



Annual Report  
2022/23



# A Year in Review

2022/23 saw us continuing to grow and develop CHIC's services



## Membership

- Members Agreement reviewed and updated
- 200+ members

CHIC is a not for profit, member owned consortium, governed by a board of directors principally from member organisations.



## Services

- 570 contracts procured by members through our frameworks and Dynamic Purchasing Systems

We continue to provide procurement and contract support to a diverse range of members, principally from the housing sector, across England and Wales through our eight services.



## Partnership

- Strong links with our supply chain
- Working in partnership to support our members

These partnerships support contracts and maintain competitive pricing, helping members to benefit from the aggregated value our consortium can deliver.



## Constructing the Gold Standard

- 'Gold Standard' Framework for Newbuild Housing and Regeneration launching in 2023

CHIC is part of the Constructing Excellence Task Group developing the government's recommendations for a Gold Standard for procurement frameworks.



## Social Value

- Social Value Strategy reviewed and updated
- 10% of CHIC's income is spent on supporting social value outcomes

We generate social value directly through all the contracts we procure, through CHIC's own apprentice and through annual donations to CHIP.



## Technology

- CHIC Solutions data management and reporting system developed and launched
- CHIC Order Management System further developed to support members planned maintenance programmes

This year we completed the development and launched our own in-house data management and reporting system, CHIC Solutions.



## Communication

- New CHIC website with enhanced search tools
- 500+ visitors to our expanded annual conference

We launched CHIC's new website, to provide enhanced search capabilities for our stakeholders.



## Adding Value

- Members costs reduced to a 2% average transaction fee
- £28.6m net savings for members

Our managed services continue to offer great value to enhance savings, but if members only want framework access, we adjust fees accordingly.

# CHIC's Purpose and Objectives

After over a decade of progressive growth, this year we felt it was timely to review CHIC's original business objectives and purpose. In June the Board agreed that these statements reflect CHIC's purpose and values for the next period of the consortium's growth.

## Our Mission

To work collaboratively with our members and supply chain partners, to deliver efficiencies through high quality asset management procurement and commercial services.



## Our Vision

To improve our members homes and communities as asset management experts that provide great procurement services, delivering savings, driving sustainability, embracing new technology and delivering added social value.



## CHIC's Values



### 1. Providing Excellent Services

We will deploy our asset management and procurement expertise to understand our members requirements and we will deliver excellent service support, from project inception to completion.

### 2. Putting People First

We will work primarily in the affordable housing sector, supporting our members to ensure that their customers live in safe and decent homes and communities. We care about the people we work with and will be supportive and professional in all that we do.

### 3. Delivering Efficiencies For Our Members

CHIC is a member owned and governed not for profit consortium. Our services must deliver net savings for our members, through the economies of scale created by both efficient procurement solutions and effective commercial support.

### 4. Being Flexible And Innovative

We will work with our members and supply chain partners to maintain a wide range of contract options and apply these flexibly so we can tailor solutions to individual members needs. We will embrace new ideas and technologies.

### 5. Adding Value

CHIC will act as a knowledge hub for our members, using our collaborative network to help our partners to share and learn. Social value is inherent in all of our activities and we will be proactive in supporting employment, training and community support initiatives.



Thank you to all our members and stakeholders for their ongoing support in helping CHIC to deliver important services to residents and their communities.

My sincere thanks to CHIC's hardworking team and to the board of directors for its wisdom and stewardship on behalf of our members.

**John Fisher, Chief Executive**

## CHIC's Governance

I have the privilege as one of only three independent directors to chair a board with immense knowledge and expertise, drawn principally from CHIC's members. This helps to ensure that our contribution remains focussed on providing the services our members want and need.

Whilst many of my director colleagues are serving their second or third year terms, we have welcomed two new member directors during the year, Charlotte Johnson from Platform and Caroline Lawley from Connexus, strengthening the Boards development and finance expertise respectively.

