

CPD Webinar series

STRENGTHENING COMPLIANCE CULTURE IN THE ARCHITECTURE SECTOR

Webinar 2: Architects' overarching duties to clients

Dariel De Sousa | Dart Legal & Consulting

Emily Gilfillan | GroupGSA

Rebecca Naughtin | Rebecca Naughtin Architects

ā rbv

Architects
Registration Board
of Victoria



Acknowledgment of Traditional Owners

This presentation is being delivered on the lands of the Wurundjeri People and I wish to acknowledge them as Traditional Owners.

I would also like to pay my respects to their Elders, past and present, and Aboriginal Elders of other communities who may be here today.



CPD Questionnaire

- Attending this webinar live and submitting this form will qualify you for 1 hour formal CPD.
- Certificates will be sent to the email address used to complete this form, please ensure your name and contact details are correct.
- This form will close 24 hours after the webinar has commenced.
- Certificates will be issued within 1 week of the closure of the quiz.

<https://forms.cloud.microsoft/r/qz1PxhpaWA>

CPD quiz: Making practical sense
of your duties to your clients



ABOUT THE REPORT

CULTURE

A row of seven light-colored wooden blocks, each with a black letter, spelling out the word 'CULTURE'. The blocks are arranged horizontally on a white surface. In the background, there is a larger, out-of-focus pile of similar wooden blocks, some of which also have letters on them.

Background

- Catalyst for report:
 - Reports by ARBV and NSW ARB on Systemic Risks in the Architecture Sector (2022 and 2024)
 - CSV Reports on Compliance in Building Design and Non-cladding Defects on Class 2 Buildings (2024)
 - Shergold-Weir Building Confidence Report (2018)
- Importance of regulatory oversight of sectoral culture:
 - Financial Services Royal Commission
 - Identifying and addressing root cause(s) of non-compliance
 - Avoiding harm to clients, users and the profession

Objectives

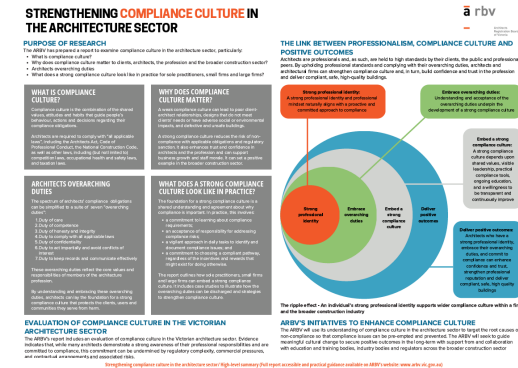
- To clarify what compliance culture is and why a strong compliance culture is important
- To identify overarching duties owed by architects that underpin a strong compliance culture
- To improve understanding of the current compliance culture within the Victorian architecture sector
- To provide practical guidance for architects to strengthen compliance culture
- To identify regulatory tools that can be used to enhance compliance culture
- To highlight the tangible actions that can be taken by architects, the ARBV and other relevant sectoral participants and regulatory bodies to strengthen compliance culture in the architecture sector and the broader construction sector

Outputs

REPORT ON STRENGTHENING COMPLIANCE CULTURE IN THE ARCHITECTURE SECTOR

1 - PAGE HIGH-LEVEL SUMMARY

BOOKLET CONTAINING PRACTICAL GUIDANCE FOR ARCHITECTS AND ARCHITECTURAL FIRMS



KEY CONCEPTS

CULTURE

A row of seven light-colored wooden blocks, each with a black letter, spelling out the word 'CULTURE'. The blocks are arranged in a slightly staggered line on a white surface. In the background, there is a larger, out-of-focus pile of similar wooden blocks, some of which also have letters on them.

- Compliance culture is the combination of shared values, attitudes and habits that guide behaviour, actions and decisions

What is compliance culture?

Why does compliance culture matter?

