



POLICY ON CLAIMS – LOSS OR DAMAGE



TITLE AND COPYRIGHT

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1. PURPOSE

1.1 Background

People and property are important assets of the University, and their protection and safety are imperative.

It is the personal responsibility of every person, regardless of his or her rank or position, to familiarise himself or herself with the declared priorities of the University for the safeguarding of life and assets.

A Claims Committee has been commissioned to investigate and make decisions about matters pertaining to the loss of or damage to University property.

With regard to disciplinary measures against a staff member and/or the collection of damages for the loss of or damage to property, the decision to act rests with the Line Manager on a balance of probability whether a staff member has had the intention to cause loss or damage to the University or not. The loss or damage itself shall determine the order size amount of damages to be paid and the extent or intensity of disciplinary measures to be taken, while the principle of reasonableness and consistency shall be applied throughout.

It is the policy of the University of Venda to:

- 1.1.1 expect that heads of departments or divisional heads and their staff look after University property and assets and safeguard them against loss or damage; and
- 1.1.2 institute and maintain a Claims Committee to investigate and make decisions about claims or the collection of damages for loss of or damage to University property.

2. DEFINITION

2.1 Excess is the amount imposed by the Insurance Company in the event of claims and may vary from year to year depending on the conditions of terms negotiated between the University and the Insurance Company.

2.2 Fine is the amount charged by the University if negligence is proved.

3. RULES

3.1 Damage to University Vehicles

- 3.1.1 If negligence on the part of a staff member can be proved when a University vehicle has been damaged, and it is the staff member's first transgression, the excess payment as imposed by the Insurance Company in respect of a claim against the insurance shall be paid from the budget or



other funds of the Department or Division concerned. The staff member shall be warned to take greater care. In addition, a fine of R 500 will be payable from the budget or funds of the Department or Division concerned.

3.1.2 If a staff member is guilty of negligence, as proved, for the second time, he or she will appear before a disciplinary hearing, and he or she will be liable for the excess payment as imposed by the Insurance Company and in addition will be personally charged with a fine of R 500.

3.1.3 The same rules will apply to students and a disciplinary hearing will be conducted in accordance with the student disciplinary rules.

3.2 Damage to University Property

3.2.1 The rules pertaining to damage to University vehicles shall, *mutatis mutandis*, apply to damage to University property.

3.2.2 The same rules will apply to students and a disciplinary hearing will be conducted in accordance with the student disciplinary rules.

3.3 Loss of University Property

3.3.1 Heads of departments or divisional heads are responsible for the protection and safeguarding of University property, and they shall see to it that such property is used under supervision, or, when not in use, that it is safely locked away. It is, furthermore, their duty to ensure that there is an effective control over keys in respect of premises or rooms where apparatus is stored. They should bring it to the attention of the Head of Campus Protection Services if, in their opinion, current control measures are ineffective or not applied.

3.3.2 In the case of a loss, the Claims Committee shall act as follows:

3.3.2.1 If there is no sign of breaking and entering, and if, after as much information as possible has been gathered about the matter, the Committee is satisfied that, in that particular instance, there has not been an effective control over keys, funds of the department or division concerned shall be used to replace the stolen or lost item(s) if the item(s) are still needed.

3.3.2.2 If there is a loss, for the second time, with no sign of breaking and entering, and the Committee is satisfied that the stolen or lost item(s) has or have not been properly safeguarded, it shall determine who holds the responsibility for such item(s), and that person or those persons shall be held liable for replacing all or some of the lost item(s).
The line manager will decide on disciplinary action.

3.3.3 The same rules will apply to students and a disciplinary hearing will be conducted in accordance with the student disciplinary rules.



3.4 Excess Payments

- 3.4.1 The practice of excess payments in respect of claims against insurance is followed to keep the premium as low as possible.
- 3.4.2 No specific funds for excess payments are budgeted for in the University's overall budget. An excess payment would be made from the University's Insurance Reserve Fund, however, and if sufficient bona fide proof exists that would justify such payment. The departments and divisions should, therefore, make provision for excess payments from their own funds and try to limit damage or loss in order to reserve those funds.

4. PROCEDURES

4.1 Procedure – Claims

- 4.1.1 In the case of a breaking and entering coupled with theft, the head of department or divisional head completes a Form (*Notice of damage to or loss of University property*) in cooperation with the investigating officer of Security Services and submits it to the insurance officer with a quotation for the replacement of the lost asset(s) within ten days of the incident.
- 4.1.2 In the case of damage to a vehicle, the driver in cooperation with the transport officer completes a Form (*Notice of damage to or loss of University property*) and also the motor vehicle accident claims form. The transport officer obtains a quotation for repairs to the vehicle, as soon as possible, and hands in both forms to the insurance officer within ten days of the accident.
- 4.1.3 The insurance officer notifies the Chairperson of the Claims Committee of claims to be considered by that Committee.
- 4.1.4 After being duly notified, the Chairperson of the Claims Committee convenes the Claims Committee, which Committee then considers and begins the investigation of those cases of damage to or theft of University property that have been submitted to the Claims Committee in the period following its previous meeting for considering new claims.