My own tenure as chair will end next financial year, after what seems only a short period, but when I look back CHIC has grown immensely and delivered huge value to many members over that time. The Board has completed the recruitment of my successor and I look forward to working closely with Amanda Long over the next year to prepare her to steer CHIC through the next stage of its organisational development. This report explains what we have achieved and I am grateful to all of CHIC's stakeholders for their role in supporting us to deliver procurement solutions, savings and added social value to our members residents in their homes and communities.

My thanks to CHIC's team and my Board colleagues for their drive and commitment to add the value that we do through our member services.

**Maggie Punyer**  
Chair

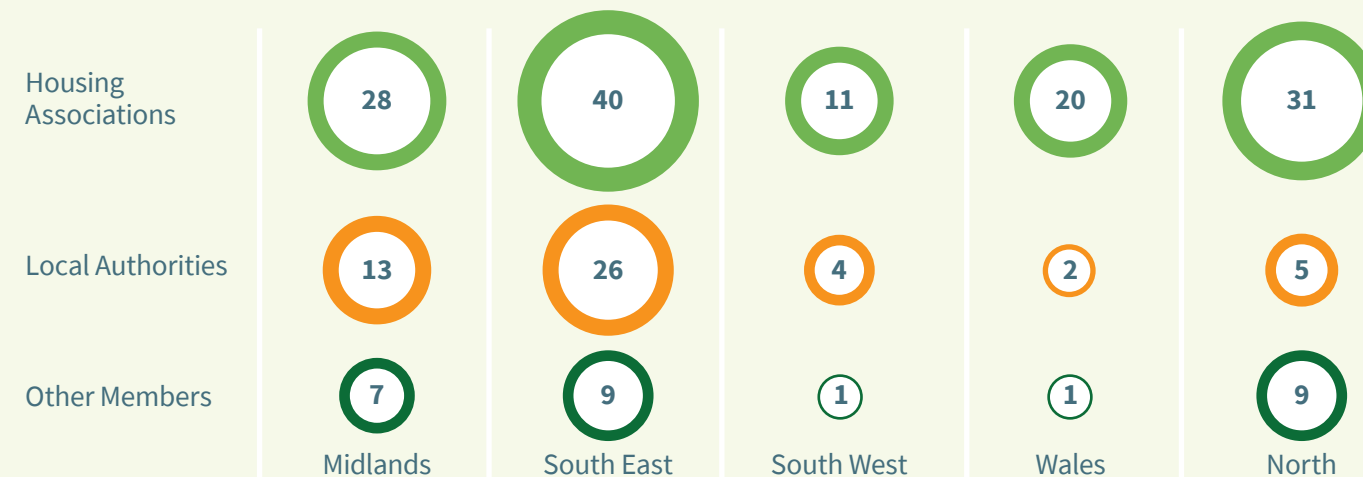


## Doing More for our Members

### CHIC's Membership

CHIC was established as a procurement consortium in 2010 by seven founding members, which were all housing associations based across the Midlands. Established as a not for profit company limited by guarantee, the intention was that both membership and geographical coverage should grow.

CHIC has stayed true to this vision and has progressively welcomed new members over the last 13 years. Current membership comprises of 207 organisations:



Each year we consult both our members and supply chain partners to ask what they think we do well or could do better.

***"CHIC offers value for money and a full ongoing support package rather than just the procurement element like some other consortia"*** (Member)

CHIC's relationships with its framework and DPS contractors, consultants and suppliers are as important as those with our members. We seek to work in partnership, so we can deliver the most competitive prices but without compromising overall value.

This year we have onboarded **217 new suppliers** across **24 DPS solutions** and **Frameworks**.



## Case Study

### A Founding Member

**Platform Housing Group**, a founding member of CHIC, needed to procure repairs and capital investment programme contracts for its housing stock in central England and chose CHIC as its preferred procurement partner, due to our understanding of the sector and their requirements.

CHIC worked closely with Platform to onboard over 30 existing supply chain partners onto our All Under One Roof Dynamic Purchasing System. This allowed Platform to give its current suppliers the opportunity to retender for the works. CHIC managed the tender process for the 7 Lots across 3 geographic regions, providing a detailed analysis of the results.

