

# Consumer Duty

## Background

Since 1 April 2024, the SLCC has been subject to the consumer duty, meaning that in taking strategic decisions we must:

- have regard to the impact of the decision on consumers
- have regard to the desirability of reducing harm to consumers
- publish information about the steps taken to meet the duty
- have regard to the guidance.

## The SLCC budget and operating plan

At its meeting in November 2025, the SLCC board agreed that the development and agreement of the SLCC strategy, budget and operating plan is a strategic decision and so is one to which the consumer duty should apply. This should apply to whole process, start to finish, from board’s first consideration to the point at which it is published and laid in parliament.

## Impact assessment

The table below sets out the impact assessment carried out to ensure the Board has regard to the impact of the budget and operating plan on consumers and to the desirability of reducing harm to consumers.

## Impact Assessment

### Planning

Question	Response
Do you consider this to be a 'strategic decision' in line with the consumer duty guidance? (if not, why not?)	Yes
Is this decision likely to have an impact on any/ all consumers?	This decision is likely to have an impact on consumers of the SLCC’s services and an indirect impact on consumers of legal services.
Have you considered/reviewed the consumer duty guidance before planning this proposal?	The SLCC board and executive has considered and reviewed the consumer duty guidance before planning this proposal.

Has an outcomes-based approach been taken to planning this project?	Yes. This includes a focus on providing better quality services and improving outcomes for consumers, which are at the heart of the SLCC's mission and strategic aims. We have also considered how the consumer principles apply to this decision.
Have you considered how this proposal meets the consumer duty requirements?	Yes
How do you plan to meet the consumer duty with respect to this project/ proposal/ plan?	Board papers on the strategy, budget and op plan will include specific reference to the consumer duty to ensure discussions have regard to the impact of the decisions on consumers and to the desirability of reducing harm to consumers.
What plans are in place to ensure that the three requirements of the consumer duty are met?	Board papers drawing on the guidance to focus discussion on the 'have regard' requirements. The Director of Public Policy leads on reporting.
What consumer engagement plans have been made?	We have a statutory requirement to consult, which includes our Consumer Panel. We also invite other relevant consumer groups to respond. Board (plus the Consumer Panel) receives quarterly customer feedback reports from the Service Experience Team and takes those into consideration. No plans for specific engagement on the budget beyond this, but the op plan will contain details of any specific projects which include engagement.
What plans do you have for ensuring appropriate consumer engagement is undertaken throughout the entire process?	Customer feedback and ongoing day-to-day engagement informs operational planning. Specific feedback on proposals at consultation stage.
What approach are you taking to ensure you meet the requirements of the consumer duty? E.g., impact assessment?	Using impact assessment to assess consideration. Full public consultation including targeted engagement with consumer groups to gather evidence (see below).

## Evidence gathering

Question	Response
Has sufficient evidence been gathered to evaluate the outcomes of this project and meet the consumer duty?	Yes
What consumer engagement has been undertaken?	Existing quarterly customer feedback data and comments have been considered plus the dedicated budget and operating plan consultation (which includes targeted engagement with consumer groups).
Have any evidence gaps been identified? Could these be filled with further consumer engagement?	No. The consultation received two responses from consumer groups and representatives.

## Assessment and improvement of proposal

Question	Response
Have you assessed the impact of the proposal on consumers?	<p>Yes, in its meetings in November and December 2025 the board considered the budget and operating plan proposals, including the impact on consumers through the commitment to specific consumer-focused improvements and funding for the independent Consumer Panel, plus general improvements to the complaints process and regulatory system that may benefit consumers. In addition, the impact on consumers of swift implementation of the legislative changes was considered.</p> <p>At its March 2026 meeting the board considered responses to the consultation from Consumer Scotland and the Consumer Panel. Those responses were broadly in favour of the proposals.</p>
Have you identified alternative options that would improve outcomes for consumers?	No further alternative options were identified through the consultation process.

## Decision

Question	Response
How does the final decision impact on consumers?	<p>The decision impacts on consumers through the commitment to, and level of funding available to meet consumer demand, plus delivering specific consumer-focused improvements and general improvements to the complaints process and regulatory system that may benefit consumers.</p> <p>In addition, the commitment to swift timescales for implementation of legislative changes impacts consumers positively as it will help us deliver a more efficient and proportionate complaints system.</p> <p>The decision on the budget and operating plan commits resource to projects to improve customer service users as well as agile work to make ongoing improvements to the complaints process, and to implement legislative changes that will bring further opportunities for improvement.</p>
Why were alternative options not chosen and what would have been the outcomes for consumers in these scenarios?	No specific alternative options were considered.
Was the best option for consumers chosen? If not, why not?	<p>The board's duty is to ensure that sufficient funding is delivered to support delivery of the SLCC's statutory duties. It must take into account the impact on consumers, the needs of users of its service and the impact on practitioners, who fund the SLCC's work.</p> <p>In balancing those considerations, the board believes that the best feasible option for consumers was chosen, ensuring a continued focus on improvement and accessibility within the SLCC's wider improvement work.</p>

## Publication

Question	Response
How will you publish the steps taken to meet the duty?	<p>This will be published in our annual report. Details on some of the consultation considerations will also be published along with the final budget.</p> <p>However, board also agreed to publish the full impact assessment to aid transparency and demonstrate genuine engagement with the requirements of the consumer duty.</p>

## Evaluation of the approach taken to meet the duty

Question	Response
Did you meet the four statutory duty requirements of the consumer duty?	Yes
Did your approach to meeting the duty help improve outcomes for consumers? If not, how could this be improved in the future?	We will monitor the impact of the work committed to in this budget and operating plan, including evaluating potential improvements for consumers.
Is there anything that could be changed to improve the approach to meeting the duty in future?	More targeted consumer engagement might help to inform decision-making in future, depending on the nature of decision under consideration. However, for this decision the statutory consultation process, which includes consultation with our independent consumer panel and other consumer groups, was felt to be the best approach.