

# **The Moveable Transactions (Scotland) Bill**

**Child Rights and Wellbeing Impact  
Assessment - Stage 1 screening**

**May 2022**

## **CRWIA Stage 1 Screening - key questions**

### **1. Name the policy, and describe its overall aims.**

This Bill aims to implement the Scottish Law Commission (SLC) report on moveable transactions to make it easier for small and medium size businesses to raise finance and to bring current law up to date and more into line with modern practice in other jurisdictions. Moveable transactions law enables businesses and individuals to use their moveable property (i.e. property other than land and buildings) to access finance by:

- Assignment of debt owing to them, for example invoices
- Granting security over corporeal moveable property (such as vehicles, equipment, whisky or livestock) and certain incorporeal moveable property specifically financial instruments (such as shares) and intellectual property

The Bill will require the creation of two new registers Register of Assignations and the Register of Statutory Pledges which will be held and maintained by Registers of Scotland.

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

The aim of the Bill is to make it easier for small and medium size businesses to raise finance. It also applies to sole traders and individuals. The availability of such finance will help support businesses who may have cash flow issues. Any young person setting up a business as a sole trader etc. may be affected. However, such young persons may have difficulty in obtaining credit. Generally, the policy does not affect children.

### **3. What likely impact – direct or indirect – will the policy/measure have on children and young people?**

There may be a direct impact if a young person is a sole trader or has a fledgling business. But there may be difficulties in obtaining credit in the first instance and this may be done so through an adult. If credit is available to an under 18 then the benefits will be that they can use their moveable property to access finance.

Indirectly, if one or both parents run a small business then the access to raise finance may be a benefit to the family as a whole

#### **4. Which groups of children and young people will be affected?**

Under the UNCRC, 'children' can refer to: individual children, groups of children, or children in general. Some groups of children will relate to the groups with protected characteristics under the Equality Act 2010: disability, race, religion or belief, sex, sexual orientation. 'Groups' can also refer to children by age band or setting, or those who are eligible for special protection or assistance: e.g. preschool children, children in hospital, children in rural areas, looked after children, young people who offend, victims of abuse or exploitation, child migrants, or children living in poverty.

There may be an indirect impact on any child whose parent or parents run a business or have moveable assets which may be used to raise finance.

There may be a more direct impact on young people who are of an age to set up a business but the numbers of these will likely be small and any potential lender may be less likely to lend to such a person.

#### **5. Is a Children's Rights and Wellbeing Impact Assessment required?**

No. The Bill's aims are to assist businesses and individuals wishing to access finance by using their moveable property (other than land and buildings) as collateral.

For these reasons a CRWIA is not considered required.

#### **CRWIA Declaration**

CRWIA not required

#### **Authorisation**

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The Scottish Government  
St Andrew's House  
Edinburgh  
EH1 3DG

ISBN: 978-1-80435-464-3 (web only)

Published by The Scottish Government, May 2022

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA  
PPDAS1074443 (05/22)

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