



# Small Business, Enterprise and Employment Act 2015

## 2015 CHAPTER 26

### PART 1

#### ACCESS TO FINANCE

##### *Assignment of receivables*

#### **1 Power to invalidate certain restrictive terms of business contracts**

- (1) The appropriate authority may by regulations make provision for the purpose of securing that any non-assignment of receivables term of a relevant contract—
  - (a) has no effect;
  - (b) has no effect in relation to persons of a prescribed description;
  - (c) has effect in relation to persons of a prescribed description only for such purposes as may be prescribed.
- (2) A “non-assignment of receivables term” of a contract is a term which prohibits or imposes a condition, or other restriction, on the assignment (or, in Scotland, assignation) by a party to the contract of the right to be paid any amount under the contract or any other contract between the parties.
- (3) A contract is a relevant contract if—
  - (a) it is a contract for goods, services or intangible assets (including intellectual property) which is not an excluded financial services contract, and
  - (b) at least one of the parties has entered into it in connection with the carrying on of a business.
- (4) An “excluded financial services contract” is a contract which—
  - (a) is for financial services (see section 2) or is a regulated agreement within the meaning of the Consumer Credit Act 1974 (see section 189 of that Act); and
  - (b) is of a prescribed description.

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**Changes to legislation:** There are currently no known outstanding effects for the Small Business, Enterprise and Employment Act 2015, Section 1. (See end of Document for details)

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- (5) “Prescribed” means prescribed by the regulations.
- (6) The “appropriate authority” means—
  - (a) in relation to contracts to which the law of Scotland applies, the Scottish Ministers, and
  - (b) in relation to other contracts, the Secretary of State.
- (7) The power of the Scottish Ministers to make regulations under this section includes power to make such provision as the Scottish Ministers consider appropriate in consequence of the regulations.
- (8) The power conferred by subsection (7) includes power—
  - (a) to make transitional, transitory or saving provision;
  - (b) to amend, repeal, revoke or otherwise modify any provision made by or under an enactment (including an enactment contained in this Act and any enactment passed or made in the same Session as this Act).
- (9) In subsection (8) “enactment” includes an Act of the Scottish Parliament.
- (10) Regulations under this section—
  - (a) if made by the Scottish Ministers, are subject to the affirmative procedure;
  - (b) if made by the Secretary of State, are subject to affirmative resolution procedure.

**Changes to legislation:**

There are currently no known outstanding effects for the Small Business, Enterprise and Employment Act 2015, Section 1.