

# Continuing Professional Development Requirements

## Introduction

This title explores the nature and importance of Continuing Professional Development ('CPD') requirements across a variety of professions. CPD plays an integral role in developing the skills and competencies of professionals, thus driving high-performance and building trust and transparency with consumers and clients of professional services.

This title sets out the CPD requirements across five professions: lawyers, doctors, accountants, engineers and financial planners. It should be read in conjunction with the CPD Programs and Practitioner Determined CPD titles, which provide a more detailed review of example CPD plans and activities across these professions.

This title has the following parts:

- What is CPD?
- Purpose and rationale of CPD
- Key CPD requirements across different professions
- Summary.

## What is CPD?

CPD refers to a wide range of learning activities used by professionals to maintain, improve and broaden their knowledge, expertise and competence, and develop personal and professional qualities.<sup>1</sup> The importance placed on CPD across different professions aligns with the concept of 'life-long learning,' which emerged out of a recognition that professionals are required to increase their knowledge in order to keep pace with advances in thinking, technology and practice.<sup>2</sup> This concept, however, is not new. There is no doubt that professions are 'knowledge communities' in the sense that professionals, as a close-knit group, share knowledge on a day-to-day-basis.<sup>3</sup>

CPD may take a variety of forms including:

- seminars, workshops, lectures and conferences
- in-house seminars or discussion groups
- participation in a multimedia or web-based program
- private study of audio/visual material.

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1 Jill Shostak et al, General Medical Council/Academy of Medical Royal Colleges, The Effectiveness of Continuing Professional Development (2010) <[http://www.gmc-uk.org/Effectiveness\\_of\\_CPD\\_Final\\_Report.pdf\\_34306281.pdf](http://www.gmc-uk.org/Effectiveness_of_CPD_Final_Report.pdf_34306281.pdf)> (accessed 1 November 2017).

2 Hugh Breakey and Charles Sampford, 'National Exams as a tool for improving standards: Can Australian financial advisers take a leaf from the professionals' book?' (2017) 40 UNSW Law Journal 385, 401 <<http://www.unswlawjournal.unsw.edu.au/sites/default/files/401-15.pdf>> (accessed 1 November 2017).

3 Breakey and Sampford, above n 2.

These different formats are explored more thoroughly in the CPD Programs title.

## Purpose and Rationale of CPD

CPD benefits both the professional undertaking the relevant activities and the profession or industry in which the professional works. It also benefits the community due to the professional having more up-to-date knowledge and more developed professional skills. This is evidenced by the fact that completion of CPD requirements is often a condition of membership or registration to a professional governing body.

Furthermore, it is common for professional organisations to emphasise the need to avoid viewing CPD as merely a compliance or regulatory obligation and rather, a holistic competency-building opportunity for professionals. For example, the Financial Planning Association of Australia states that 'The FPA has been concerned for some time that CPD is viewed by many in the industry as a compliance obligation and that quality and choice in the range of CPD available has been too limited for too long'.<sup>4</sup>

On an individual level, CPD assists professionals to:

- build the knowledge and skills needed to succeed in a competitive professional environment
- achieve personal development and career goals
- excel in their role, creating value for the organisation and its clients or customers
- enhance their transferable skills, thereby increasing employability
- engage with the profession and the wider community.

On a broader level, CPD requirements:

- allow governing bodies to ensure high standards of performance and up-to-date knowledge are maintained within the profession
- instil greater consumer and client confidence in the work of professionals
- build a sense of ownership and a strive for high-performance within a profession or industry.

## Key CPD Requirements across Different Professions

### Lawyers

As explored in the External Complaint Handling and Discipline Systems title, the conduct of lawyers in NSW and Victoria is regulated by the Legal Profession Uniform Law ('Uniform Law').<sup>5</sup> In accordance with the Uniform Law, the Law Council of Australia has developed the Legal Profession Uniform Continuing Professional Development (Solicitors) Rules 2015 ('CPD Rules')<sup>6</sup> which regulate the content and verification of CPD for lawyers in NSW and Victoria.

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<sup>4</sup> Financial Planning Association of Australia, *FPA Continuing Professional Development Policy* (June 2016) 3 <[https://fpa.com.au/wp-content/uploads/2016/06/2016\\_05\\_18-CPD-Policy-2016\\_5-FINAL.pdf](https://fpa.com.au/wp-content/uploads/2016/06/2016_05_18-CPD-Policy-2016_5-FINAL.pdf)> (accessed 1 November 2017).

<sup>5</sup> *Uniform Law*.

<sup>6</sup> In NSW, *Legal Profession Uniform Continuing Professional Development (Solicitors) Rules 2015*.