CHIC participated in initial contract meetings with successful bidders and Platform in the East and West Midlands. Subsequently, CHIC's commercial team prepared 28 contract packs for works totalling over £20m per annum. We coordinated the contract signing process and continue to provide contract management support to Platform as part of their managed service.



*“CHIC has been invaluable to this critical project. We needed a route to market which provided our longstanding marketplace with an opportunity to continue to bid for works. The DPS was ideal for this and onboarding was not too complicated for many of our small contractors. CHIC supported at all points throughout the process and made life much easier, especially helping to ease the administrative and technical burdens. Ultimately, we have awarded contracts and started trading with many local and regional contractors, delivering vital works to our customers within our communities.”*

**Richard Orders,**  
Senior Category Manager at Platform Housing

## Case Study

### Fire Safety Collaboration

**Ventro** was awarded an important contract for Fire Compartmentation and Fire Safety improvement works for a registered housing provider in North London. The member chose to utilise the CHIC Fire Spread Prevention Framework for this work, which provided an efficient procurement route for the client, yet satisfying the requirement to test value for money, through benchmarked, tendered rates.

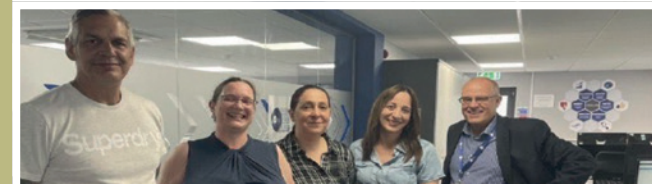
The initial value of the fire safety project was awarded at £1.2m. Upon successful completion of the contract, the member awarded Ventro further work, as CHIC's framework allows direct call off, when there is a justified business case.

Ventro facilitated ‘working together’ workshops and knowledge sharing events with the wider client team. The workshops were designed to improve awareness of the fire safety improvement works being undertaken and shared additional knowledge about the latest legislation that affects resident homes.

**Ventro Awarded £1.2m  
Fire Safety Contract via  
CHIC Framework for North  
London Borough**

*“As a specialist fire safety contractor, we are pleased to be a supplier to many of CHIC's Frameworks and DPSs', particularly in lots related to Fire Safety. Many positive client relationships have been built through this framework, with an increasing number of customers approaching Ventro through this route; a testament to the sustainability of the CHIC framework for local authorities and other registered providers of social housing.”*

**Christopher Jones,**  
Group Marketing Manager, Ventro Group



Members Team visit Ventro  
Head Office in Plymouth



Ventro hosting a Working Together  
Workshop for the Client Team

# Enhanced our Social Value Strategy

CHIC commits 10% of our annual income to our social value programmes. This includes direct delivery through CHIC for:

- **Supporting and monitoring our contractors and supply chain partners to deliver their contractual social value obligations of 1% of annual contract value**
- **The activities of the CHIC team, through sponsored events, volunteering and supporting a graduate apprentice.**

CHIC also makes an annual contribution to CHIP, our associated charity.

**Communities and Housing Investment in People (CHIP)** was registered as a charity in May 2022 and formally launched in September of the same year. CHIP is governed by a Committee of Trustees, two representing the CHIC Board and three independents, including the Chair.

CHIP provides funding to:

- **Local Employment Groups, to support people distant from the workplace into sustainable employment;** this year CHIP had service level agreements with Jericho Foundation, Black Country Housing Group and Bounce Back
- **CHIP’s Community Chest Fund, to provide grants to local community projects.** Launched this year, initial grants have been made to St. Basils, Bounce Back, Lola’s Caribbean Kitchen and The Springfield Project
- **Promote and fund annual awards, to recognise success in apprenticeships, personal development and mentoring, for individuals and organisations.** CHIP hosts an annual awards and fundraising dinner.

