paul Nordengen

Chairperson: National RTMS Steering Committee

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Certification Summary

278

Number of
Companies

17 847

Number of
Motorised
Vehicles

22 733

Number of
Trailers



Road Transport Management System

RTMS

Driver Wellness • Safety • Loading • Productivity



Dealing with losses suffered through the negligence of Third Parties by Steve Cornelius, RTMS National Steering Committee

In the event of an accident/crash, the cause can generally be ascribed to an error or negligence of one of the involved parties. In certain instances, there can be an argument to apportion blame on a percentage basis to more than one of the parties involved. This would involve a detailed crash investigation, usually making use of industry specialists to formulate an opinion.

As a victim of an accident caused by a Third Party, one can be on the receiving end of losses that can be ascribed to injuries, damage to property and to loss of income. It is this third element that I would like to highlight in this month's newsletter.

As a bus operator, your buses are the source of your monthly income; when a bus is not in operation, you lose income in direct proportion to the length of time that the bus is not in use. When this downtime is as a result of an accident, requiring repairs to be done on the bus, and the accident was caused by a Third Party' negligence, then this loss of use must form part of the claim against the Third Party.

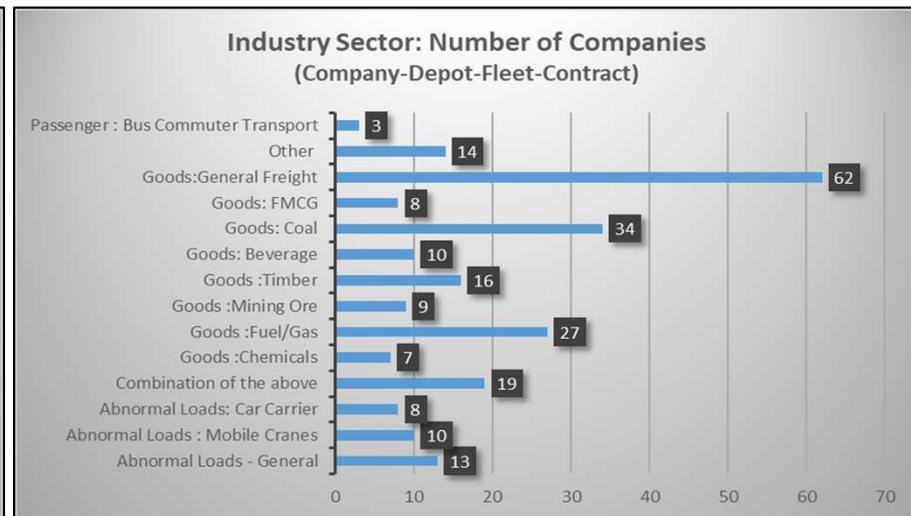
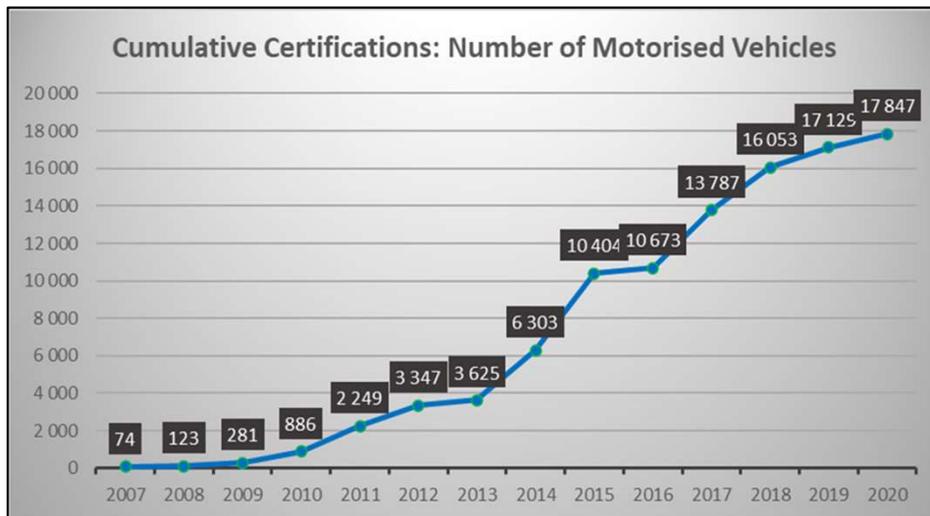
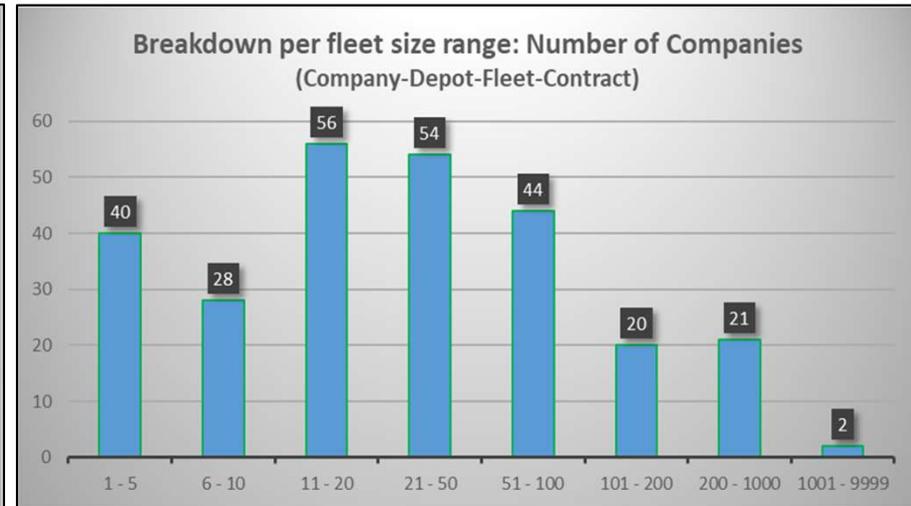
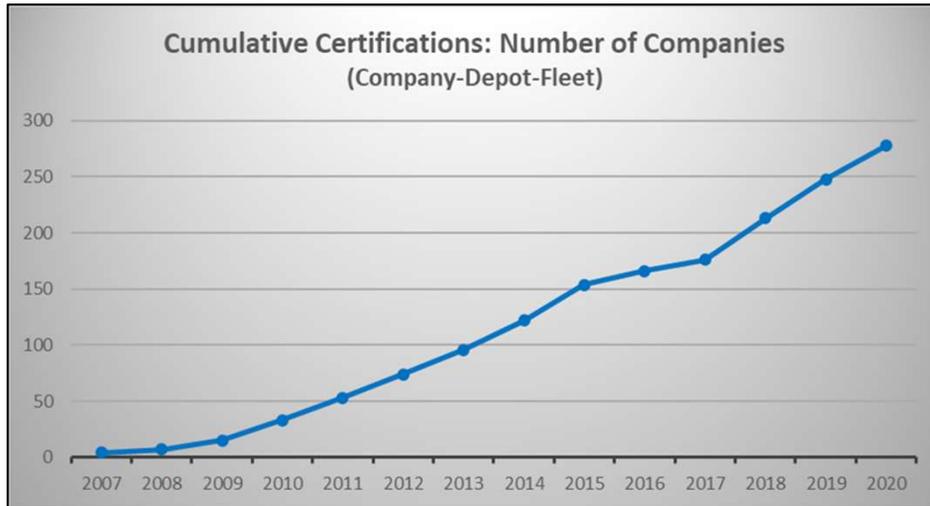
For some reason, this element of one's claim against the third party is not always quantified and added to the other more obvious losses. This could be because your Insurer, who deals with your motor claim, also deals with the Third-Party recovery, and they merely wish to recoup their own costs for the repair of your vehicle. They may not consider recovering your loss of income due to downtime. Your claims will need to be substantiated by calculating the daily gross income that is being lost during repair, less direct costs (such as diesel) that are saved. This gross profit should then be claimed from the Third Party. If there is a proportional sharing of the blame, then the "loss of use" claim will also be apportioned by the agreed percentage.