- A strong compliance culture can reduce compliance risk, but also enhances trust and confidence in the profession. It can set a positive example for the broader construction sector

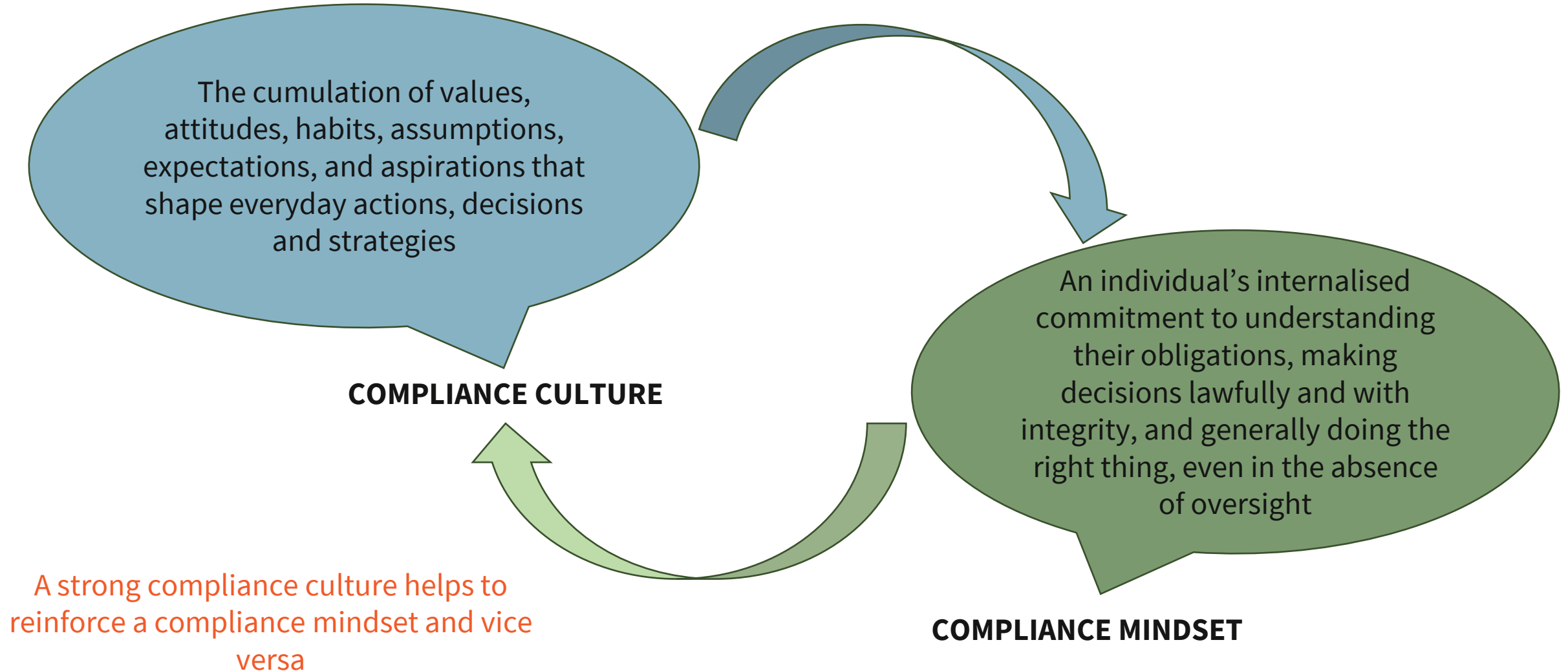
How can compliance culture be strengthened?

- By understanding and embracing their “overarching duties”, architects can lay the foundation for a strong compliance culture

