



Regulator of
Social Housing

Fees for social housing regulation

Guidance for registered providers

Updated February 2024



OFFICIAL

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Background

1. This publication sets out the principles of the Regulator of Social Housing's (RSH's) fee-charging scheme and practical guidance about its operation. RSH's fee-charging powers are set out in Section 117 of the Housing and Regeneration Act 2008. The regulator charges private registered providers for initial entry to its register and for proactive economic regulation. Non-routine regulation, including consumer regulation and the majority of initial registration costs are funded by grant-in-aid.
2. The regulator launched a consultation on proposed changes to its fee principles in September 2023. We are currently analysing the feedback from the consultation. Subject to consultation outcomes and Secretary of State approval and the amendments to our fee charging powers (set out under section 4 of the Social Housing (Regulation) Act 2023) coming into force, the proposed changes will apply from 1 July 2024.

This guidance relates to the existing fee regime covering the period 1 April 2024 to 30 June 2024. Further guidance will be published for the period starting 1 July 2024.

Initial registration fees

Initial registration fee approach

Principle 1: A fixed fee applies to all successful applications for initial registration.

3. The initial registration fee is payable by those who are successfully registered by RSH as a provider or intending provider of social housing. It is not payable by local authorities that are subject to compulsory registration.
4. No fee is currently payable on registrations resulting from:
 - a. statutory amalgamations, or transfers of engagement made using the powers in the Co-operative and Community Benefit Societies Act 2014
 - b. registered providers changing their legal form (e.g., from a company to a registered society or from an unincorporated charity to a charitable incorporated organisation).

Initial registration fee level

5. There is a one-off fixed registration fee of £2,500 payable upon registration with the RSH. The remainder of the costs of the registration function is covered through grant-in-aid.
6. The level of the initial registration fee is subject to periodic review with any material changes subject to consultation.

Quarter 1 fees

Quarter 1 fees approach

Principle 2: The annual fee payable by a registered provider is set by reference to the number of social housing units owned by that provider.

7. The quarter 1 (1 April 2024 to 30 June 2024) fee payable by private registered providers is based upon the number of social housing units owned by that provider. For the quarter 1 2024/25 period, this is based on the number of social housing units owned¹ on 31 March 2023 initially as recorded in the Statistical Data Return (SDR). In determining fees charges we have also taken account of any group or structural changes we have been statutorily notified of and any associated registration decisions that have occurred since 31 March 2023.
8. On this basis, **the per-unit fee, which applies to those providers owning 1,000 units or more, is £1.37 per social housing unit for quarter 1 2024/25**. Where it is established that a provider's SDR return was incorrect, a further invoice or credit may be issued.

Units definition

9. For the purposes of fee calculation, units are defined as social housing where the private registered provider is the owner. The term social housing is defined in the Housing and Regeneration Act 2008 (sections 68-77) and further information on the relevant SDR definitions can be found on the NROSH+ website². RSH annually collects data on the number of social housing units each private registered provider owns as at 31 March via the SDR return. Registered providers should always check the information to be submitted in the SDR carefully.

¹ Owned properties can include those where the provider has a leasehold interest. Further guidance on the definition of ownership for the purposes of SDR reporting is published on NROSH+

² [NROSH+ \(regulatorofsocialhousing.org.uk\)](https://www.nrosh.org.uk)

Small private registered providers

Principle 3: A fixed fee should apply to all providers owning fewer than 1,000 units.

10. All small private registered providers (those owning fewer than 1,000 social housing units) will be charged a fixed fee of £75 for quarter 1 2024/25.
11. Small private registered providers will be invoiced in June. This invoice will include the £75 charge for quarter 1 and the fee due for the remainder of 2024/25, to be set on conclusion of the fee consultation. This has been done to minimise the administrative burden on providers.
12. Providers that are not within a group and have no social housing units will still be liable for the small private registered provider fee. This includes providers that have notified RSH that they have disposed of their social housing units but have not applied for voluntary de-registration.

Approach to groups

Principle 4: For groups owning 1,000 social housing units or more where the parent is registered, the annual fee should be set at group level rather than for each individual entity on the register.

13. Where providers are in group structures with a private registered provider as parent, a single fee at the group parent level is charged. Group structures owning 1,000 units or more in aggregate are charged on a per-unit basis. As such, the numbers of units of each private registered provider in the group are aggregated to determine a single fee.
14. In many groups some of the entities, either the parent or subsidiaries, may have fewer than 1,000 units. In such cases, see the fee calculation examples below for clarity on how the principle should be applied.
15. Where the group parent is unregistered, the fee is collected from each individual entity in the group. This is because we do not gain assurance at group level. In addition, group structures with a registered parent, owning fewer than 1,000 units as a group, are charged the single fixed-rate fee for small providers for each registered entity. This is because we will carry out the small provider checks for each entity.
16. Some charitable providers have been linked by a direction (formerly called a 'uniting direction') from the Charity Commission. Such providers must nevertheless each pay a separate fee to RSH for as long as they remain separate entities on our register (and subject to our rules about group structures). We do not consider that Charity Commission linking directions create a group structure or effect a merger.

17. Where one registered provider acts as the corporate trustee for another registered provider, a separate fee will still be due from each of the providers (subject to our rules about group structures).

Fee calculation examples

Example A – A group has 3,000 units comprised of a registered parent with 2,000 units and two subsidiaries with 500 units each. This means the fee will be £4,110 (3,000 x £1.37).

Example B – A registered group parent with zero units has two registered subsidiaries of 10,000 units each. The group would pay £27,400 in regulation fees (20,000 units x £1.37).