Under the CPD Rules, lawyers are required to complete 10 CPD units each year, comprised of at least one unit from each of the following fields:<sup>7</sup>

- ethics and professional responsibility
- practice management and business skills
- professional skills
- substantive law.

Lawyers have autonomy in determining the nature and types of activities that will satisfy these requirements. The concept of professionals having autonomy over the activities that satisfy their CPD requirements is explored more fully in the Practitioner-Determined CPD title. The Law Society of the relevant jurisdiction verifies compliance by a random audit of lawyers each year. A failure to comply with the CPD rules may result in the Law Society giving written notice to the lawyer requiring them to submit a plan to rectify non-compliance within 90 days.<sup>8</sup>

### Doctors

CPD requirements form one component of the registration standards for doctors required by the Medical Board of Australia ('The Board'). The Board is empowered to develop these standards pursuant to the Health Practitioner Regulation National Law ('National Law') section 38.<sup>9</sup> The CPD requirements for doctors differ depending on their relevant registration type with the Board, as set out in the table below.<sup>10</sup>

**Table 1: CPD requirements for Doctors**

Registration type	CPD requirements
<b>Specialist</b>	<p>Meet the requirements set by the relevant specialist medical college for every specialty in which the doctor is registered. For example:</p> <p><b>The Australasian College of Dermatologists<sup>11</sup></b>            Complete a minimum of 200 points accumulated over a two-year cycle, with a minimum of 40 and a maximum of 160 points (to be put towards the total) per year. The points must be comprised of activities from three categories:</p> <ul style="list-style-type: none"> <li>• Clinical and Education (at least one activity)</li> <li>• Quality Assurance (a minimum of 6 points over two years)</li> <li>• Professionalism (a minimum of 6 points over two years).</li> </ul> <p><b>Australian College for Emergency Medicine ('ACEM')<sup>12</sup></b>            The ACEM requires its specialists to satisfy annual and three-year requirements:</p>

<sup>7</sup> CPD Rules r 6.

<sup>8</sup> CPD Rules r 15.

<sup>9</sup> In NSW, *Health Practitioner Regulation National Law 2009* (NSW).

<sup>10</sup> Medical Board of Australia, Registration Standard: Continuing Professional Development (1 October 2016)

<<http://www.medicalboard.gov.au/Registration-Standards.aspx>> (accessed 1 November 2017).

<sup>11</sup> The Australasian College of Dermatologists, *Continuing Professional Development Program 2016-17* ('CPD Handbook')

<<https://www.dermcoll.edu.au/wp-content/uploads/ACD-CPD-Handbook-2016-2017-FinalV2-UPDATED.pdf>> (accessed 1 November 2017).

<sup>12</sup> Australian College for Emergency Medicine, *CPD Programs 2018-2020* <<https://acem.org.au/Continuing-Professional-Development/CPD-Programs-2018-2020.aspx>> (accessed 1 November 2017).

	<ul style="list-style-type: none"> <li>• <b>Annual:</b> complete 50 hours of CPD activities, one goal-recorded and associated self-reflection and three core skills (airway, breathing and circulation) by performance, teaching or supervision</li> <li>• <b>Three-year:</b> complete 30 hours in Quality Enhancement, three hours in two of self-directed learning, group learning or teaching, research and educational development, as well as 12 different scope of practice skills by performance, teaching or supervision.</li> </ul> <p><b>Royal Australian College of Physicians<sup>13</sup></b> Complete a minimum of 100 CPD credits per year, from the following areas:</p> <ul style="list-style-type: none"> <li>• practice review and improvement</li> <li>• assessed learning</li> <li>• educational development, teaching and research</li> <li>• group learning</li> <li>• other learning activities.</li> </ul>
<b>Provisional</b>	<p><b>Australian or New Zealand medical graduates undertaking an accredited intern year</b> Participate in supervised training and education programs associated with their position and comply with any further guidelines issued by the Board.</p> <p><b>International medical graduates</b> If in an accredited intern position, participate in supervised training and education programs associated with their position.</p> <p>If not in an accredited intern position, complete CPD activities as agreed in their supervision plan and work performance report and complete a minimum of 50 hours of CPD per year (participation in CPD activities can be counted towards this 50-hour minimum).</p>
<b>Limited</b>	Complete CPD activities as agreed in their supervision plan and work performance report and complete a minimum of 50 hours of CPD per year.
<b>General</b>	Complete a minimum of 50 hours of CPD per year (a self-directed program) or meet the CPD requirements of a specialist medical college that is relevant to their scope of practice.