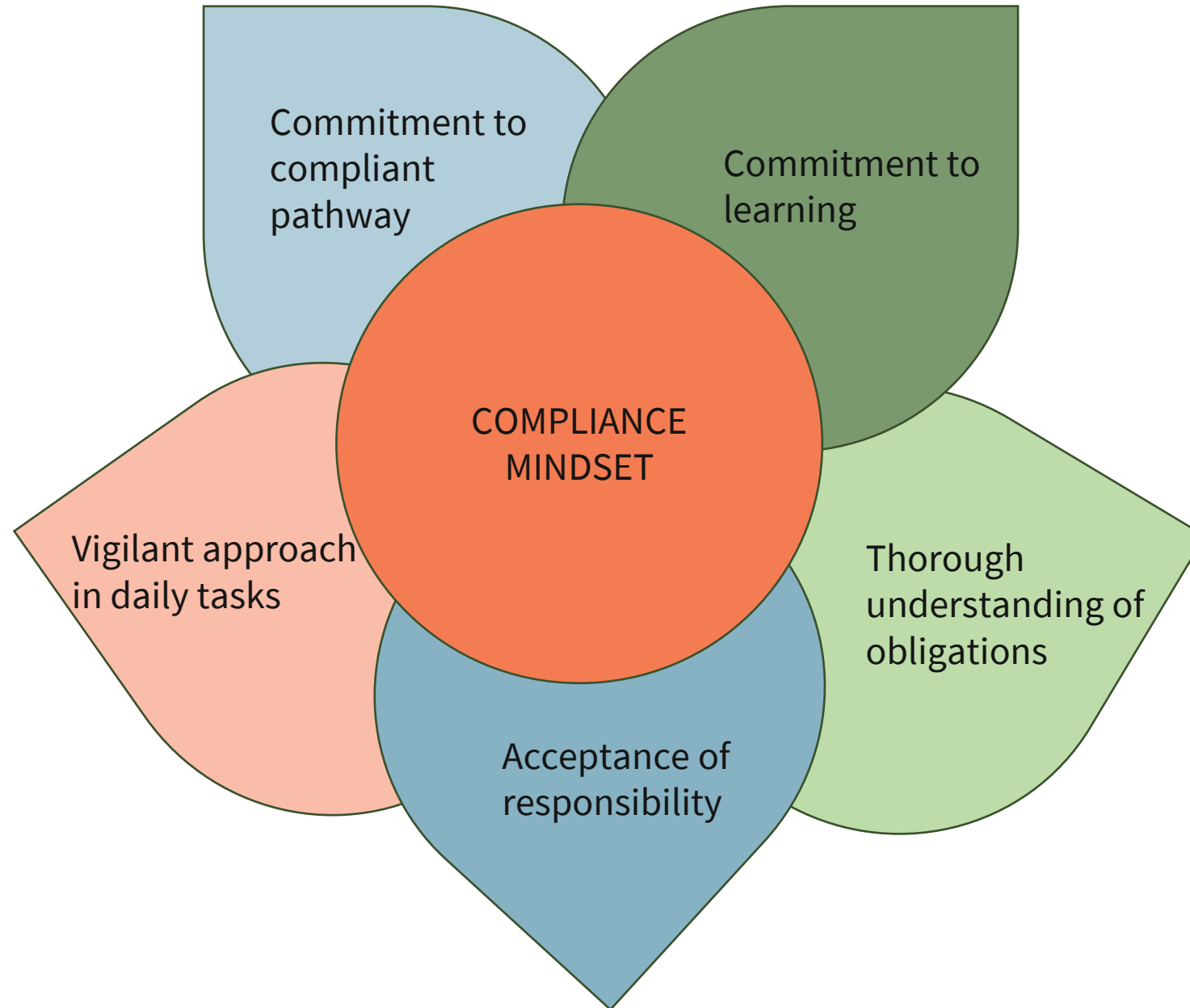
What does a strong compliance culture look like in practice?

