

A new professional standard for the fiduciary industry



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At last, a professional designation is gaining traction in the fiduciary industry that in a few years' time should become the yardstick for fiduciary practitioners, much as the Certified Financial Planner (CFP®) has become the industry yardstick for financial planners.

The fiduciary designation is Fiduciary Practitioner of South Africa (FPSA®). It has been introduced by the Fiduciary Institute of Southern Africa (FISA) which institute was born in 2008 out of the Association of Trust Companies.

FISA's objectives include a strong focus on raising professional standards among those who deal inter alia with estates, estate administration, trusts and will drafting. Too many non-experts offer these services to the public, with the result that malpractice is not uncommon and the quality of work highly varied. Consequently, clients are often not protected from, for example, an unscrupulous executor in winding up an estate.

In 2011 the FISA constitution was amended to create a professional institute with individual membership, as opposed to the corporate membership of the ATC. FISA members come from trust companies and banks, as well as the legal, accounting and financial planning professions.

This paved the way for FISA, in November 2011, to introduce an annual professional examination for individual members. Members who pass this examination may apply to FISA to be awarded the professional designation (FPSA®).

"FISA'S OBJECTIVES INCLUDE A STRONG FOCUS ON RAISING PROFESSIONAL STANDARDS"

The examination is administered by the School of Financial Planning Law (SFPL) at the University of the Free State, on behalf of FISA. There are five modules:

- Regulatory Environment (compulsory)
- Administration of Deceased Estates
- Estate Planning
- Wills Consultation and Drafting
- Trust Administration

From January 2015, the SFPL has introduced a one-year Advanced Diploma in Estate and Trust Administration. Successful candidates are exempt from FISA's professional examination and can apply to be awarded the FPSA® designation if they are FISA members.

It is important to note that from January 2018 the previous certifications that FISA used to award will cease to exist and there will be two categories of members: those holding the FPSA® designation and those who do not.

FISA introduced a CPD programme in 2013 to support members in maintaining professional standards. This aims to instil a culture of lifelong learning to enable members to keep abreast of an increasingly complex environment. A very user-friendly log on the FISA website enables members to capture CPD points online.

FISA has also introduced an annual conference in 2011, which is now well known among both practitioners and academics as an event with high quality speakers and thought-provoking discussion.

All the above steps are contributing to fiduciary practice to be taken seriously as a profession. By 2020 we expect the FPSA® designation to be well recognised as the highest professional standard attainable by fiduciary practitioners, raising standards in the industry to the benefit and protection of the public.