Social Value added from CHIC and CHIP’s achievements this year included:

- 

**Employment Sponsorship:**  
56 individuals completed Level 2 qualifications, with all moving to further training or securing employment.
- 

**Contractual Commitments:**  
Several successful Level 2 and Level 3 apprenticeships were completed, with individuals improving employability through additional training.
- 

**Donations:**  
Our partners donated £18k to local causes, along with completion of 20,000 voluntary hours.
- 

**Community Chest Fund:**  
Supported Bounce Back Foundation’s Digital Badges Programme and Lola’s Caribbean Kitchen.
- 

**Annual Awards:**  
Recognised achievements in four categories and raised £5,000 for further CHIP activities.
- 

**Added Value:**  
Raised £1,000 from a sponsored walk and the CHIC team completed 108 hours of voluntary work for local charities.

**Moving Forward:**

In 2023-24, CHIC’s social value pledge of 10% increases with turnover, allowing CHIP to support more Local Employment Groups and provide additional funding for the Community Chest Fund.

# Consortium Collaboration

During the year, CHIC and CHIP hosted a range of networking and knowledge sharing events to share ideas with our members and supply chain partners.



## The Disrepair Challenge

Helping our members understand and address the scale and nature of disrepair claims across the sector.

## Newbuild Framework

Engaging key stakeholders ahead of the launch of our new development framework, to ensure that what we procure will meet their needs.

## Meet the Minister

Addressing key housing issues with people that can make a real difference.

## Damp and Mould Debate

Understanding how our members responded to the Regulators questionnaire on damp and mould.

## Meet the Consortium

Hearing from our members in the North, to fully understand their regional requirements.

## Wales Optimised Retrofit

Discussions about how we can create effective delivery of the Optimised Retrofit Programme.

## CHIC Conference 2023

Our annual event connected housing strategy to operational reality.



## CHIP Charity Launch

Considered how best to secure Social Value through collaborative asset management and procurement.

## CHIP Awards Dinner

Celebrated this year’s award winners and raised over £5,000 for CHIP’s sponsorship funds.



Every month we publish our stakeholder newsletter, with updates on what CHIC is doing, sharing case studies and including our supply chain to promote their own ideas and solutions.



# More Procurement Solutions

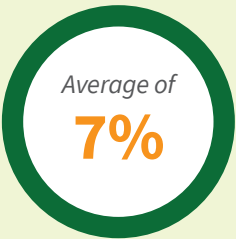
CHIC is continually evolving the suite of frameworks and DPS solutions available to meet members requirements. This year, we have procured two new Dynamic Purchasing System Solutions:

## Wales Optimised Retrofit Programme (ORP)

The Welsh government has set ambitious targets for reducing carbon emissions and improving the energy efficiency of social housing properties. This DPS is a one stop shop for our members in Wales to deliver their ORP programmes.

## UK Optimised Retrofit

The need for energy efficient housing is becoming increasingly important in the UK as the government strives to meet its target of achieving net-zero emissions by 2050. This DPS has selected partners capable of carrying out the post retrofit evaluation, measurement and audit of all projects that are required to comply with PAS 2035.



Materials savings



Most used framework



Most used DPS



## Constructing the Gold Standard

CHIC's Board and team were all briefed on the Gold Standard for Frameworks. We agreed to adopt the Gold Standard recommendations and are participating in a Constructing Excellence task group to review their implementation via CHIC's Newbuild Framework, adapting the FAC-1 collaborative framework agreement.

# Investing in Systems

CHIC has enhanced our systems and the use of technology, for both internal processes and for our members and supply chain partners.

## CHIC eSourcing

**A better way to help manage members procurement activities**

In collaboration with Panacea Software, this year we launched the CHIC eSourcing portal to manage all procurement processes. The portal provides our members with a comprehensive procurement system, from e-tender through to call off and award, working across all goods or services, with real time reporting and a full audit trail. Using this intuitive system, CHIC aims to cut costs and deliver streamlined services, whilst fully complying with new UK procurement law.