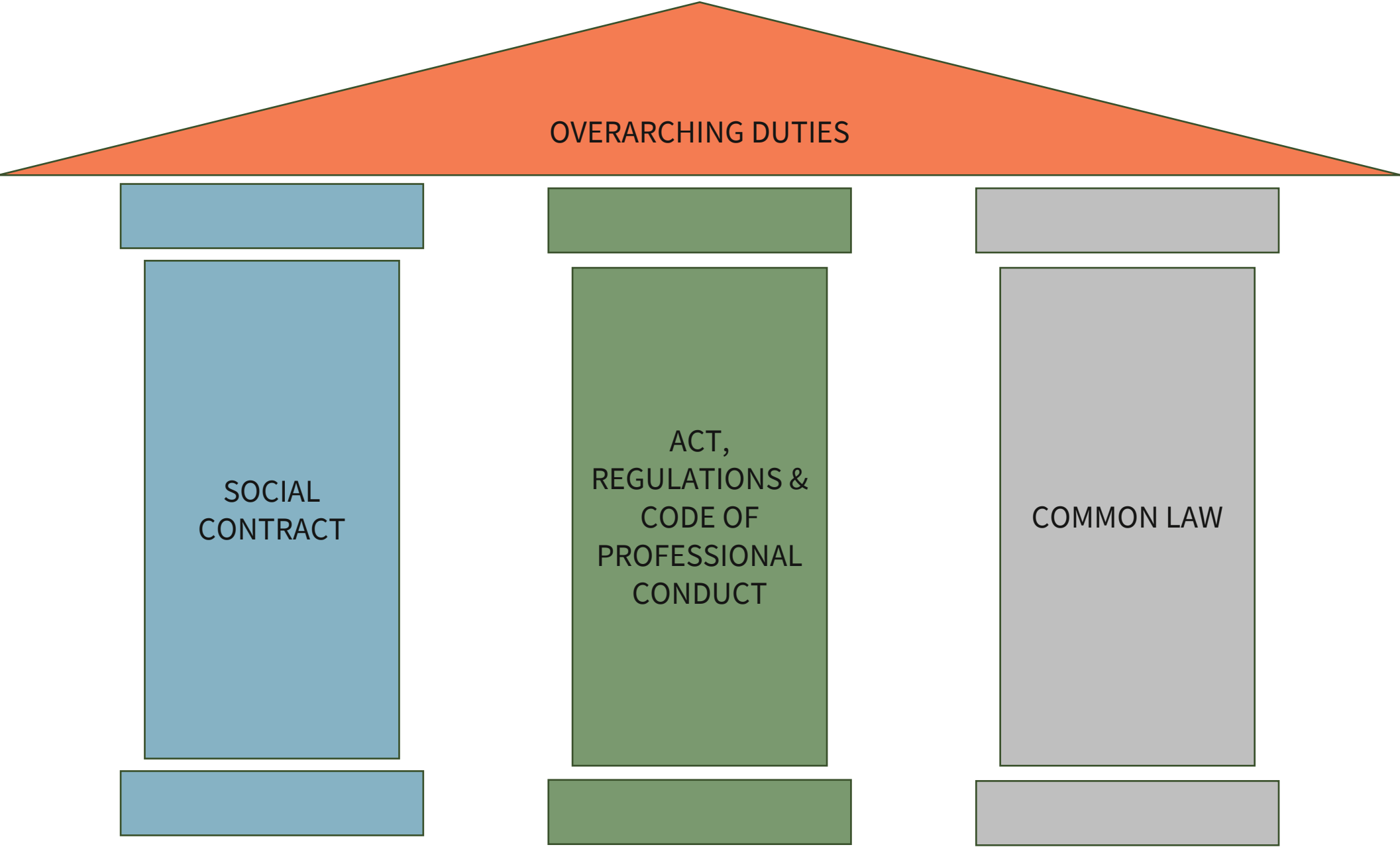
- The foundation for a strong compliance culture is a shared understanding and agreement about why compliance is important

