

## **COVID-19 : FAQs on Debt Recovery matters**

**The Coronavirus / COVID-19 pandemic has created uncertainty around debt recovery. This update provides answers to the questions most commonly asked of our Debt Recovery team just now.**

Please note, due to the pace at which the impact of the present Coronavirus / COVID-19 pandemic is evolving, this article can only seek to offer insights as at the date of publication.

### **My company is owed money – can you issue a solicitor’s seven-day demand letter for us?**

Yes, but letters issued by post may not reach their intended recipient at this time. Please therefore provide us with the debtor’s e-mail address to enable us to issue letters via email and well as or instead of by post at this time.

### **My company is owed money – can you raise court proceedings to recover the debt?**

It depends. The sheriff courts that were closed during lockdown are now reopening (although not to the general public), while all sheriff courts are working through backlogs built up over recent months. Some new proceedings are already being raised, with further progress in this area expected shortly. Please contact a member of our debt recovery team to discuss when we would expect to be able to raise proceedings in respect of any debts owed to you.

### **My company has an existing court action – what happens to it now?**

Existing court hearings have generally been postponed for later review or rescheduled to take place on a future date - unless considered ‘urgent’. Urgent cases will remain ‘live’ to the extent required to allow at least the most urgent aspects of those cases to proceed.

Work in connection with some non-urgent court actions has already recommenced, with an increasing number of actions likely to see some sort of progress soon. It is expected, however, that many court actions will continue to be subject to delay. In particular, actions where evidence from witnesses is required will (in most instances) not proceed to that point anytime soon.

### **We already have a decree/ judgment in our favour – can it be enforced just now?**

Initially lockdown brought with it an effective ‘pause’ on enforcement activity. The start of June saw its recommencement - particularly in relation to commercial debts. Additional means of enforcement are provisionally scheduled to be available soon. If you have a decree/ judgment to enforce, please contact a member of our debt recovery team to discuss the options available to you.

### **We are receiving instalment payments – can we expect that to continue?**

Parties who have entered into payment arrangements will usually remain bound by the terms of any such agreements. Enforcement of those terms, if required, could be a challenge at present. A degree of flexibility should, where appropriate, be considered.



Our Debt Recovery team are available to assist and advise you in relation to any of the matters raised in this article.

**For further information and guidance, you can contact:**

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