

Guidance To Auditors

4. File Review and External Peer File Review

Introduction

The main purpose of this note is to assist auditors in offering advice to agencies where an external peer review is suggested to deal with limited supervisory expertise within the agency. The principles however apply equally well to agencies internal file reviews and thus to our audits of them.

It is based on a response to an agency seeking advice on what it should expect of an external peer review of files. That in turn was based on the casework assessment we use with a few additions.

File Review Content

The formal answer to the question was that the Competences, Generic and Specific (pp45 to 125 in the manual) should be the basis of it - and that is sound advice both from an organizational effectiveness viewpoint as well as a Standards compliance one.

The following is a pragmatic suggestion for the questions we might expect to have been asked on a reviewed file to put that principle into practice.

1. Have all the issues been identified?
2. Is the diagnosis correct?
3. Has appropriate legal research been done?
4. Is the advice accurate?
5. Is it complete?
6. Is it appropriate?
7. Are the Standards specific competences for the topic demonstrated?
8. Are all timescales clearly indicated and kept to?

9. Is feedback to client clear and appropriate for the client to give instructions?
10. Is file management & recording clear and effective - could another advisor pick it up following an incident with the proverbial omnibus?
11. Have any appropriate referrals been made?
12. What corrective action is needed on the file?
13. By whom and when must this corrective action be signed off?
14. What learning points are there from the file for the advisor/solicitor?
15. What learning points are there for the organization?
16. Is any of this work of an unusually high standard?
17. Who did the file review and when?

That looks long winded but does not have to be. Most of those questions can be dealt with by a red, amber and green system (or even ticks and crosses) with qualifying comments on what is not green/ticked. Equally they can be narrative - possibly with comments only on what is outside the norm (better or worse) - reporting by exception. I think it is important that advisors get a pat on the back for good work because we all get the slaps for the bad and that needs to be built in to reviews and included in feedback given to advisors.

Evidence at audit

From an audit evidence perspective, it is point 12 onwards we would look at as evidence of review together with evidence of the implementation of corrective action. The remainder of the points would be part of our normal inspection of the file anyway. File review records may be kept separately from the files and while it is good practice for the notes or a copy to be on the file, as long as there is evidence that the system actually works right through to sign off of the completed action and easily links to the cases in question, that is fine. A simple dated statement that it has been reviewed and no corrective action is required is entirely adequate on an individual file as long as there is evidence of a system to ensure the rest is done - and the reviewer has identified herself or himself. The proviso that the advice actually is satisfactory is, of course, inherent in the previous sentence.

Ian Ford

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