Compliance mindset vs compliance culture



Elements of a compliance mindset





1

Duty of care

2

Duty of competence

3

Duty of honesty and integrity

4

Duty to comply with all
applicable laws

5

Duty of confidentiality

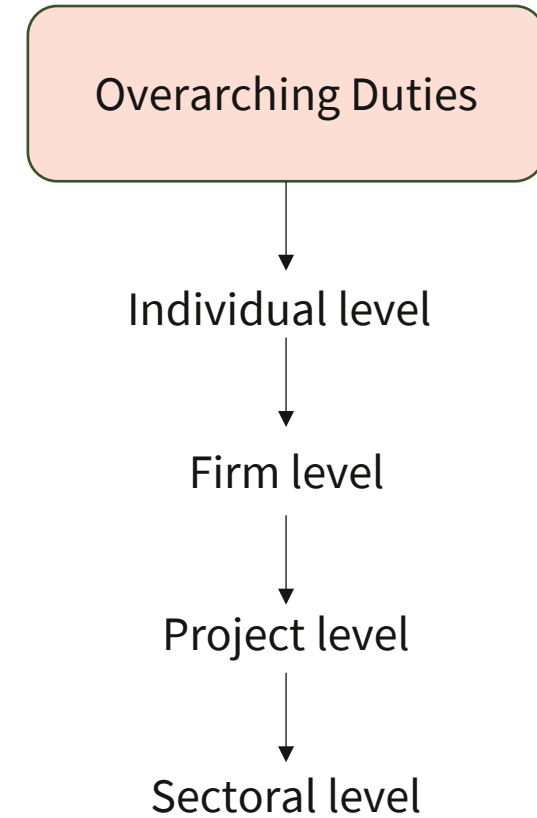
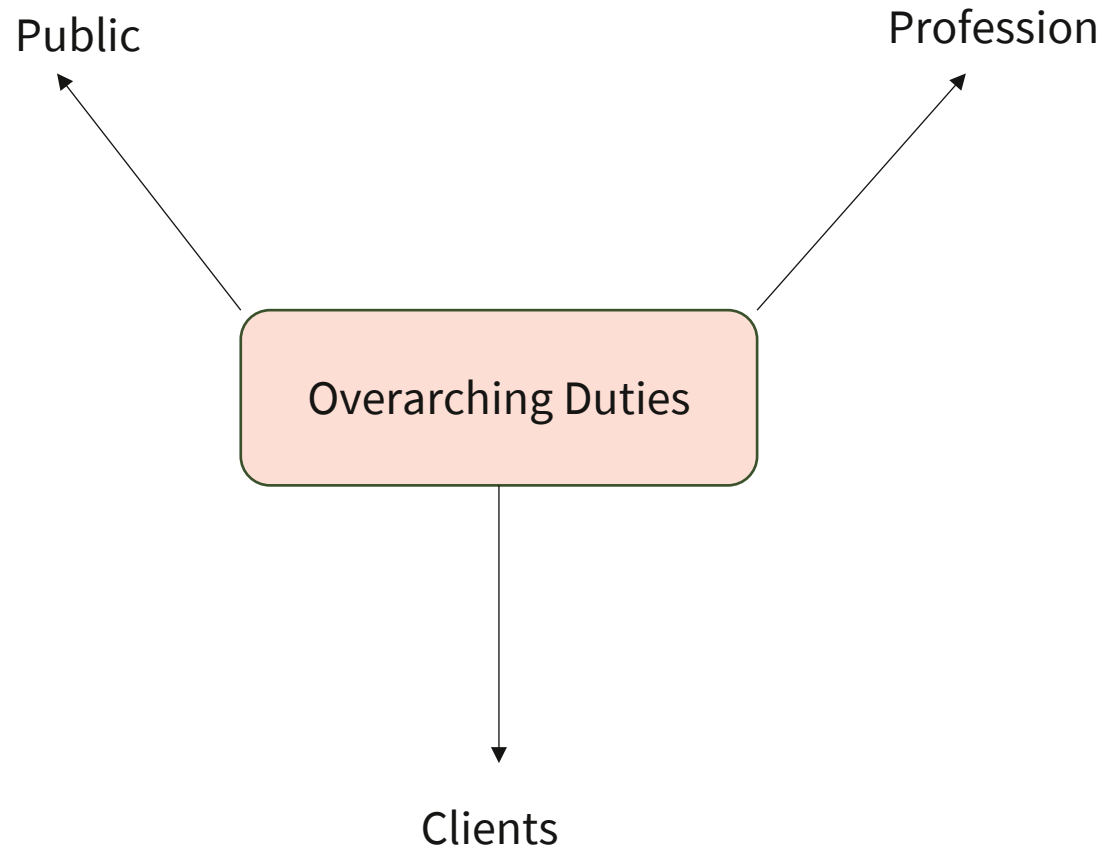
6

