

Scottish National Investment Bank Bill

**Child Rights and Welfare
Impact Assessment
Stage 1 Screening**

Screening questions

April 2019



Scottish Government
Riaghaltas na h-Alba
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SCOTTISH NATIONAL INVESTMENT BANK BILL

Child Rights and Welfare Impact Assessment Stage 1 Screening - key questions

1. What aspects of the policy/measure will affect children and young people up to the age of 18?

The provisions set out in the Scottish National Investment Bank Bill place a duty on Scottish Ministers to establish the Bank, and gives them a power to capitalise it.

The Bank will be established as a public limited company with the purpose of providing finance to businesses and enterprises in Scotland to deliver growth. Broadly speaking, the Bank will take a mission-based approach to its investment. This means that Scottish Ministers set the strategic direction of the Bank by identifying a set of medium term 'missions' for the Bank which will require the Bank to support transformational change across a number of 'grand' socio-economic challenges.

An Equality Impact Assessment in respect of the Scottish National Investment Bank Bill and the establishment of the Bank has been published on the Scottish Government webpages. The conclusions of this Child Rights and Wellbeing Impact Assessment screening complement the findings of the Equality Impact Assessment.

It is not considered that the proposed policy approach will negatively impact upon the rights or wellbeing of children and young people up to the age of 18. As set out below, there are considered to be likely positive impacts for children and young people up to the age of 18.

2. What likely impact - direct or indirect - will the policy/measure have on children and young people?

The Equality Impact Assessment identified prospective positive impacts as a result of our proposals in respect of:

- the Bank's approach to its governance and staff;
- the Bank's approach to its customers; and,
- the Bank's approach to its lending.

The prospective positive impacts identified in the Equality Impact Assessment will also generally impact positively upon children and young people under the age of 18. This section considers the application of the Bank's approach to its governance and staff and the Bank's approach to its customers. The application of the Bank's approach to its lending is considered in answer to Question 3.

The Bank's approach to its governance and staff

It is possible that the Bank will have employees who are under the age of 18, such as modern apprentices, and the prospective positive impacts of the Bank's approach to its governance and staff as identified in the Equality Impact Assessment will also benefit them. The Bank will also wish to consider in its recruitment and human resources policies whether specific action is required to

further the wellbeing and rights of young people under the age of 18 in the workforce, and whether particular groups of young people require specific provision. This will be the responsibility of the Bank's Board and management.

The Bank's approach to its customers

The Equality Impact Assessment identified a number of potential positive impacts that the Bank could deliver through its approach to its customers. The Bank will be lending to businesses and so in practice its customers will be entrepreneurs and the owners and managers of businesses. It is possible that young people under the age of 18 could hold such a position (persons over 16 can sign contracts and act as company directors). We are not aware of evidence of particular issues faced by businesses led or owned by young people under the age of 18. If such evidence does become available the Bank should consider whether its activities can address those issues.

3. Are there particular groups of children and young people who are more likely to be affected than others?

The Equality Impact Assessment set out the potential positive impacts of the Bank through its approach to its lending. The Bill provides for the ancillary objects of the Bank and this includes "investing in inclusive and sustainable economic growth". The creation of the Bank and its delivery of its objects are anticipated to bring widespread benefits as it aligns itself with the Scottish Government's ambition to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. This is anticipated to bring indirect benefits to children and young people though it is recognised that due care should be taken to ensure that benefits are accessible to all, and that individual groups are not disadvantaged as a result of the Bank's lending activities.

One key aspect of this is the proposed alignment of the Bank's lending approach with Fair Work First. This can help to ensure that with economic investment in a business comes investment by the business in its workers to their mutual benefit. The Bank may deliver further additionality to the benefit of young people under 18 through requiring, for example, recipients of financing to take up additional modern apprenticeships.

The Bank may also deliver additionality for children and young people under 18 through the projects that it funds, either through the connection of children and young people to the recipient of finance or through the impacts of the project or activities carried out as a result of the finance offered by the Bank. As set out in the Equality Impact Assessment, the Bank's approach for lending, and its response to the missions set for it by the Scottish Ministers, will be set out in its Investment Strategy and Ethical Statement which the Bank itself will prepare. As the Investment Strategy will be developed by the Bank once established, how the Strategy will ensure that positive impacts are delivered for children and young people under 18 cannot be set out definitively in this Impact Assessment. Scottish Ministers will expect the Bank to consider the issues identified in this Impact Assessment in the development of its Investment Strategy and approach to its governance and internal systems.

4. Who else have you involved in your deliberations?

The development of the Equality Impact Assessment included wide consultation across the Scottish Government and with stakeholders. This supplemented two public consultations conducted to support development of the Implementation Plan for the Bank (published in February 2018) and the development of the Scottish National Investment Bank Bill respectively. This internal and stakeholder engagement concerned the protected characteristics. No particular issues were raised with us in relation to children and young people under 18 but consideration of these issues will continue as set out above.

5. Will this require a Child Rights and Wellbeing Impact Assessment?

We consider that a Child Rights and Wellbeing Impact Assessment is not required in respect of the Scottish National Investment Bank Bill and the establishment of the Scottish National Investment Bank.

There have not been any negative impacts on the rights or wellbeing of children and young people under 18 identified as a result of either initiative. It is additionally considered that the Bank can deliver positive impacts for children and young people under 18 through its governance, how it interacts with its customers and how it approaches its lending. The Bank will consider how to deliver those positive impacts as it puts its investment strategy, and internal governance and working processes in place.

Child Rights and Welfare Impact Assessment Declaration

Tick relevant section, and complete the form.

Child Rights and Welfare Impact Assessment required

Child Rights and Welfare Impact Assessment not required

X

Authorisation

Policy lead

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Scottish National Investment Bank

Date

28 March 2019

Deputy Director or equivalent

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Deputy Director
Scottish National Investment Bank

Date

28 March 2019



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