

To all trustees

Our Ref: AiB/RD

Your Ref:

Date 18 March 2020

Dear Trustee

## COVID-19 – Contingency Arrangements

The global COVID-19 pandemic has already led to a significant impact on the day-to-day lives of the Scottish public. The measures introduced by government to mitigate infection rates through social-distancing and self-isolation have begun to take effect, whilst businesses, particularly those in the hospitality and travel sectors, face extremely challenging trading conditions. The government has announced a number of initiatives to provide additional support for businesses during these uncertain times.

As far as AiB's operations are concerned, we have initiated measures to ensure ongoing business continuity and we are confident we can maintain the service we offer stakeholders. As all our systems are web-based, we will continue to deliver operational process despite a number of staff electing to work from home in line with government social-distancing guidance. Consequently, there will be fewer staff available to answer telephone calls and we would respectfully request that trustees and their staff make contact via our case management systems or by email where possible. Specific instructions for each operational command are detailed below.

We are conscious that the insolvency sector and our wider stakeholder group will face pressures as a result of the pandemic. To help reduce this impact, AiB has decided to make a number of changes to normal business process and policies. The changes detailed in this letter should be brought to the attention of all staff involved in the administration of your bankruptcy, trust deed and Debt Arrangement Scheme cases:

### 1. Bankruptcy

To address increasing pressures on members of the public and public service provision, the Accountant, as trustee, has decided to:

- suspend all division and sale action related to occupied properties; and
- halt evictions until further notice.

We hope trustees will be in a position to show similar forbearance in light of the prevailing circumstances.

Where possible, trustees should continue to submit their accounts as normal through BASYS. If you are not able to submit accounts within statutory timescales, you should seek to extend the account on BASYS or email the [Trustee Accounts Mailbox](#) as soon as possible and we will extend the account period. If any fee to be determined is over £15,000 in a 12-month period, please do not send your case files. Detailed timesheets should still be uploaded to BASYS or submitted with the account as normal and a review will be undertaken. Please note that your case files may be requested at a later date to allow a full review to be carried out and your remuneration may be adjusted.

Ideally, any case related communication should be relayed through BASYS notifications, where possible. Please ensure you identify the relevant team in the subject field.

Where debtor bankruptcy applications are submitted, trustees should continue to provide supporting documentation as normal. In cases where sufficient information cannot be provided, AiB will relax current requirements where possible to allow applications to be processed. Contact should be made with our [Insolvency Registration Team](#) to discuss any affected cases.

Debtor Contribution Orders (DCOs) are flexible and can be amended where there is a change in circumstances. This means that individuals should not be placed into hardship if they are no longer in a position to meet their DCO obligations. Trustees should remain vigilant in the current climate and ensure changes in circumstances are actioned promptly to allow DCOs to be amended accordingly.

## **2. Protected Trust Deeds**

Trustees have been in contact to advise of current difficulties obtaining signatures from debtors for the statutory paperwork. In the event of the trustee being unable to obtain a physical signature, AiB will accept electronic signatures on statutory forms and paperwork.

If a trustee is absent through illness or unable to sign statutory paperwork, normal protocols apply. Here, the trustee must nominate an appropriate person to act on their behalf and notify the trust deed team as soon as possible, and again upon their return. The trustee continues to retain overarching liability for decisions and submissions made in their absence.

Case specific correspondence should be carried out through the messaging function on ASTRA, guidance for which can be found at 5.2 of the [ASTRA User Guide](#). General enquiries should be directed to [the trust deed team](#) mailbox which will be monitored regularly.

### **3. Debt Arrangement Scheme (DAS)**

Under the DAS regulations, individuals unable to make their regular payments can access short-term financial crisis payment breaks. Where payments cannot be made for a longer period, payment breaks may be authorised for a duration of up to 6 months. We have already been informed that the COVID-19 pandemic has impacted on some DAS clients, with those on zero hours and the self-employed particularly affected.

Where a client makes contact with you to report payment difficulties with a causal link with COVID 19, in the first instance, the adviser should consider a short-term financial crisis payment break. If the client believes the impact on payments will be longer term, the adviser should consider normal variation processes for a standard payment break.

We understand there may be an increased volume of missed payments as a result of COVID-19, where advisers have been unable to apply a crisis break. In response, AiB has decided not to revoke DAS debt payment programmes due to non-payment until further notice where the missed payments are a consequence of COVID-19. Here, the client should be encouraged to liaise with the DAS Administrator where possible, and the use of the Notes facility on eDEN is essential. We believe this action is appropriate to give peace of mind to individuals who, for good reason, are unable to fulfil their payment obligations.

Case specific correspondence should be carried out through the “case conversations” messaging function on eDEN, guidance for which can be found at section 10 of the [eDEN user guide](#). General enquiries should be directed to the [DAS Team mailbox](#) which will be monitored regularly.

### **4. Legislative Requirements**

Trustees have been in contact to express concerns over meeting legislative requirements in the coming months. Whilst these requirements are statutory, AiB is sympathetic to the difficulties anticipated and will assume a pragmatic approach in the months ahead. 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, please contact us and we will be happy to discuss any actions we can take to assist you and resolve any matters that arise.

## 5. Ongoing Communications

Further updates will be provided on [AiB's website](#) and [Twitter feed](#). Please let us know if there are any further measures we should consider to reduce any perceived bureaucratic burden on trustees or their clients. Finally, we appreciate your continued cooperation in the months ahead in these unprecedented circumstances.



Richard Dennis  
Accountant in Bankruptcy