Duty to act impartially and
avoid conflicts of interest

7

Duty to keep records and
communicate effectively

Practical application of overarching duties



SOLE PRACTITIONERS AND SMALL FIRMS

1	Understand your unique culture	<ul style="list-style-type: none"> Reflect on how your personal values, knowledge, and circumstances shape your approach to compliance
2	Lead by example	<ul style="list-style-type: none"> Demonstrate a strong personal commitment to compliance through everyday actions and decisions
3	Practise self-discipline	<ul style="list-style-type: none"> Apply self-discipline and good judgment to maintain compliance in all contexts, even when under commercial or time pressures
4	Stay informed	<ul style="list-style-type: none"> Regularly participate in CPD and industry events, and access regulatory updates to stay informed about compliance obligations and risks
5	Use simple compliance tools	<ul style="list-style-type: none"> Adopt practical tools like checklists and templates to manage key compliance obligations efficiently and effectively
6	Embed compliance in practice	<ul style="list-style-type: none"> Integrate compliance risks, actions and decisions into routine workflows, project planning, and client discussions
7	Proactively address compliance issues	<ul style="list-style-type: none"> Identify and resolve compliance risks early
8	Seek external support	<ul style="list-style-type: none"> When necessary, seek external support for guidance and assistance to ensure compliance obligations are met
9	Learn from mistakes	<ul style="list-style-type: none"> Analyse compliance incidents to understand root causes and prevent recurrence
10	Document work	<ul style="list-style-type: none"> Maintain clear records of compliance decisions and actions to demonstrate accountability

LARGE FIRMS

1	Set the tone at the top	<ul style="list-style-type: none"> Practice owners and senior managers should champion the importance of compliance and ethical behaviour through visible actions and communications
2	Actively foster a compliant culture	<ul style="list-style-type: none"> Promote pride in the profession and reinforce the message that compliance protects clients, reputation and ensures safety and quality
3	Implement tailored Compliance Management System	<ul style="list-style-type: none"> Develop tailored policies, procedures, and systems to manage compliance risks consistently across the firm and projects
4	Engage with staff	<ul style="list-style-type: none"> Regularly engage with staff to ensure that they understand that compliance is a shared, collective responsibility
5	Clarify responsibilities	<ul style="list-style-type: none"> Ensure that individual staff are aware of their particular responsibilities to ensure compliance, including in different project contexts
6	Provide ongoing training and education	<ul style="list-style-type: none"> Ensure that staff receive ongoing training so that they understand compliance expectations and how to manage compliance and ethical risks in practice
7	Promote openness and transparency	<ul style="list-style-type: none"> Create a supportive environment where staff feel comfortable and safe to raise compliance concerns
8	Establish reporting mechanism	<ul style="list-style-type: none"> Establish formal mechanisms and, where appropriate, confidential channels, to report compliance issues
9	Incentivise compliance	<ul style="list-style-type: none"> Link staff performance reviews and recognition programs to compliant behaviour
10	Continuously improve	<ul style="list-style-type: none"> Regularly review policies, conduct risk assessments, and adapt systems based on compliance incidents and lessons learned

DUTY OF CARE & DUTY OF COMPETENCE

CULTUR



DUTY OF CARE OWED BY ARCHITECTS TO THEIR CLIENTS



Description	<ul style="list-style-type: none">- Architects must carry out their work to the standard of a reasonably competent architect.
Individual level	<ul style="list-style-type: none">- Work delivered to the client must be fit for purpose and meet the applicable technical standards.- Work should be delivered on time and be appropriately documented.
Firm level	<ul style="list-style-type: none">- The firm must ensure systems, supervision, and quality assurance processes are in place so that all work delivered to the client meets the standard of reasonable competence and is fit for purpose.
Project level	<ul style="list-style-type: none">- All aspects of the project from design through to delivery must meet the applicable technical and regulatory standards and are completed within agreed timeframes.- Architects must coordinate inputs, manage risks, and ensure that the work as a whole remains fit for purpose.
Sectoral level	<ul style="list-style-type: none">- This duty should be reinforced at the sectoral level through relevant CPD programs that focus on architects' duty of care to their clients.

DUTY OF COMPETENCE OWED BY ARCHITECTS TO THEIR CLIENTS



Description	<ul style="list-style-type: none">- Architects must possess and apply the necessary knowledge, skills and judgement to perform their roles professionally.
Individual level	<ul style="list-style-type: none">- Architects must stay up-to-date with technical and regulatory developments.- They must engage in CPD and recognise the limits of their expertise when providing services to their clients
Firm level	<ul style="list-style-type: none">- The firm must ensure that client work is undertaken by appropriately qualified and competent personnel, with adequate supervision and review.- Staff should be supported in maintaining competence through training, mentoring, and CPD programs.
Project level	<ul style="list-style-type: none">- The project team must collectively demonstrate competence in the design, technical, regulatory, and delivery aspects of the project.- Architects must ensure that all services delivered to the client are undertaken by competent professionals and that judgment and decision-making account are based on best practice.
Sectoral level	<ul style="list-style-type: none">- This duty should be reinforced at the sectoral level through relevant CPD programs that focus on architects' duty of competence to their clients.

