Connect Programme

Proposal for Design Authority

Unit Matrix

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Executive Summary

As we approach the data migration from existing systems into the Connect platform, we find it important to align some key definitions / attributes that will be used by the systems, so they can exchange information most effectively.

One of the key elements in this alignment is the topic of the 'unit matrix' – a set of attributes a unit has which define exactly what it is and what treatment they warrant from the business. These three attributes are

- **Unit type** – the basic unit description, e.g. a flat, a house, a parking space

- **Unit tenure** – what is the regime of occupation of that unit (or the contractual link between it and the customer), e.g. AST, Ground Rent, Assured, Shared Ownership

- **Unit status** – the current view of what is happening with that unit, e.g. tenanted, under development, void

In this Design Authority discussion we seek agreement on 4 fronts:

1. **Key definitions** around unit type, tenure and status, and how to use them. These will be important not only to drive the initial setup of the systems and data migration, but also provide a basis for the governance around adding / changing these data sets in the future.

2. **List of unit types** according to the definition above. These are distributed across residential use and non-residential, but should exist in the same way in both modules of MRI.

3. **Unit tenures and tenure types** in alignment between operations and finance. We appreciate that the existing tenure definitions in Qube reflect the different requirements from these two areas, as well as technical limitations in terms of reporting. We can take the opportunity to have a logically consistent set of tenures / tenure types.

4. **Unit statuses** which support the underlying processes of unit strategy, and allow the systems to coordinate action / make data visible to one another.

① Unit matrix - definitions

The 'unit matrix' is referred to as a set of attributes – unit type, unit tenure, and unit status – that describe a unit in different ways, and inform how these units are managed across the business. Having a consistent definition of what these attributes are is vital – not only for the business teams to properly collaborate, but also for the Connect systems to exchange information correctly.

	Definition	Examples	Connect data
Unit Type	Provides the basic description of what the unit is; unit type is a permanent attribute, inherent to the unit.	House, flat, parking space, plot of land	Mastered in MRI; populated once by data migration or onboarding; pushed to all other systems. 'Unit Kind' in MRI RM module; 'CM Suite Type' in the CM module.
Unit Tenure	Refers to the contractual relationship that ties the unit to its occupant. Tenure is a fairly constant attribute, although units may convert to a different tenure at some point. In this pack we will present tenures in 2 levels: - tenure types inform the operations on the approach to managing a specific property - Tenure groupings help the leadership and finance by simplifying reporting and enabling strategic decision making	AST, Regulated, Leasehold AST, AST-ChC, AST-KW, Commlease, Ground Rent	Mastered in MRI and populated through data migration and onboarding. Tenure may inform through which module of MRI the unit will be managed. Tenure changes will happen sporadically and are handled manually
Unit Status	Temporary / circumstantial state of a unit. Unit statuses change naturally and frequently as the outcome of core business processes.	Available to let, tenanted, void, under refurbishment	High level statuses held and mastered in MRI. Line of Business systems may manage their own sub-statuses in parallel.

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Residential use unit types

Unit type	Definition
Detached House	Free standing Residential Building.
Semi-detached House	One of a pair of Residential buildings built side by side.
End Terrace House	Residential building situated at the end of a row of similar units.
Mid Terrace House	Residential building situated between either ends of of a row of similar units.
Detached Bungalow	Single-storey free standing Residential Building
Semi-detached Bungalow	One of two single-storey residential units built side-by- side.
End Terrace Bungalow	Single-storey residential unit at end of a row of similar units.
Terraced Bungalow	Single-storey residential building situated between either ends of a row of similar units.
Mews House	Period residential property, formerly stables or carriage houses with living quarters above.
Town House	Tall narrow Residential Building generally with 3 storeys.
Maisonette	Self contained residential apartment of 2 or more floors.
Bedsit	Single roomed residential unit with shared facilities.
Flat Purpose Built	Single apartment in purpose built block of similar units.
Flat Conversion	Single apartment in a residential unit that has been converted from a house into multiple units.
Penthouse	Apartment on the top floor of a purpose built block usually with luxury features.
Studio	Rooms that can be used for both work and residential.
Flat over Commercial	Flat situated over a commercial unit.
Farmhouse	Area of land and its buildings used for growing crops and rearing animals

