Deferred Payment Scheme - Schedule of Charges 2025/26

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Document Owner: Amanda Verran/Kate Neale – Business Support

Derby City Council

Set-up Fee

The set-up fee is calculated based on the guidance set out within the Care Act 2014 and the Care and Support Statutory Guidance published in 2016 and covers the costs of setting up & administering the scheme including: Land Registry search charges and any identity checks required; Registering a legal charge with the Land Registry against the title of the property; Overheads, which may include but are not limited to: administration costs, postage, printing, and management costs. This charge is payable when signing the Deferred Payment Agreement. If you are unable, or do not wish to pay this when it is due then the set-up fee can be added to the deferred amount. It is important to note that if the set-up fee is added to the deferred amount, then it will be subject to interest charges.

The fee for 2025/26 is £1,025.00.

Interest Rate

The Council will charge interest on the total deferred debt (including any fees, administration charges and accrued interest), until that debt has been repaid. Interest will be compounded daily.

The maximum interest rate is set by the Government in The Care and Support (Deferred Payment) Regulations 2014. The Council will apply the maximum interest rate as set out in the Regulations. It is linked to the market gilt rates specified in the most recently published report by the Office of Budget Responsibility (OBR) plus 0.15%.

The market gilt rate is currently published in the Economic and Fiscal Outlook, which is usually published twice-yearly alongside the Budget and Autumn Statement on the Office of Budget Responsibility website http://budgetresponsibility.org.uk/
For example, if the market gilt rate specified is 1% then the maximum interest rate charged will be 1% plus 0.15% = 1.15%.

The national maximum interest rate is reviewed on the 1 January and 1 July every year.

The most recent interest rates for the scheme are as follows:

Year	Dates	Interest Rate charged on DPA (%)	Date	Interest Rate charged on DPA (%)
2021	1 January to 30 June	0.45	1 July to 31 December	0.75
2022	1 January to 30 June	0.95	1 July to 31 December	1.55
2023	1 January to 30 June	3.18	1 July to 31 December	3.43
2024	1 January to 30 June	4.65	1 July to 31 December	4.05
2025	1 January to 30 June	4.25	1 July to 31 December	4.65

If you would like to discuss this document or the Deferred Payment Scheme, please contact the Residential Care Charging team by email carehomescharging@derby.gov.uk or telephone 01332 640772.