The Board may audit the compliance of a doctor with this standard at any time and doctors are obliged to maintain records of CPD activities for a period between 3 months to 7 years, depending on the type of registration.<sup>14</sup>

The failure of a doctor to meet their CPD requirements may result in:<sup>15</sup>

- the Board imposing a condition or conditions on their registration or refusal of an application for registration or renewal of registration
- the Board taking disciplinary action under section 128 of the National Law

<sup>13</sup> Royal Australian College of Physicians, 'What is MyCPD' <<https://www.racp.edu.au/docs/default-source/default-document-library/2017-mycpd-information-sheet79585fafbbb261c2b08bff00001c3177.pdf?sfvrsn=2>> (accessed 1 November 2017).

<sup>14</sup> Medical Board of Australia, above n 10.

<sup>15</sup> Medical Board of Australia, above n 10.

- registration standards, codes and guidelines being used as evidence of what constitutes appropriate practice or conduct for health professionals under the National Law.

It is interesting to note that a failure to comply with CPD requirements can result in a doctor’s registration being suspended, thereby removing them from the ‘knowledge community’ within their profession. Individual professionals are therefore ultimately the ones that create and foster the concept of ‘lifelong learning,’ within their professions – a failure to view CPD as such has implications on knowledge-sharing in the professional community.

### Accountants

The CPD requirements for accountants are dictated by the relevant professional body of which an individual is a member.

#### *Chartered Practising Accountants Australia (‘CPA Australia’)*

Under the CPA Australia Constitution and By-Laws, CPA members must participate in a minimum of 20 hours of CPD activities per year and a total of 120 hours for a three-year time period (triennium).<sup>16</sup> Unstructured activities such as relevant reading, video or audio can be counted towards a maximum of 10 hours per year.<sup>17</sup> The failure to comply with these requirements may result in the individual’s membership status being downgraded or suspended.<sup>18</sup>

#### *Chartered Accountants Australia New Zealand (‘CA ANZ’)*

Accountants who are members CA ANZ must satisfy CPD requirements in accordance with their registration:<sup>19</sup>

**Table 2: CPD requirements for Accountants**

Registration type	CPD requirements
<b>Chartered Accountant or affiliate</b>	Minimum of 20 hours per year and 120 hours each triennium, with 90 hours in that period being formal CPD.
<b>Associate Chartered Accountant</b>	Minimum of 15 hours per year and 90 hours each triennium, with 45 hours in that period being formal CPD.
<b>Accounting Technician</b>	Minimum of 10 hours per year, with 30 hours in that period being formal CPD.

‘Formal’ CPD is viewed by CA ANZ as being an organised, orderly framework developed from a clear set of objectives, including a structure for imparting knowledge of an education or technical nature and having a

<sup>16</sup> CPA Australia, Continuing Professional Development <<https://www.cpaaustralia.com.au/member-services/continuing-professional-development>> (accessed 1 November 2017).

<sup>17</sup> CPA Australia, above n 16.

<sup>18</sup> CPA Australia, above n 16.

<sup>19</sup> Chartered Accountants Australia New Zealand, CA ANZ Regulations (at 1 November 2017) CR 7 <<http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?commentaries=DQPreZ-OwR5KRZAMdDjx6S&hitlist=index.jsp&commentaries=D7AcDibzMR5r5cAMdDjx6S&mappedToId=D7AcDibzMR5r5cAMdDjx6S>> (accessed 1 November 2017).

requirement for involvement by the participant.<sup>20</sup> A failure by a member to comply with these requirements may result in an individual being excluded from membership.<sup>21</sup>

## Engineers

Chartered members of Engineering Australia, the main professional association for engineers, must participate in a minimum of 150 hours of structured CPD over a three-year period.<sup>22</sup> This, being a professional association requirement, rather than a legislated requirement, is an example of how a profession self-regulates. The 150 hours must:

- relate to the member's area of practice (50 hours). If a member has more than one area of practice, at least 50 hours must be recorded for each area and some areas may overlap
- cover risk management (10 hours)
- address business and management skills (15 hours).<sup>23</sup>

The remaining hours can then be satisfied by the member participating in activities which relate to their career and interests. Furthermore, engineering academics and teachers must participate in at least 40 hours of industry involvement per triennium.<sup>24</sup>

## Financial Planners

### *ASIC Regulatory Guide 146*

Financial Planners who are licensed to give financial product advice under the *Corporations Act 2001 (Cth)* must comply with *Regulatory Guide 146 – Licensing: Training of financial product advisers* ('RG 146') issued by the Australian Investments and Securities Commission ('ASIC').<sup>25</sup> RG 146 sets out the minimum requirements for training of financial product advisers.<sup>26</sup> Broadly speaking, financial planners must complete training that covers:

- generic and specialist knowledge relevant to the products and markets they advise on and operate in
- skill requirements.<sup>27</sup>

The minimum requirements largely depend on whether the financial planner provides advice on 'Tier 1' or 'Tier 2' products. Tier 2 products include general insurance products, consumer credit insurance, basic deposit-products, First Home Saver Account deposit accounts and non-cash payment products, whilst Tier 1 products include all products that are not Tier 2 products.<sup>28</sup>

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<sup>20</sup> Chartered Accountants Australia New Zealand, above n 19, sch 1(10).