Other unit types

Unit type	Definition
Garage	Small building used to house a vehicle(s)
Parking Space	Designated bay in a car parking area,
Shed	Small structure in or near residential gardens.
Allotment	Plot of land rented by an individual of growing vegetables or flowers.
Storage Unit	Lockable space in a building for the storage of personal effects
Estate Office	Office or space within a collection of buildings or land for use by the estate management.
Gym	Building / designated space used for physical exercise.
Placeholder for amenities e.g. cinema room	
Room	Space that can be occupied
Office	Room or set of rooms used as a place of business
Warehouse	Large building where goods may be stored.
Retail	The sale of goods to the public in small quantities
Sub Station	Building used to house electrical / power equipment.
Sewage Plant	Building for contaminants removal / effluent treatment
Mast	Tall upright structure used to carry electronic Equipment.
Advertising Hoarding	Space on a building used to promote a product
Woodland	Area of land covered with trees.
Ransom Strip	Area of land which provides access to adjacent land
Air Space	That portion of the atmosphere immediately above a property or land
Land	Solid material of an area of earth including any natural , manmade or rights and interests associated with it.

3 Unit tenures

At a higher level, we are able to group most our tenures into a handful of key categories – seen below. As well as providing a sensible roll-up of tenures for the purposes of business strategy, asset strategy and analysis, the tenure groupings also match with those used by Finance to manage internal processes. In the following slides we will list all Grainger tenures for each of the groups below.

AST / Shorthold Tenancies
Short-hold tenancies that make the core segment of the Grainger BTR / PRS business. Tenancies tend to follow market prices, follow standard terms and will be let through the online leasing journey.

Leasehold
Long tenure resulting many times from a unit sale where Grainger keeps the freehold. The relationship with these customers is limited to management of service charges / maintenance of communal areas

Commercial
Commercial leases offered for business to operate in the premises – e.g. retail shop within one of our buildings – or to manage / sublet an entire building.

Reversionary
Regulated and similar tenancies started before January 1989 and must follow specific regulations. Tenancies are for life and can be inherited. No new tenancies are created in these tenures.

Affordable
Tenancies started after 1989 but which provide more protection to the tenant than the ASTs. Usually offered at lower prices to tenants, and in many cases automatically renewed for life.

Shared Ownership
Special arrangement whereby the customer owns only part of the unit (while Grainger owns the other part). That makes the customer a tenant and leaseholder at the same time.

Non-title tenures
Units with whom we have no direct contractual relationship but must be in the system as either a) we have charges associated with them or b) we will change the tenure of the unit soon.

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Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
AST	Residential tenure of a single dwelling. Assured Shorthold Tenancy within fixed contractual term. If initial fixed term entered into before 27 February 1997, S20 notice must have been served at commencement of tenancy.	6-36 mo	No	Yes - Contractual	Yes	Yes - registered in scheme	Monthly
AST - Statutory Periodic	Residential tenure of a single dwelling. Assured Shorthold Tenancy no longer in contractual term. Tenancy period defined by rent payment period and rent can be increased as per Housing Act 1988 but otherwise fixed term contract terms continue. If initial fixed term entered into before 27 February 1997, S20 notice must have been served at commencement of tenancy.	Rolling		Yes - S13(2)	Possible		
Live Work	Tenancy on a unit with the planning type of LiveWork where the occupant must use the unit for commercial purposes in addition to being a dwelling.	1-60 mo		Yes - Contractual	Yes	Yes - unregistered	
Non Housing Act	Residential tenure where single dwelling let to an individual(s) but rent payable does not meet criteria of Housing Act 1988.	6-36 mo					
Company Let	Residential tenure of a single dwelling. Non Housing Act tenancy within fixed contractual term where the tenant is a company and the occupant is a permitted occupier under the tenancy and is usually a licensee of the tenant.	6-36 mo					
Licence	Licence of a non-dwelling including contractual periodic licences.	6-12 mo				No	

