

# Our approach to oversight

## Why have we developed a new approach?

The SLCC's oversight function forms a core part of the regulatory system for legal services in Scotland. It provides independent oversight of the complaints and redress system; specifically those powers and functions carried out by the Relevant Professional Organisations (RPOs), and by lawyers and law firms across the country. The SLCC, operating as an independent body, has responsibility for other aspects of the complaints and redress system, including providing the single gateway for complaints, and investigating, resolving and determining service complaints.

Our [2020-24 strategy](#) commits us to increasing the effectiveness of oversight as a tool for quality improvement. Drawing on more than a decade of experience, we want to ensure we are using the powers we have to best effect to add value and contribute to well-functioning complaint handling and redress systems and processes across the legal services sector.

We believe it's our responsibility to be clear about how we will use the powers we have, and to what end. We want to have a constructive and collaborative dialogue with the sector about how our oversight can support their own plans for improvement.

We hope, in turn, that the legal sector will recognise the value of independent oversight in helping to drive improvement and ultimately to promote public confidence in the regulation of legal services.

This statement is informed by an internal review carried out by the SLCC, and an informal consultation conducted with relevant stakeholders between December 2020 and June 2021. We very much appreciate the engagement in this, and this final statement reflects the helpful points raised as part of that discussion.

## The SLCC's approach to oversight

This document details the SLCC's approach to oversight. It sets out our strategic aim, the outcomes we want to see, and how we will exercise our powers and deliver our functions in order to achieve them.

## The principles underpinning our approach

We have drawn on the Better Regulation Principles and Consumer Principles to inform our thinking and approach. We believe the following principles apply:

### Risk-based

- proportionate and targeted based on our knowledge of the significant issues or themes we see in complaint handling and redress, and the key risks to public protection, natural justice and public confidence

### Quality-focused

- ensuring appropriate quality assurance systems are in place

### Improvement-focused

- making sustainable recommendations for ongoing improvements in practice

### Outcome-focused

- ensuring complaint and redress processes function effectively to meet their intended outcomes

### Transparent

- being open about what we're seeking to achieve, where it's being achieved and where it falls short, including reporting/ publishing information where possible

## Our role

*“The proposed reforms of the system of complaints handling aim to put the users of legal services at the heart of regulatory arrangements. This would be achieved by introducing a greater degree of independence to the system and by increasing oversight functions.”*

**Legal Profession and Legal Aid (Scotland) Bill,  
Policy Memorandum (2006)**

In addition to the SLCC's role as the single gateway for complaints, and in resolving service complaints, the organisation was given statutory powers of oversight of complaints and redress in the 2007 Act in order to bring an independent view to the entire complaints process.

These include powers to oversee complaints and redress processes discharged by the Relevant Professional Organisations, and to issue guidance on complaint handling across the wider legal services sector. Other powers support this work, including powers to monitor, report and publish information about complaints.

These powers have been extended by Parliament twice. Firstly, in 2010 when the SLCC was granted duties in relation to complaints about Approved Regulators under the new regime envisaged by legislation (although not yet fully implemented). Then again in 2014 when the SLCC's remit was widened to allow it to accept handling complaints from lawyers.

The SLCC's oversight function is important to:

- reinforce public confidence about the effectiveness and impartiality of complaint handling by the Relevant Professional Organisations
- offer reassurance to the legal profession that disciplinary matters are being dealt with fairly and transparently
- ensure that broader learning is drawn from complaints and used to drive improvement across the legal services sector
- prevent avoidable risk and minimise the associated regulatory and indemnity costs.

## Our aims and outcomes

**Our Strategic Aim:** Ensuring public confidence through effective oversight of complaints, redress, continuous improvement and the effective performance of approved regulators.

### Key outcomes

- First tier complaints procedures are clear, well communicated, function well, and are used as a tool for improvement
- RPO complaints procedures are clear, well communicated, function well, and are used as a tool for improvement
- Consumers receive the redress they have been awarded and mechanisms for redress function well
- The common causes of complaints are well known and understood, and practitioners and firms prioritise action to minimise them (through good customer service and strong risk management)
- All parties have the information they require to ensure that the end to end complaints process functions well, within the restrictions of the current system and legislation.

By well-functioning, we mean that activities carried out within complaints or redress procedures are discharged in line with stated aims and processes and within reasonable timescales, and meet stated objectives (those set out by the party discharging the duties, and those contained in relevant statutory rules or guidance).

By tool for improvement, we mean that complaints procedures seek to both remedy any agreed or upheld issue of complaint, and award any appropriate redress, but also seek to draw out and communicate learning to inform guidance, advice, training and other tools for improvement, in order to reduce the likelihood of similar issues occurring in future.

## Our approach

We will:

- **share** our aims, principles, approach, expectations and desired outcomes with relevant stakeholders
- **highlight** risks or opportunities to achieving these outcomes
- **work collaboratively and constructively** with others to find solutions to achieve these outcomes
- **make proposals for action** that others can take to achieve these outcomes
- **use our statutory powers**, where necessary, to compel others to act, or to allow us to act
- **follow up our recommendations** at appropriate intervals to assess progress
- **publish** information to support this work (as far as we are able)
- **identify areas for policy or legislative reform** to help achieve these outcomes.

## Tools and activities

Our oversight activities are varied, and we have multiple tools at our disposal, including:

### First tier complaint handling

- Written guidance and advice
- Outreach presentations and workshops
- 1:1 conversations and visits
- Tools and resources
- Premature complaint referrals back

### RPO complaint handling

- Individual handling complaints
- Audits and trends analysis
- Recommendations on specific cases and broader improvements

### Consumer redress

- Ongoing engagement with stakeholders delivering indemnity arrangements

### Monitoring, reporting and publishing

- Data collection and analysis
- Quarterly information sharing with RPOs
- Publication of key trends
- Use of trends data in our outreach work with the sector

## Our powers

| Topic   | Power  | Source   |
|---|--|----------|
| First tier complaints handling                      | Issuing guidance and best practice advice to the profession on complaints handling   | S40      |
|   | Referring a complaint back to allow the practitioner/ firm to consider a complaint made prematurely  | S8       |
| Complaints handling by RPOs and Approved Regulators | Dealing with complaints about RPO conduct complaint procedures, making recommendations and directions to comply                                      | S23, S24 |
|   | Dealing with complaints about Approved Regulator regulatory complaint procedures   | S57*     |
|   | Powers to audit RPOs' complaint records and to make recommendations for improvements to complaint handling procedures or give guidance on timescales | S36      |
|   | Issuing guidance to RPOs on timescales and procedures for dealing with conduct complaints  | S36      |
| Consumer redress                                    | Monitor the effectiveness of the Master Policy and Client Protection Fund, request information and make recommendations for improvement              | S39      |
| Monitoring, reporting and publishing                | Monitoring practice to identify trends in complaints and complaints handling across the sector   | S35, S36 |
| Obtaining information from RPOs                     | Require RPOs to provide information or documents relevant for any of the purposes of section 23, 24 or 36  | S37      |
| Performance of Approved Regulators                  | Dealing with Approved Regulator complaints   | S57E*    |

*\*not yet implemented*