In conclusion, it is important for Insurers to act decisively with regards recoveries from negligent third parties. Firstly, it is important to recoup the cost of your own repairs so that this amount is not reflected on your loss ratio. Secondly, a successful recovery means that you get your excess payment back. And lastly, you should not be out of pocket because of loss of use. Make sure your Insurer acts in your best interests when it comes to Third Party recoveries.

Should you have any questions, please feel free to contact Steve Cornelius on 082-468-1786 or stevec@indwe.co.za

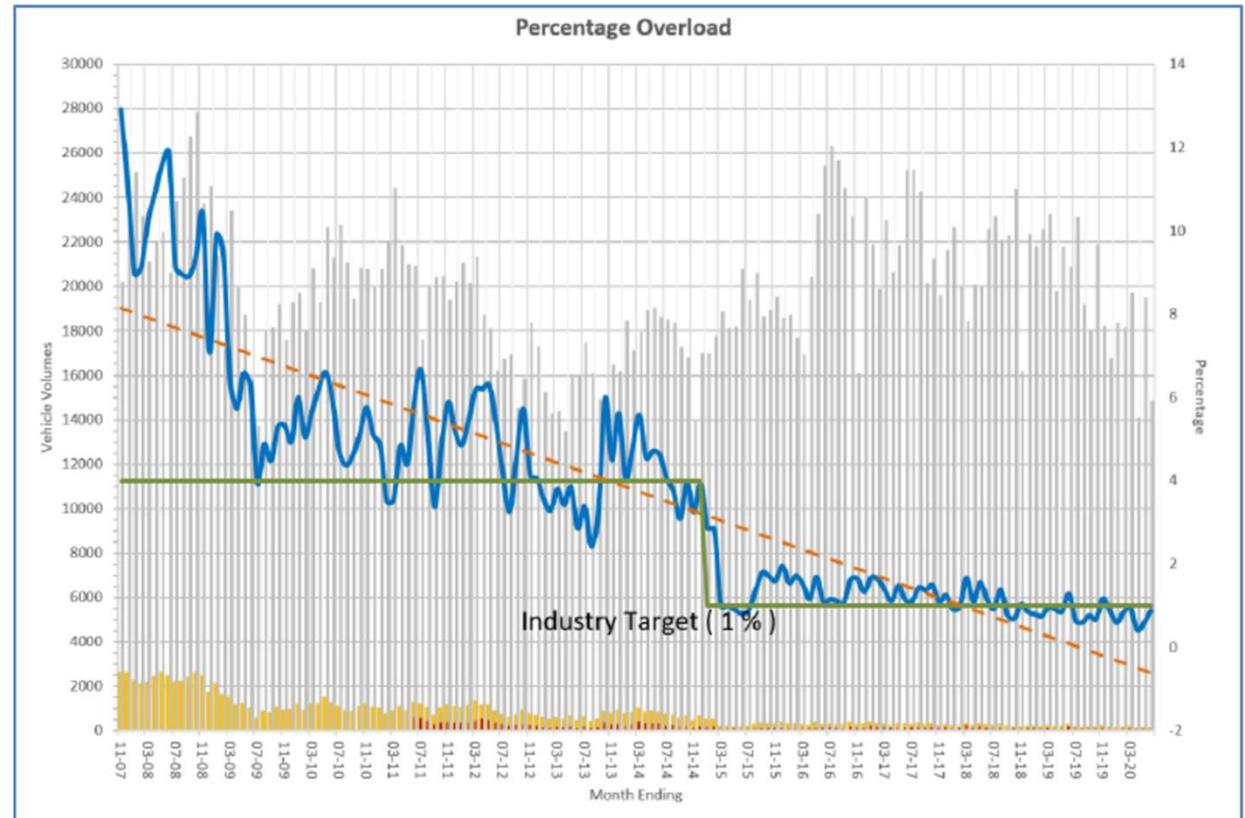


RTMS Membership Summary

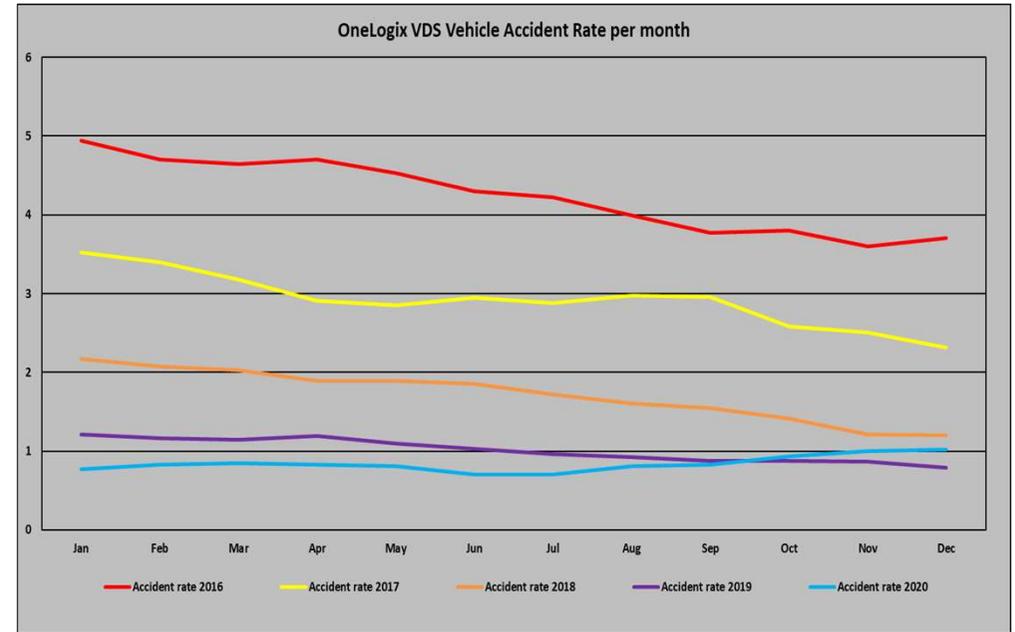
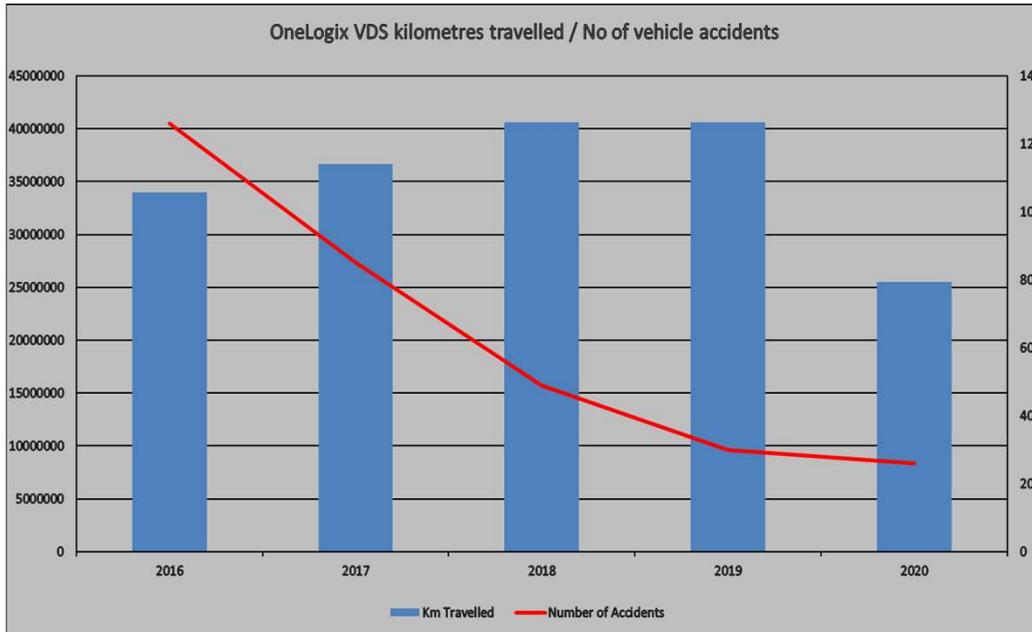


Case Study: RTMS forestry overloading statistics

As a result of the development and implementation of the RTMS in the forestry industry in 2003/4, the extent of overloading of timber vehicles in the pulp and paper sector (KwaZulu-Natal and Mpumalanga) reduced from over 30% (2003 baseline) to around 1% since the beginning of 2015 – see graph showing stats from Nov 2007 to present. The initial target was 4%, but the forestry RTMS committee, which represents both government (the KZN Department of Transport) and industry, decided to reduce the target to 1%. The overload statistics are based on data from all the pulp mills and represent between approx. 14 000 and 26 000 trips per month. This is truly a commendable achievement and has resulted in a significant reduction in accelerated road wear, particularly on provincial roads in KwaZulu-Natal and Mpumalanga.



Case Study: Vehicle Delivery Services



Vehicle Delivery Services obtained their initial RTMS certification in August 2016. Their fleet has expanded from 87 truck tractors in 2016 to 249 in 2020.

The first graph shows a significant reduction in total crashes from 126 in 2016 to only 26 in 2020 despite an increase in total kms travelled (excluding 2020).