4.2 Procedure – Claims Committee

- 4.2.1 The Committee requests, when it is deemed necessary, the head of department or divisional head, where the loss or damage has taken place, to delegate a competent staff member or staff members to the Claims Committee with whom the Committee can interact on the matter.
- 4.2.2 The Committee requests the delegate(s) to explain the circumstances that led up to the damage or loss. The Committee may expect the delegate(s) to assist the Committee with its investigation and attend a Committee meeting to furnish such information or submit such declarations to the Committee as the Committee may deem fit.



- 4.2.3 The Committee satisfies itself of the circumstances leading up to the damage to or loss of University property by:
- 4.2.3.1 investigating incidents *in situ* (at the spot);
 - 4.2.3.2 studying accident reports;
 - 4.2.3.3 studying reports on theft or loss;
 - 4.2.3.4 verifying declarations of the staff members concerned; and/or
 - 4.2.3.5 questioning the staff members concerned so as to obtain more information.
- 4.2.4 The Claims Committee makes an appropriate decision or decisions about the case, based on information gathered during its investigation; thus deciding:
- 4.2.4.1 whether or not a claim should be laid with the University's insurance company;
 - 4.2.4.2 if a claim is not laid, from which fund the loss or replacement of University property should be paid;
 - 4.2.4.3 if negligence on the part of a staff member can be proved, what disciplinary steps should be taken against that person;
 - 4.2.4.4 what steps should be taken to prevent the recurrence of such incidents; and/or
 - 4.2.4.5 what steps should be taken with regard to the damage.
- 4.2.5 If the item(s) is or are indispensable in the operation of the University or in the University's teaching environment, the head of department or divisional head can submit on demand a written representation to the Claims Committee that the damaged or stolen property be replaced before the insurance claim is met.
- 4.2.6 The Claims Committee informs the head of department or divisional head concerned, in writing, of the decisions of the Committee.
- 4.2.7 If he or she should deem it fit, the head of department or divisional head submits a written appeal against such decision to the Claims Committee, which in turn submits the representation to the Director Finance, for consideration.
- 4.2.8 The Head of Financial Services checks and controls the relevant entries in the University's books. They are:
- 4.2.8.1 the writing off of lost assets;
 - 4.2.8.2 the collection of damages for lost assets; and
 - 4.2.8.3 the collection of fines.



4.2.9 The Head of Security Services arranges that such disciplinary measures, as the Claims Committee has decided upon, be taken in terms of the Disciplinary Rules and Code of Conduct of the University and reports back to the Claims Committee.

4.3 Procedure – Claims

4.3.1 The Claims Committee prepares all claims for insurance to be paid and sends them within thirty days of the incidents via the insurance brokers to the insurance company concerned.

4.3.2 The insurance assessors investigate the incidents, *in situ*, assisted by the heads of departments or divisional heads concerned.

4.3.3 In the case of a motor vehicle accident, the transport officer sees to it that the damaged vehicle is available for inspection at the panel beaters.

4.4 Procedure – Payment of Insurance

4.4.1 The insurance company processes the claim and pays the difference between the amount claimed and the excess payment to the University.

4.4.2 The Director of Finance receives the insurance payment as general revenue and extends the budget for purchasing assets of the department or division concerned with that amount.

4.4.3 The Director of Finance notifies the department or division concerned of the insurance payment, and the department or division concerned informs Financial Services to which account that payment should be transferred so that the asset(s) concerned can be replaced.

4.4.4 Both the department or division concerned and the Procurement Division are authorised to purchase the required asset(s) according to the set procedure.

4.4.5 The Procurement Division (asset control officer) capitalises the new asset(s).

4.4.5 The Procurement Division (asset control officer) writes off the lost, stolen or damaged asset(s).

5 FORMS

Notice of damage to or loss of University property

6 RELATED POLICIES AND DOCUMENTATIONS

7 REGULATORY FRAMEWORK

GAAP

King III report on Corporate Governance

Higher Education Act (Act 107 of 1997)



8 REVIEW DATE

This policy will be reviewed after three years or as and when the need arises.

9 RECORD OF CHANGES

REVISION	DATE	AUTHOR(S)	DESCRIPTION

10 APPROVAL

A handwritten signature in black ink, appearing to be 'M. M. M.', written over a horizontal line.

Registrar (Secretary of Council)