- Scope creep and client expectations
- Documentation and record-keeping
- Scope beyond expertise
- Access to experts





DUTY OF HONESTY & INTEGRITY
AND DUTY TO ACT IMPARTIALLY
AND AVOID CONFLICTS OF
INTEREST

CULTUR



DUTY OF HONESTY & INTEGRITY



Description	<ul style="list-style-type: none">- Architects must act honestly, transparently, and ethically in all aspects of their work.
Individual level	<ul style="list-style-type: none">- Architects must be truthful and transparent in all dealings with clients, providing accurate information about progress, costs, and risks.- They should avoid deception, misrepresentation, or concealment of errors and promptly disclose mistakes.
Firm level	<ul style="list-style-type: none">- The firm must establish governance, transparency, and accountability policies to ensure honest communication and decision-making with clients.- It should foster a culture of integrity, requiring staff to report errors openly and prioritise ethical conduct over profit or convenience.
Project level	<ul style="list-style-type: none">- The project must be managed in a way that ensures transparency in scope, fees, timelines, and performance, with honest reporting of any issues affecting project delivery.- The project team must ensure decisions are made ethically and in good faith, including when managing client expectations, resolving disputes, or addressing design or compliance challenges.
Sectoral level	<ul style="list-style-type: none">- The architectural profession collectively owes clients a duty to consistently engage in ethical, transparent professional conduct in their dealings with their clients.

DUTY TO ACT IMPARTIALLY AND AVOID CONFLICTS OF INTEREST




Description	<ul style="list-style-type: none">- Architects must act impartially and avoid situations where their personal or commercial interests could compromise their professional judgement.
Individual level	<ul style="list-style-type: none">- Architects must exercise independent and unbiased judgment, ensuring that personal, financial, or professional interests do not influence their advice or decisions.- They must disclose any actual or potential conflicts of interest to their clients promptly and decline gifts or benefits that could compromise, or appear to compromise, their impartiality.
Firm level	<ul style="list-style-type: none">- The firm must implement policies and procedures to identify, disclose, and manage conflicts of interest in client engagements.- It should promote a culture of integrity and transparency, ensuring all staff act in the best interests of clients, even when doing so may adversely impact the firm's commercial position.
Project level	<ul style="list-style-type: none">- Any relationships or interests involving contractors, consultants, or suppliers must be disclosed and managed openly to protect client trust and project integrity.
Sectoral level	<ul style="list-style-type: none">- Across the profession, architects owe clients a duty to ensure that impartial and professional conduct is always followed.

- Financial and fee pressures
- Client relationship bias
- Misrepresentation of expertise
- Multiple roles and relationships
- Financial complexities
- Dual representation



DUTY TO APPLY ALL
APPLICABLE LAWS AND
DUTY OF CONFIDENTIALITY

CULTURE

A row of seven light-colored wooden blocks, each with a black letter, spelling out the word 'CULTURE'. The blocks are arranged in a slightly overlapping line. In the background, there is a larger, out-of-focus pile of similar wooden blocks, some of which also have letters on them.

DUTY TO COMPLY WITH ALL APPLICABLE LAWS



Description	<ul style="list-style-type: none">- Architects must adhere to all legal and regulatory requirements relevant to their work.
Individual level	<ul style="list-style-type: none">- Architects must understand and comply with all legal and regulatory obligations, including those under the Architects Act, Architects Regulations, Code of Professional Conduct, and the National Construction Code as well as broader legal requirements that apply to the provision of architectural services.
Firm level	<ul style="list-style-type: none">- The firm must maintain robust compliance policies and systems to ensure that all staff and subcontractors operate within legal and regulatory boundaries.- It should establish training and oversight mechanisms to prevent breaches that could expose clients or the firm to legal risk.
Project level	<ul style="list-style-type: none">- Architects must ensure that the project complies with all applicable laws (including planning and building laws and standards) and necessary approvals are obtained.- They must provide accurate and lawful advice and guidance to clients about regulatory approvals and compliance requirements.- They must ensure that decisions and documentation comply with applicable legal standards.
Sectoral level	<ul style="list-style-type: none">- The architectural profession collectively owes clients a duty to uphold lawful and ethical practice in the delivery of architectural services.

