

To all Trustees

Our Ref AiB OPC - 07/21
Your Ref

Date 5 July 2021

Dear Trustee

Covid 19 – relaxation of contingency arrangements.

The First Minister announced on 22 June 2021, that the Scottish Government is aiming to remove all major legal pandemic restrictions from 9 August, subject to continuing wider progress in reducing the pandemic's incidence and impact. As a result, I am writing to inform you that the Accountant in Bankruptcy (AiB) will end some of the changes to business processes and policies that were notified to you in our Dear Trustee letter dated 18 March 2020.

In order to give sufficient notice, the following changes will take effect from 30 August 2021, unless otherwise notified. Should the Scottish Government postpone the lifting of restrictions on 9 August, it is likely these changes will also be postponed.

1. Bankruptcy

Dealing with property - the Accountant will recommence:

- division and sale action related to occupied properties, and
- proceeding for evictions when satisfied the circumstances of the case support this action.

Prior to the commencement of any proposed action regarding a property, an Appendix L Form must be sent to AiB for approval. The Appendix L Form should include details of the trustee's intentions and supporting reasons, if eviction action may have to be taken.

AiB will delay eviction action if it can be demonstrated the pandemic will impact on the occupant's ability to be rehoused and there is no compelling reason to seek eviction at this time. This will be considered on a case-by-case basis.

Debtor bankruptcy applications – Requirements for supporting evidence to be submitted with debtor bankruptcy applications were reduced at the outset of the pandemic. Since then, the process has continued to operate effectively. As a result, we will consult stakeholders shortly to discuss whether it is appropriate to implement this change on a permanent basis. Any changes made will be reflected in our published guidance.

Debtor Contribution Orders (DCOs) – Trustees should continue to remain vigilant to changes in a debtor's financial circumstances while the pandemic continues to impact income levels. Prompt action should be taken if there is an identified need to vary a DCO contribution amount.

2. Protected Trust Deeds

AiB will continue to accept electronic signatures on statutory forms and paperwork. Trustees will already be aware that [Section 187 of the Bankruptcy \(Scotland\) Act](#) allows any PTD notice or document to be sent electronically as long as the recipient has consented to this method.

Trustees should continue to notify AiB if they are unable to act and provide details of the person nominated to act on their behalf during their absence.

3. Debt Arrangement Scheme (DAS)

AiB will commence taking revocation action against DAS debt payment programmes (DPPs) when we have identified there has been a significant number of missed DPP payments. We will address those DPPs with the largest number of missed payments first, but expect to be in the position to operate the pre-pandemic approach – that of seeking revocation for any DPP with three consecutive missed payments – by the end of the calendar year.

Money Advisors are encouraged to contact clients who have been missing DPP payments to establish the underlying reasons. Proposals on future action should be explored including recommencement of payments, an appropriate crisis payment break or an application to vary or revoke the DPP - whichever is the most appropriate for the client.

The DAS Administrator will ask for an explanation for continued missed payments, allowing four weeks for a response, before deciding whether to commence revocation action.

4. Ongoing Communications

AiB staff continue to work from home and no date has been given for when staff can return to the Kilwinning Office, though we are hopeful that this will be in September.

We continue to manage AiB business from our homes and hope that this working arrangement has not inconvenienced you in anyway.

Letters and documents delivered to our Kilwinning Office continue to be scanned and forwarded to the appropriate AiB staff member to action and AiB letters and documents are printed and posted from Kilwinning.

AiB staff can now be contacted on their office telephone numbers, as well as by email. We can also arrange virtual meetings with you, using Microsoft Teams, if this will be helpful.

Please contact us if your organisation's operations are affected by the ongoing pandemic and this has a detrimental impact on your administration of bankruptcies, protected trust deeds or DAS.

We will be happy to discuss any actions we can take to assist you and resolve any matters that may arise.

We have very much appreciated your cooperation and forbearance during this period of pandemic crises.

Yours faithfully



Graeme Perry
Head of Operational Policy and Compliance