## CHIC Solutions

**A one stop shop for all our operational activity**

Our new data management warehouse is a transformative solution, facilitating smoother processes, maximising data utilisation and bolstering decision making capabilities. With regional spend tracking, direct spend allocation to various market routes and live interactive dashboards, it empowers CHIC with valuable insights. By eliminating data silos and providing easy data collection and retrieval, our teams can access reports instantly, fostering smarter, evidenced based decision making. The integration of historic data and a procurement module for CHIC Solutions enhances our reporting to members.

## CHIC Order Management System (COMS)

**Continual development to help better supply chain management**

We have added a Merchant Reporting Module where key features include cloud based data access at anytime, customisable reporting solutions with classic and interactive dashboards, data driven insights on spending trends and comparing spend across multiple merchants in one report. These updates enhance user experience and decision making capabilities, ensuring real time insights and streamlined data retrieval.

With these improvements, COMS continues to support our members in optimising operations and achieving greater efficiencies.

## New Website

**An enhanced user experience with tailored content**

We listened to our members and partners and released a new website this year, [www.chicltd.co.uk](http://www.chicltd.co.uk), to act as a hub for all the information our stakeholders need.



Merchant reports



COMS demonstrations to members



# Value for Money

As a not for profit consortium, CHIC must achieve the right balance between member transaction fees and reserves, for investing in future services.

This year we achieved the business strategy target of bringing the average level of member fees under 2.5%, whilst strengthening our balance sheet to reflect in year growth. Consecutive year on year fee reductions reflect the economies of scale secured from increased membership and procurement support.

The cumulative annual value of contracts for our members procured through CHIC was £140m, up from £110m the previous year.

New opportunities  
**£743m**

New call off contracts issued  
**129**

New opportunities  
**345**

Savings from procurement  
**£2.7m**

Savings from contracts  
**£25.9m**

# Service Support

Supporting CHIC’s 8 Services is a range of products, giving multiple service delivery solutions to our members. In 2022/23 the number of members and the variety of contracts increased. We continue to support all procurement processes and new contracts, once established.