Note: The calculation examples given above are based on charging at quarter 1 2024/25 fee levels.

Registration / de-registration

Principle 5: Providers must pay the full cost of the annual fee for the year that they are on the register when they register or de-register.

18. Providers must pay the full cost of the annual fee for the year in which they either register or de-register (see paragraphs 3-6 for further details in relation to initial registration). A significant proportion of de-registrations are due to restructurings and mergers. Where this is the case, we would not make another annual fee charge for the newly registered or restructured entity. Those who de-register without a consequential new registration will pay for the full year regardless of the timing of de-registration.
19. De-registration is possible, subject to the provider meeting the de-registration requirements³ published on our website. It should be noted that a provider that no longer has any social housing assets, but is still on the register, will still be charged fees until they have completed the de-registration process. In the case of restructures, RSH will determine the appropriate bodies which will pay the annual fee to avoid double charging.

³ [Register and de-register as a provider of social housing - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Practical arrangements

Invoicing and collection

20. Small private registered providers (those owning fewer than 1,000 social housing units) will be invoiced in June for their total 2024/25 fee which will include the £75 charge for quarter 1. This has been done to minimise the administrative burden on providers.
21. Large private registered providers will be invoiced quarter 1 2024/25 fees in March 2024. This will be based on the number of social housing units owned as at 31 March 2023 recorded in the SDR return (updated to reflect any group/structural changes and associated registration decisions). Where it is established that a provider's SDR return is materially incorrect, a further invoice or a credit note will be issued.
22. Large private registered providers will be issued a second invoice in June based on a pro-rata proportion of the revised fee per social housing unit, which will be set on conclusion of the recent fee consultation.
23. Providers are required to state a specific fee invoice email address for the invoice to be emailed when submitting their SDR which is editable on NROSH+. This contact will be used for invoicing purposes. **It is the responsibility of providers to keep their contact details in NROSH+ up to date and accurate.** It is essential that all providers do this. Failure to do so may result in fees invoices and other information being sent to incorrect recipients.
24. For quarter 1 2024/25 the invoices issued in March 2024 will be based on the entities that exist, according to RSH records, as at 31 January 2024 (the 'cut off' date). Revised invoices will be issued after 31 March for any changes to group structure between the 'cut off' date and 31 March 2024. Invoices will be sent to the fee invoice email address, as recorded in the NROSH+ system. In cases where we have not been able to contact providers using the email address provided an alternative contact will be used such as the Financial Director. Where no email address has been provided then invoices will be sent to the relevant postal address.
25. Invoices must be paid in a single payment within 30 days. However, smaller providers with cash flow considerations in relation to fees may request to pay their annual fees in quarterly instalments. Requests should be sent to finance@rsh.gov.uk. Any request to pay in instalments should include the reasons why an alternative payment arrangement is necessary and will be considered on a case-by-case basis.
26. Initial registration fees will be invoiced in full following successful registration and will also come due for payment within 30 days of issue of invoice. Newly registered providers will be invoiced for the annual fee at the same time as invoicing for initial registration.
27. The Department for Levelling Up, Housing and Communities provides RSH with finance services and will issue fee invoices on behalf of RSH. RSH bank account details have not changed. **Registered providers must ensure they use the invoice number as their payment reference.**
28. Payments should be made by bank transfer. Cheques will be accepted in exceptional circumstances. It is important that providers follow the instructions for making payment

given on the invoice. **In particular, it is essential that the invoice number is used as the reference when providers make a payment.** Otherwise, it may not be possible to match the payment made to the provider's account. In such cases registered providers will be treated as having fees outstanding until such point as they can prove they have paid the fee.

29. Remittance advice should be sent to fees@rsh.gov.uk.

Fee increases

30. For quarter 1 2024/25 the overall level of fee income will be £3.9 million, a circa 2.5% increase on 2023/24 on an annualised basis. The quarter 1 budget for RSH includes grant-in-aid on top of this for those functions that are not covered by fees.
31. RSH will publish further guidance on fees for the period starting 1 July 2024 in due course following the outcome of the consultation.

Variation in costs

32. There will be variation in costs from year to year (e.g., due to staff vacancies) it is possible that excess fees might be collected from charges in any one year. Where this occurs, the excess fees will be rebated to large private registered providers. Small private registered providers paying the fixed fee will not receive a rebate as regulation and register costs are no less than the fee charged.
33. A fee rebate for unspent 2022/23 annual fees will be shown on a separate line of the quarter 2 to 4 2024/25 invoice for large private registered providers expected to be issued in June.
34. Where two large providers have merged, we will rebate the newly merged provider at group parent level.

Fees and resources advisory panel

35. RSH introduced a Fees and Resources Advisory Panel (FRAP) in 2017 alongside our existing stakeholder engagement arrangements to enable a specific focus on fees with a range of stakeholders. The panel's terms of reference are published on our website. The FRAP is an advisory body to RSH and has no decision-making powers.

Non-payment

36. In cases of non-payment of invoices, our usual approach is to send written reminders and to chase up outstanding invoices by telephone. In cases of persistent non-payment, a warning letter would be sent before any other action is instigated. Registered providers are legally required to pay fees for social housing regulation. We may take enforcement action in cases where there is non-payment of fees.

Finance contact details

37. The finance team can be contacted via email finance@rsh.gov.uk or via our enquiries team on 0300 124 5225.



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RSH regulates private registered providers of social housing to promote a viable, efficient and well-governed social housing sector able to maintain and deliver homes of appropriate quality that meet a range of needs.