

## Self-audit status – background information

### Why self-audit?

Self-auditing:

- keeps costs down by avoiding duplication and the need to provide information about individual lawyers when and as required. Self-auditing organisations set their own timetables and follow their own procedures.
- encourages the organisation and individual lawyers to work together to align the lawyer's learning needs and the firm's business plan.
- encourages overall business planning and monitoring.
- helps organisations to protect their brand and reputation by avoiding non-compliance.

### What is meant by self-auditing?

Self-auditing organisations assume responsibility for assisting their lawyers to comply with the CPD Rules and monitoring lawyer compliance by auditing. The purpose of the audit is twofold – to check lawyer compliance and to troubleshoot areas of difficulty so that the lawyer can be assisted with their CPD. Lawyers within self-auditing organisations are not audited by the Law Society, but they must still file their own

declarations of compliance as required by Rule 7.1 of the CPD Rules. They may also apply for deferments under Rule 7.4.

### Who may apply for self-audit status?

Rule 9 of the CPD Rules enables organisations (as defined in Rule 3.1(g)) to apply for self-auditing status. Law firms, law firm branches, a government department or corporation, or a branch, section, or head office may apply individually for self-auditing status.

### What is required?

In approving self-audit status, the Society is looking to approve those organisations with policies and procedures in place which demonstrate a culture of commitment to learner centred CPD and which regard CPD as a tool for continuing to build lawyer competence.

An organisation applying for self-audit status must have in place policies and procedures which will:

- assist lawyers within the organisation to identify and fulfil their learning needs, and to meet their CPD requirements; and
- monitor the lawyers' compliance with the CPD requirements.

There is no prescribed set of procedures. What will work for one organisation will not necessarily work for another. Much will depend on the associated processes and systems already in place. Organisations might find it helpful to integrate the required CPD processes with existing performance review processes, for instance. The Law Society expects that self-auditing organisations will audit a reasonable number of lawyers each year. It would not be sufficient just to check one or two lawyers out of a group of twenty plus. Sufficient lawyers need to be audited so that the CPD Officer can make an assessment of CPD compliance.

The Law Society Board has reached the view that larger organisations may be more likely to have in place the necessary processes. Initially, therefore only organisations with a minimum of 20 lawyers are invited to apply for self-auditing status.

## CPD Officer

An organisation must also appoint a lawyer of sufficient seniority and standing as the CPD Officer. This lawyer, who must be approved by the Law Society, is responsible for reviewing and monitoring compliance with the CPD rules. Essentially the CPD

Officer performs an audit function and maintains the organisation's CPD policies and procedures.

Where a CPD Officer discovers issues with lawyer compliance with the CPD Rules these should be treated as any other breach of Practice Rules. For example, if there is intentional non-compliance then this should be reported to a Standards Committee.

The CPD Officer will be the Law Society's main contact person.

## Law Society audit of self-auditing organisations

From time to time the Law Society will audit a self-auditing organisation's policies and procedures and look at the results of any self-audit. If the Law Society is not satisfied with the result of the audit and issues cannot be satisfactorily resolved then self-audit status can be revoked.

## How to apply

Organisations wishing to apply for self-auditing status should complete the attached form and e-mail it to [CPDinquiries@lawsociety.org.nz](mailto:CPDinquiries@lawsociety.org.nz)