



**Publication:** TheCitizenKZN - Main  
**Title:** Lawyers' damning memo  
**Publish date:** 27 Jul 2023  
**Page:** 14

**Reach:** 44390  
**AVE:** R 94249.51  
**Author:** Chiara Carter

# Lawyers' damning memo

**RAF CRISIS:** ACCIDENT VICTIMS ARE 'LITERALLY PREVENTED FROM LODGING CLAIMS'

➔ **Want minister to appoint a new board and a suitably qualified CEO.**

Chiara Carter

## GroundUp

**L**awyers from 10 organisations have compiled a stinging joint memorandum about what they term a "crisis" at the Road Accident Fund (RAF).

The signatories include the Law Society of South Africa, the Black Lawyers' Association and the National Democratic Lawyers' Association, as well as the South African Medico-legal Association.

They say they are speaking on behalf of the victims of road accidents and as officers of the court and custodians of the constitution.

This comes after the Deputy Transport Minister Lisa Mangu and the RAF each blamed lawyers for many of the RAF's woes, including the large backlog in processing claims and long delays in payouts.

In the memorandum, the lawyers say the "narrative" blaming lawyers for the RAF's problems is intended to distract attention from the ineptitude and negligence at the RAF, a taxpayer-funded statutory body responsible for covering the costs incurred by victims of road accidents.

They say the situation is so bad that accident victims are "literally prevented from lodging claims against the RAF".

They want Transport Minister Sindiswe Chikunga to appoint a new RAF board. They say RAF CEO Collins Letsoalo does not have the requisite legal background for the job.

The memorandum is addressed to Chikunga and Mangu,



**BAD STATE.** Lawyers say the Road Accident Fund has failed to deal with victims' claims promptly because it is largely dysfunctional, incapable of basic administration and engaged in unnecessary litigation, while failing to heed several court orders. Picture: Gallo Images

Justice Minister Ronald Lamo-la, Letsoalo and the RAF board, parliament's portfolio committee for transport and the standing committee on public accounts (Scopa), auditor-general Tsakani Maluleke, and the Legal Practice Council.

The lawyers say the RAF has failed to deal with victims' claims promptly because it is largely dysfunctional, incapable of basic administration and engaged in unnecessary litigation, while failing to heed several court orders.

The memorandum blames Letsoalo for much of the crisis, saying the CEO by his own admission has only a basic understanding of law.

It points to several recent high court findings against the RAF in which judges slammed the fund's board and CEO.

The lawyers say the RAF's deci-

sion to do away with the panels of attorneys that previously investigated claims and managed litigation and settlements has proven disastrous. The RAF now uses state attorneys for representation, but the authors of the memorandum say this "outsourcing to the department of justice" has led to unnecessary delays and wasteful expenditure on litigation in

## info

### Financial obligations

► The RAF, which is largely funded with money obtained from the fuel levy, has for years battled to meet its financial obligations and its recent attempts to make its books look better by adopting a different accounting system attracted the ire of the auditor-general and Scopa.

cases where a settlement could have been reached.

The memorandum also criticises the RAF for:

► Refusing to cover expenses if these have already been paid by a victim's medical aid, pointing out that this means victims lose out on medical benefits from their schemes;

► New requirements for lodging claims that have led to many claims being ignored, despite an Eastern Cape High Court ruling that the RAF should suspend the new process;

► Reversing established practice by refusing to cover foreign nationals who can't prove they are in South Africa legally;

► "Habitually failing to timeously make payment", leading to sheriffs of the court enforcing orders of execution against the fund; and

► Staff remaining on paid sus-

pension despite rulings by the Commission for Conciliation, Mediation and Arbitration.

The memorandum asserts that basic office administration does not happen at the RAF and paints an alarming picture of an unresponsive organisation where e-mails go unanswered, claims are unacknowledged, documents are mismanaged and the helpline does not function.

The authors of the memorandum are asking for an urgent meeting with those responsible for the RAF.

They want Chikunga to appoint a new board and a suitably qualified CEO. They suggest that the attorney panel system be reconstituted or sufficient state attorneys appointed to handle RAF matters in court, and that a dedicated RAF court be set up in Pretoria.

They also want the RAF to improve its system of dealing with claims and institute business basics – phone calls answered, messages returned and communications acknowledged – and to respect court orders and pay claims and bills on time.

In addition to facing substantial claims, the RAF has lost money to unscrupulous lawyers who allegedly double-dipped on payments. This is being investigated by the Special Investigating Unit which has also received reports about alleged maladministration and wasteful expenditure at the RAF.

A recent oversight visit by members of Scopa to the RAF head office in Pretoria found chaotic working conditions, including boxes of documents lying around on the floor and employees forced to function without office furniture and equipment as this had been seized by sheriffs.

The RAF board's term of office has ended but the board has remained in place as a new board is yet to be appointed.

The RAF had not replied to *GroundUp's* questions on the memorandum at the time of publication.