<sup>21</sup> Chartered Accountants Australia New Zealand, above n 19, sch 1(10).

<sup>22</sup> Engineers Australia, *Continuing Professional Development (CPD) Policy* (19 February 2009) <[https://www.engineersaustralia.org.au/sites/default/files/content-files/2016-12/CPD\\_Policy.pdf](https://www.engineersaustralia.org.au/sites/default/files/content-files/2016-12/CPD_Policy.pdf)> (accessed 1 November 2017).

<sup>23</sup> Engineers Australia, above n 22, 2.

<sup>24</sup> Engineers Australia, above n 22, 2.

<sup>25</sup> ASIC, *Regulatory Guide 146 – Licensing: Training of Financial Product Advisers* (July 2012)

<<http://download.asic.gov.au/media/1240766/rg146-published-26-september-2012.pdf>> (accessed 1 November 2017).

<sup>26</sup> As at 25 September 2017, Parts D and E of RG 146, which set out the relevant standards for approved training courses, were under review.

<sup>27</sup> ASIC, above n 25, 6-7.

<sup>28</sup> ASIC, above n 25, 16.

Tier 1 products generally require an education level equivalent to the Diploma level under the Australian Qualifications Framework and the Tier 2 education level is equivalent to the Certificate III level under same.<sup>29</sup> There is no prescribed minimum hours for completion of training because of the varied experience and activities between financial planners. RG 146 recommends that organisations appoint a training officer who is responsible for ensuring compliance. It is a condition of holding a licence that the licensees must retain appropriate records of initial training plans and continuing training.<sup>30</sup> This is an example of a view of CPD that attempts to encapsulate the full spectrum of knowledge required by professionals, considering both thinking and technology advances.

*Financial Planning Association of Australia ('FPA')*

Financial Planners who are members of FPA must also complete a minimum number of CPD hours per year depending on their registration type:<sup>31</sup>

**Table 3: CPD requirements Financial Planning Association of Australia ('FPA')**

Registration type	CPD requirements
CFP Professional	Minimum of 35 hours per year and 120 hours each triennium, with a maximum of 60 hours non-accredited CPD per triennium.
Associate and Financial Planner AFP	Minimum of 25 hours per year and 90 hours each triennium, with a maximum of 45 hours of non-CPD hours per triennium.

Non-accredited training includes training that is not FPA accredited or accredited by an FPA CPD assessor or is the preparation and presentation of lectures and conferences.<sup>32</sup>

CPD activities should include CPD activities across all the following dimensions, with a requirement for a minimum of three hours per triennium in 'Professional Conduct' specifically covering ethics:<sup>33</sup>

- interdependence (engagement with the profession and industry)
- capability (technical, legal, product and industry knowledge)
- attributes and performance
- professional conduct
- critical thinking
- reflective practice.

<sup>29</sup> ASIC, above n 25, 20.

<sup>30</sup> ASIC, above n 25, 35.

<sup>31</sup> ASIC, above n 25, 8.

<sup>32</sup> ASIC, above n 25, 15.

<sup>33</sup> ASIC, above n 25, 8.

This is a good example of how a professional association can implement higher and more detailed requirements than those of a government regulatory regime, ensuring it maintains an important and relevant self-regulatory role.

CPA members must produce declarations of completion of CPD within the annual membership renewal process. If non-compliance is discovered, the member will be asked to prepare a plan to rectify the deficit and the member will be audited again in the next audit. A failure to cooperate with this process may result in a fine, cancellation of CFP Professional status or cancellation of membership.<sup>34</sup>

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<sup>34</sup> ASIC, above n 25, 22.



## Summary

This title sets out a general overview of the nature and purpose of CPD in different professions. It uses the example of five professions to explore some different approaches to CPD, in terms of administration, minimum hours, level of professional autonomy and consequences for non-compliance.

Ultimately, the regulation and administration of CPD reflects the increasing push in industries, particularly those with close client-contact, towards enhanced professionalism and trust. There is a distinct shift away from CPD being merely an administrative obligation. Rather, it is increasingly advocated as a collection of activities that place professionals in good stead to perform in an increasingly competitive and demanding workforce. This view of CPD ensures that the concept of 'lifelong learning' is at the forefront of CPD programs, creating a sense of responsibility among professionals themselves, to share and contribute to the development of knowledge within their professions.

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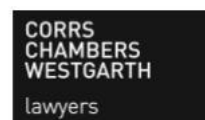


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