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Freq*.
Regulated	Residential tenure of a single dwelling which started prior to 15 January 1989. Entitled to fair rent with a set maximum amount set by the Valuation Office Agency. Subject to two types of succession if criteria met.	Life	Yes (within rent)	VOA	No	No	Variable
AST-Church Commissioners	Residential tenure of a single dwelling. Assured Shorthold Tenancy created by Church Commissioners. Rent Policy guides Rent Review and grants non-contractual security of tenure. Usually Statutory Periodic tenancies but in some cases within contractual term if new agreement has been required.			per Rent Policy			Monthly
AST-Key workers	As above, for Key Workers.		No				
AST-PHA	As above, but tenancy created by Paignton Housing Association. Non-contractual security of tenure and rent review.						?
Agricultural - Protected statutory	Agricultural occupancy covered by Rent (Agriculture) Act 1976. Has same protections as Regulated tenancies. Contractual fixed term has expired and fair rent can be registered. Single succession permitted.		Yes	VOA			Variable
Agricultural - Assured	Agricultural occupancy covered by the Housing Act 1988. Has same protections as Assured tenancies.		No	Yes - S13(2)			
Assured - Statutory Periodic	Residential tenure of a single dwelling. Assured Tenancy no longer in fixed contractual term. Likely to have started between 15 January 1989 and 27 February 1997 or created by second succession from Regulated tenancy.	Rolling	No	Yes - S13(2)			
Fixed Rent	Reversionary assets under residential lease. Variable: some nil rent, some nominal rent, some increases 0.45p per year. Landlord repairing obligations as per LTA 1985.	?	?	Contractual			?
Service Licence - Caretaker	Residential licence of a single dwelling by an employee. No rent payable, but a licence or occupancy fee may be payable. Right to occupy ends with termination of employment.	Duration of employment	No	Perhaps - contractual			?
Service Tenancy - Caretaker	Residential tenancy of a single dwelling by an employee. Legislative protections dependant on rent payable	?	No	Perhaps - contractual	?	?	?

3 Affordable / Shared Ownership – Unit Tenure Types

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Affordable / Grainger Trust

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
AST - Affordable	Residential tenure of a single dwelling. Tenants sourced through council bidding system. Successful bidder is subject to checks and acceptance/rejection within set timescales. Rent chargeable is up to 80% of market rent but can be further limited by S106 agreement. Fixed term subject to probationary period. Restrictions around arrears chasing.	6-72 months with 12mo probation	Yes but rent and any SC must not exceed 80% market rent	Contractual	Yes	No	Monthly in advance. Some flexibility.
AST - Intermediate Market Rent	Currently marked as 'Grainger Lets' in the system. Tenants sourced from Help to Buy Service (verified local connection and income cap) but Grainger may make the decision on who to rent to. Rent chargeable is up to 80% of market rent with tenant saving towards deposit and committing to buy a home through shared/low cost home ownership schemes within five years of entering IMR. Fixed term subject to probationary period. Restrictions around arrears chasing.					Yes - registered in scheme	Monthly in advance
AST - Discounted Market Rent	Residential tenure of a single dwelling .Rent chargeable is limited by S106 agreement but otherwise closely mirrors standard PRS AST.	6-36 months	No				

Shared Ownership

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
Shared Ownership	Minimum purchase (% site dependant). Buyers pay 2.75% rent on unsold equity payable monthly in advance. Allowed to staircase in minimum instalments of 10%. Fully repairing but subject to developer warranties. Can sell on interest. Leasehold houses	125 lease	Yes	Annual rent review.	No	No	Monthly in advance.