DUTY OF CONFIDENTIALITY



Description	<ul style="list-style-type: none">- Architects owe clients a duty to keep their information and communications private unless they are authorised or legally required to disclose it.
Individual level	<ul style="list-style-type: none">- They must ensure private client communications and client materials are securely stored, and use discretion in disclosing information in the context of discussions with third parties.
Firm level	<ul style="list-style-type: none">- The firm must establish and enforce policies and systems for the secure handling, storage, and sharing of client information.- It should ensure all employees and contractors understand and comply with confidentiality obligations, including data protection, access controls, and procedures for lawful disclosure where required.
Project level	<ul style="list-style-type: none">- Project teams must exercise care when sharing confidential client information with consultants, contractors, and stakeholders, only as necessary and with client consent.- Architects must manage information flows carefully, balancing collaboration with privacy, and protecting sensitive details about the client's project, finances, or personal circumstances.
Sectoral level	<ul style="list-style-type: none">- The architectural profession collectively owes clients a duty to uphold confidentiality as a core professional standard.

- Limited administrative capacity
- Record-keeping
- Communication
- Data security
- Staff turnover



DUTY TO KEEP RECORDS AND COMMUNICATE EFFECTIVELY

CULTURE

A row of seven light-colored wooden blocks, each with a black letter, spelling out the word 'CULTURE'. The blocks are arranged in a slightly staggered line on a white surface. In the background, there is a larger, out-of-focus pile of similar wooden blocks, some of which also have letters on them.

DUTY TO KEEP RECORDS AND COMMUNICATE EFFECTIVELY




Description	<ul style="list-style-type: none">- Architects must maintain accurate, complete, and accessible records of their work, and to communicate clearly, honestly, and promptly with clients and others involved in a project.
Individual level	<ul style="list-style-type: none">- Architects must document all key decisions, communications, and agreements with clients to ensure clarity, transparency and accountability.- They must communicate clearly, accurately, and in a timely manner, keeping clients informed about progress, risks, and issues that may affect cost, quality, or schedule.
Firm level	<ul style="list-style-type: none">- The firm must maintain robust policies and systems for record-keeping and information management.- It should train staff in effective communication practices and ensure all correspondence and project records are properly stored and retrievable.
Project level	<ul style="list-style-type: none">- The project team must ensure accurate documentation of project developments, including design decisions, approvals, instructions, and variations.- Communication with clients, consultants, and contractors must be coordinated, timely, and transparent, reducing risk and supporting informed client decision-making.
Sectoral level	<ul style="list-style-type: none">- Across the profession, architects owe clients a duty to communicate and document appropriately, ensuring accountability and confidence in architectural services.

- Contracts
- Systems and Processes
- Record-keeping
- Communication



CONCLUDING REMARKS

CULTURE

A row of seven light-colored wooden blocks, each with a black letter, spelling out the word 'CULTURE'. The blocks are arranged horizontally on a white surface. In the background, there is a larger, out-of-focus pile of similar wooden blocks, some of which also have letters on them.

Key messages

- The overarching duties simplify the spectrum of architects' compliance obligations into a clear, practical framework to ensure professional conduct.
- The overarching duties embody the core values and responsibilities that define architects as professionals
- Consistent application of these duties helps ensure that architectural services are delivered lawfully, ethically, and to a high standard, strengthening confidence in both individual practitioners and the profession as a whole.

DISCUSSION

CPD quiz: Making practical sense
of your duties to your clients





Architects
Registration Board
of Victoria

ARCHITECTS REGISTRATION BOARD OF VICTORIA

Address

Level 10, 533 Little Lonsdale Street
Melbourne VIC 3000

Phone number

03 9417 4444

Email

registrar@arbv.vic.gov.au