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Dear Mr McMillan

SCOTTISH LAW COMMISSION REPORTS: CONTRACT LAW AND MOVEABLE TRANSACTIONS

I am grateful for receipt of the Report on the Review of Contract Law: Formation, Interpretation, Remedies for Breach and Penalty Clauses which was published in March 2018 as the final Report of your general review of Scots contract law in the light of the Draft Common Frame of Reference. I am also grateful for receipt of the Report on the Review of Moveable Transactions which was published in December 2017 recommending reform of moveable transactions law in Scotland.

Contract Law

I welcome the thorough scrutiny which has taken place and the engagement that the Commission has undertaken in reaching its final recommendations. I also appreciate the pragmatic approach which has been taken in respect of reforms to the law as it relates to the interpretation of contracts and penalty clauses.

Moveable Transactions

I acknowledge that this is one of the Commissions most complex projects ever undertaken. Therefore, I appreciate the work involved, including the setting up an advisory group to assist and provide advice to enable you to deliver the report and draft bill to the Scottish Government.

I understand the business sector is very keen to see the proposed legislation move forward. But as you know, the Bill would require the Keeper of the Registers of Scotland (“the Keeper”) to establish two new registers. The Keeper would incur expenditure in relation to establishing

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these new registers. Therefore, before asking the Keeper to establish these registers, the Scottish Government would need to be sure that they would be used. As a result, we will need to consult with business and the financial sector on the proposals. It is important that the proposals on moveable transactions law in the Commission's report are given full and proper consideration by Government.

We also need to decide who would be best placed within Government to take the recommendations of this report forward.

You will understand the Government currently faces the challenge of developing and delivering its legislative programmes for the rest of this session within the context of significant pressures and uncertainty created by Brexit. We will however continue to consider whether and when there would be a suitable opportunity to take forward the recommendations contained in these two reports as other commitments allow.



ASH DENHAM

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