



REPORT ON CONSULTATIVE FORUM MEETING 17-01-2017

ITEM ON THE AGENDA AT CONSULTATIVE FORUM MEETING:THIRD PARTY LAIBILITY COVER

We refer to the recent correspondence from the Board regarding the Phase 2 of the Legal Obligation and more especially the **CERTIFICATE OF THIRD PARTY LIABILITY COVER AS PER SECTION 35.**

We are very much aware of our members concerns regarding the high threshold prescribed by the Board for the Third Party Liability Cover and have taken the matter up with SABFS through the Consultative Forum meeting. We are pleased to report that the Board has agreed that proper consultation with the profession was not done on the matter and that they have not properly investigated the financial impact the prescribed threshold will have on Sheriffs.

The Board's explanation to the profession is that they are experiencing a high volume of claims being lodged with the Fidelity Funds on unrelated matters to the Fund. Their explanation is that the public is lodging claims with the fund for damage to goods in transit, damage to goods under attachment due to theft in the Sheriff's office or theft of trust monies in transit. All of which is not covered in Professional Indemnity insurance cover that Sheriffs normally take at the end of each year. Therefore, they are forced to ensure that Sheriffs have sufficient cover for these items.

SASS POSITION ON THE MATTER:

SASS agrees that Sheriffs should carry a separate policy for third party liability cover as we are constantly in possession of goods belonging to debtors. We are mindful of the fact that the attachment, removal and sale of movable property both in the High and Magistrate's Court have reduced considerably over the years but admit that the repossession of motor vehicles is something that is on-going and therefore should be protected whilst under judicial attachment.

We wish to bring to the attention of our members that the Professional Liability insurance does not cover Third Party liability meaning that your PI insurance does not cover goods in transit (goods transported in your trucks), goods in storage, motor vehicles driven by your deputies under attachment, theft of attached goods from your warehouse/storage, damage through fire in your storage, theft of trust monies in your possession.

We do not want to see our members in a situation that warrants the Board to take action against you when and if you are liable for damages that is not covered under the PI insurance.

In saying that we have called on the Board to first investigate in conjunction with the profession all possibilities in reaching a fair threshold depending on the volume of work that the Sheriffs carry out in regards to goods held by the Sheriffs.

We have indicated to the Board that there are offices in all parts of the country that do not have goods in storage or some do not even have warehouses.

Further we called on the Board to consider offices that are financially non-viable and adding more financial burden on them would further destroy them, we called on them to consider subsidising these offices, so that they can be complaint as well.

Another important aspect that we have raised our displeasure to with the Board is their decision not to subsidise small offices that do not take their PI insurance through STP insurance brokers but remain with Primarkor other providers. We have indicated to the Board that all Sheriffs in the country contribute by way of levies to the Board and should therefore be able to share in the subsidy even if they not choose the preferred serviceprovider. We further indicated to them that their decision is illegal and will be challenged by SASS should they not re-consider.

The Board although reluctant indicated that they will discuss the matter at their full Board meeting scheduled for 18 October 2017 and revert to the profession.

Please note the resolution taken at the Consultative Forum meeting on the 17 October 2017.

1. We have now called on the Board to relax the provisions as outlined in the recent communication forwarded to members for compliance with phase 2 of the legal obligations.

We are pleased to report that the Board will not institute fines to any Sheriff for noncompliance of the prescribed Third Party liability insurance cover as per the proposed threshold outlined in the certificate but agreed that Sheriffs should submit proof of the cover that they current hold.

2. The Board will immediately investigate the most workable formula to calculate a threshold with the assistance of the profession.

3. They have instructed STP insurance to review the policy that is currently on the table.

4. That they will engage with the profession before the final implementation.

A detailed report on the consultative forum meeting will be distributed shortly.

“SASS THE ORGANISATION OF CHOICE” --

“ SASS STRIVING TO BE PARTOF THE SOLUTION RATHER THAN THE PROBLEM”

REPORT BY SASS REPRESENTATIVE AT CONSULTATIVE FORUM