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Typical billing frequency for a particular tenue (there may be exceptions)

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3 Commercial / Leasehold – Unit Tenure types

Commercial Tenures

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
Commercial Let	Commercial Lease of Residential Property or Unit(s).	Defined number of years	Yes	Contractual	Yes	No	Quarterly or Monthly
Commercial Lease	Commercial Lease of Commercial Property or Unit.						

Leasehold

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
Ground Rent	Residential leasehold with ground rent payable.	~99-125 years	Yes	Yes - Contractual	No	No	Annual/ Bi annual/ Quarterly
Nil Ground Rent	Residential leasehold with no ground rent payable.	~99-125 years		No			
Chief Rent	Annual sum paid by the owner of freehold land to the owner of the rent charge.	Indefinite		Yes - Contractual			Annual

Non-titled tenures

Tenure Type	Definition	Typical Duration	Service Charge	Rent Review	Typical Renewal	Typical Deposit	Billing Frequency*
Estate Charge	Charge collected from people entitled to use the estate's communal area, for maintenance or services of the estate. Can also include rent..	Indefinite	Yes	Yes - Contractual	No	No	various
Vacant (tbc)	Transient tenure while unit is undergoing a transition in tenants, under refurbishment, or awaiting decision.	**Pending confirmation – is vacant a tenure or status?**					

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Unit Statuses - MRI

Status	MRI Unit Status Code	MRI Description	Comment/Action
Acquisition	ANTU	Not Taken Up	
	ARPT	Awaiting Report	
	ASOL	Acquisition - Solicitor Instructed	
	ACEX	Acquisition - Contracts Exchanged	
	ACOM	Acquisition - Completed	
	AOFF	Offer Made	
Sales	SFOR	For Sale	
	SSOL	Sales - Solicitor Instructed	
	SSEX	Sales - Contracts Exchanged	
	SPOV	Sales - Potentially Vacant	At this stage we are not mapping units to this status - all potentially vacant units in Qube will be marked as SPOV in MRI
	SAWD	Sales - Await Decision	
	SOLD	Sales - Sold	
Other	OTPV	Potentially Vacant	At this stage we are not mapping units to this status - all potentially vacant units in Qube will be marked as SPOV in MRI
	OTUC	Under Construction	Ops to confirm if this is also needed in FSI and how MRI will be populated
	OTUR	Under Refurbishment	Ops to confirm if this is also needed in FSI and how MRI will be populated
	OTFL	For Let	
	OTTE	Tenanted	
	OTRE	Refresh	Ops to confirm if this is also needed in FSI and how MRI will be populated
	OTDU	Dummy	
	OTNL	Non Lettable	
	OTFR	Transfer	ADD - for data migration this will not be used (units that will move from CM into RM) - system setup tables

4 Unit statuses - salesforce

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Status	Description
Out for valuation	After tenant has given notice to vacate and we have been instructed to obtain Valuations, Lettings will then reach out to Letting Agents to obtain rental valuations of the unit. We would expect to receive these back within 78 hours of instruction and would chase them if not received back in this timeframe (unless there is an access issue)
Vals returned - rent pending	After Lettings receive the valuations back there is an exercise for either (Asset Manager or Lettings Manager) to set the rents and consider what additional work might need to be done based on Agent recommendations. In straightforward lets this could take as little as a few hours. Where more complicated it could take months
On the Market available to view	After rents are approved, if we are to go ahead and market the unit, Lettings will again instruct Agents / on site teams to market the unit and commence viewings
On the market - not available to view	There will be occasions where we have been instructed to let the unit but may not be able to get access due to ongoing works / tenant access issues / keys. - however we wish to market the unit so can diarise viewings for a later date. **Note additional requirement to have a date field alongside this status which indicates potential earliest available date to view?
On hold (issue)	This status is used when there is an issue with vals / marketing / access / decision pending. There should be a sub-set drop down list of issues which supports this field
Reserved	When an advance is paid against a unit, the status needs to automatically change to reserved
Leased	When the tenancy agreement is signed by all parties (this is all on tenant side and all on grainger side) the status should automatically become leased

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