The second graph shows a consistent reduction in the crash rate per month, from approx. 5 at the beginning of 2016 to an average of approx. 1 throughout 2019 and 2020.



Smart Truck (PBS) Pilot Project Update

Many of you are aware of the Performance-based standards (PBS) pilot project in South Africa, which started in 2007 with two PBS vehicles operating in the forestry industry in the province of KwaZulu-Natal. During the past 13 years, the pilot project has slowly grown to include several industries with a range of goods, with around 600 trucks now operating throughout the nine provinces. In September 2020, an evaluation report was submitted to the Director-General at the national Department of Transport, which includes a summary of the measured benefits after 200 million truck km, and recommendations on the way forward for the project. Benefits calculated at the time include an average fuel saving of 17%, a 23% reduction in truck km, a 13% reduction in road wear and a 45% reduction in truck crashes per million km (compared with conventional baseline vehicles). The DoT EXCO will review the report and are expected to decide whether a provision for PBS vehicles should be made in the South African National Road Traffic Act. Fortunately, the PBS concept is being recognised in other countries in the Southern African region, and a PBS pilot project in Namibia is gathering momentum with several PBS projects in the pipeline, the first of which are expected to start operating in the next month or two. Although Mozambique has not started a formal PBS project, they do not have a combination mass limit (only axle load limits), so a number of South African 22m (legal length) 72-tonne PBS side-tippers are operating on the corridor between various mines in South Africa and the Maputo harbour in Mozambique.

