

MEDIA RELEASE	PSA calls for overhaul of the trust management system amidst theft of R1.4 Billion from South African Trusts
DATE	30 April 2025
EMBARGO	NONE
ENQUIRIES	communication@psa.co.za

The Public Servants Association (PSA) is alarmed by the recent revelation that an estimated R1.4 Billion has been stolen from South African Trusts by unscrupulous legal practitioners. This shocking figure, reported by the Legal Practitioners Fidelity Fund (LPFF), highlights significant vulnerabilities within the trust account management system and the urgent need for comprehensive reforms.

The PSA stands in solidarity with the victims of these thefts, many of whom have suffered devastating financial losses due to the exploitation of the trust structure loopholes and insufficient institutional cooperation. The fact that 561 reported cases of trust fund theft remain unprosecuted is unacceptable and demands immediate action from all relevant authorities. LPFF has emphasised the critical need for stronger oversight and real-time data sharing between institutions to prevent such crimes. The PSA supports the recent memorandum of understanding between the LPFF and the Special Investigating Unit (SIU), which aims to enhance investigative powers and expedite the recovery of stolen funds.

The PSA calls on the National Prosecution Authority (NPA), the Legal Practice Council (LPC), and other regulatory bodies to prioritise the prosecution of these cases and to implement stringent measures to safeguard trust funds. It is imperative that the integrity of the legal profession is restored and that those responsible for these heinous acts are held accountable. The Union urges all affected individuals to proactively engage with the LPFF and the LPC to ensure their claims are addressed promptly. The PSA remains committed to advocating for justice and transparency in the management of trust funds and will continue to monitor developments closely.

END