Total number of members  
**207**

Service Utilisation  
1 service **95**  
2 services **29**  
3+ services **23**

Total live projects  
**570**

Building Safety & Compliance  
**117**

Decarbonisation & Renewables  
**2**

Capital & Planned Investment  
**93**

Technology Services  
**2**

Materials & Merchants  
**42**

Newbuild Development  
**9**

Professional Services  
**277**

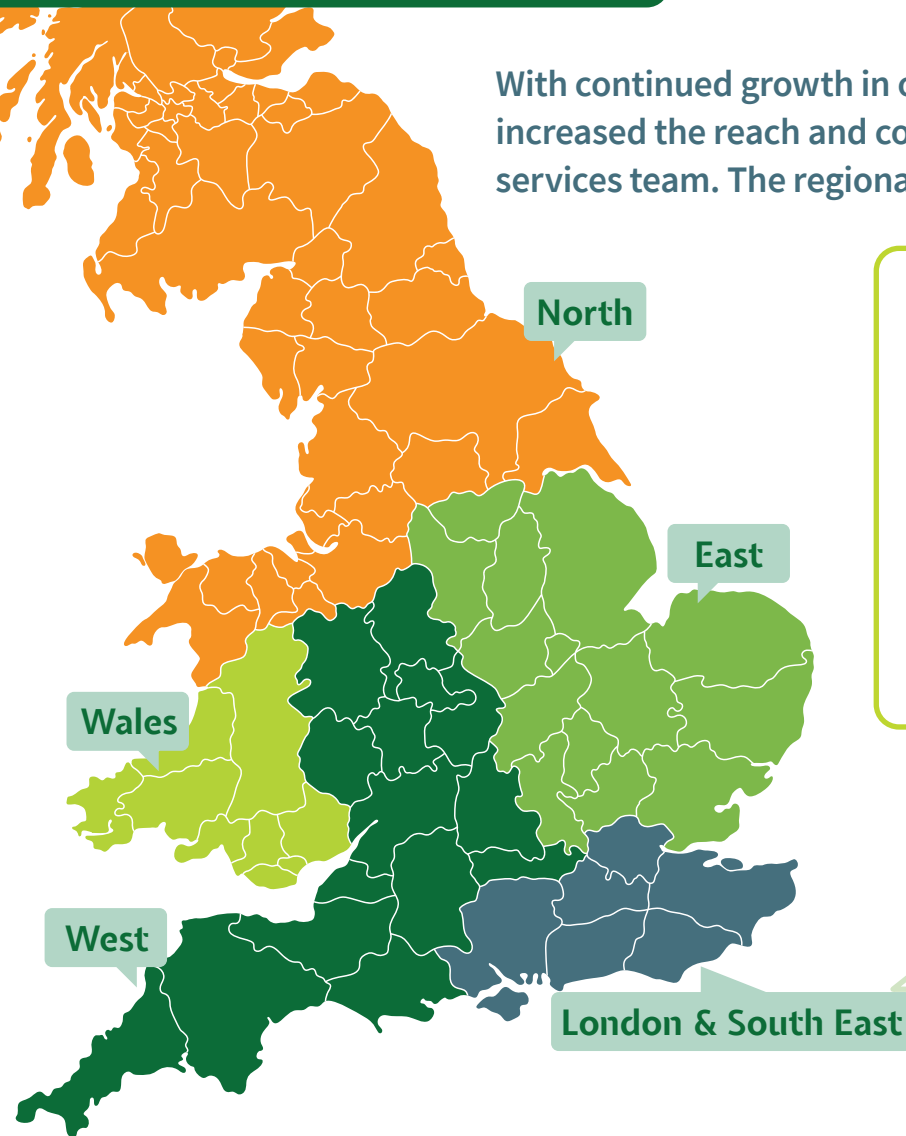
Facilities Management  
**28**

## Member Services

With continued growth in our membership, we have increased the reach and coverage of our member services team. The regional structure is shown below:

All regions are fully supported by our Central Services:

- **Procurement**
- **Commercial**
- **Merchants and Materials**
- **Marketing**
- **Data Insight**
- **Finance**
- **Social Value**



## Looking Ahead

CHIC's Board has reviewed and updated our 5 year Business Strategy (2021-2026). We will remain centred on the affordable housing sector, but will work with other sectors when asked to do so.

We expect the value of contracts we work on each year to reach £200m, with average fees at 2%. We will continue to commit 10% of our income to supporting added Social Value outcomes, both directly and through CHIP. We recognise that supporting existing members, supply chain partners and current contracts is more important than growth, so will focus our resources on providing great service support and in delivering service efficiency.



Contracts due to start next year

**127**



Members with contracts starting next year

**74**



### We will be launching replacement frameworks for

- **Windows & Doors**
- **Kitchen Materials**
- **Routine Planned Works (Phase One)**

### And launching two new frameworks

#### Newbuild

An 8-year framework for all newbuild, refurbishment / retrofit and regeneration options, including MMC solutions.

#### Healthy Homes

A framework for all retrofit and building safety solutions, including consultancy services, fabric first measures, ventilation systems, renewable energy and heat systems and whole house refurbishment.



CHIC is a collaborative, not for profit, member owned and governed consortium that delivers compliant procurement solutions and commercial support to our members in partnership with the supply chain. We secure savings for our members and are committed to the delivery of improved environmental outcomes and added social value through all that we do.



**MATERIALS  
& MERCHANTS**



**BUILDING SAFETY  
& COMPLIANCE**



**NEWBUILD  
DEVELOPMENT**



**CAPITAL & PLANNED  
INVESTMENT**



**PROFESSIONAL  
SERVICES**



**DECARBONISATION  
& RENEWABLES**



**TECHNOLOGY  
SOLUTIONS**



**FACILITIES  
MANAGEMENT**



CHIC's management services are provided by a dedicated team under a service contract with ARK Consultancy Limited.



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