

CHIC

Annual Report

2023/2024



Review of 2023/24

We started 2023/24 having recruited a new Independent Chair Elect, Amanda Long, to lead CHIC through its next stage of organisational development. The Board agreed that this year would be a handover period so Amanda could become more acquainted with CHIC's Services and Members. As intended Amanda was appointed Chair in June 2024, but it was a shock to us all that her predecessor, Maggie Punyer, sadly passed away shortly before the formal handover was due.



On a personal level, I want to record my appreciation for Maggie's drive and commitment in supporting CHIC's success and in leading the Board, as well as to acknowledge her immense positive contribution to our sector. She will be missed by all involved with CHIC.

During 2023/24 we continued the progressive expansion of CHIC's services. We commenced 225 new contracts for 113 members, representing a 34% increase in member spend and we delivered nearly £200m in asset management member spend. CHIC's membership grew by 47, bringing the total to over 250 members.

To support this growth we welcomed 10 new colleagues to the CHIC Team, strengthening our member services, our procurement capacity and our work with the supply chain. My thanks to all colleagues for their support, commitment and hard work during the year.

We have reduced our average transaction fee for our members to 2%, in line with our business strategy.

We continue to deliver our commitments to social value outcomes both through all contracts placed through CHIC and by providing funding to our aligned charity, CHIP. We have published a separate report on the positive outcomes achieved.

This year we procured three new frameworks - Newbuild and Regeneration, Legal Services and Healthy Homes - which are all now available to our members. We have worked to adopt the government's Gold Standard Recommendations, which are subject to an independent verification process to test our compliance with the highest standards for public sector procurement.

We have updated our marketing strategy and have been busy hosting 6 webinars, 4 roundtable and consultation events and 2 framework launches, as well as our annual conference and attendance at many others. This regular engagement with CHIC's stakeholders ensures that we can understand and respond to our members' expectations.

Thank you to all our members and supply chain partners for your ongoing support in helping CHIC deliver essential services to your customers and to CHIC's Board of Directors for their valued guidance.

CHIC is a consortium founded on collaborative principles, bringing together the very best asset management expertise and professional procurement in the social housing sector. We take a commercial approach to what we do, but always remember this is for the benefit of the people who live in our members' homes and their communities.

John Fisher, Chief Executive

Doing More For Our Members

Established as a not for profit company limited by guarantee, the intention was always that both the CHIC membership and supply chain should grow. CHIC has stayed true to this vision and has progressively welcomed new members over the last 14 years.

Current membership comprises of 257 organisations. This year we have onboarded over 370 new suppliers across 23 DPS solutions and Frameworks. CHIC now engages with over 1,300 suppliers.

Members' Perception Survey 2024 – What You Said

CHIC's Board has reviewed the feedback from a stakeholder survey to ensure that we focus on continuous improvement, reflecting our responsibilities as a member owned consortium. Key feedback was:

Members

- The most frequently used services related to Capital and Planned Investments (52%) and Building Safety & Compliance (48%).
- Members appreciate CHIC's support, sector information and ongoing account management.
- Overall members are appreciative of CHIC's services and support. They expect to continue to deliver works and services through our frameworks and DPS.

Suppliers

- Those which responded primarily provide Building Safety & Compliance (41%) and Materials & Merchants services (30%).
- They value business opportunities, access to relevant projects and professional interactions.
- CHIC has not created work for all businesses signed up for Frameworks and the DPS – understandably they would like CHIC to create more opportunities.

Key conclusions and actions from the independent stakeholder survey are:



We will review communications with our stakeholders, to ensure we are transparent about what CHIC offers and the opportunities for our supply chain.



We will seek to identify opportunities for all partners to be able to access tenders and contracts.



We will continue with CHIC's range of regular networking events, to bring our stakeholders together to share and learn.

Governance

CHIC's successful year was clouded by the sad news that Maggie Punyer, the chair of CHIC's Board, passed away in May 2024. Maggie served as chair for seven years and was a larger than life figure. She had a passion for social housing and always viewed things through the tenants lens.



This year, we appointed Amanda Long as the new Independent Chair of the CHIC Board. Amanda brings a wealth of experience and a commitment to consumer protection, corporate responsibility and ethical business practices. Her career has been distinguished by her ability to lead transformative change and make a substantial impact.

Over the past year, Amanda has been learning about CHIC's activities and the key role that the Board plays in both setting our strategic direction and monitoring operational service delivery. Amanda's transition into this leadership position promises to uphold the legacy of excellence and dedication that Maggie established.

We are confident that Amanda's leadership will be instrumental in the Board advancing CHIC's mission to deliver safe and decent homes for our members' residents.

This year we said goodbye to two longstanding Board members, Leon Storer and Luke Beard, both of whom started new senior roles with CHIC's Managing Agent, ARK Consultancy. We were delighted to welcome in their place two new member representatives, Victoria Speakman from Bromford and Steve Porter from Wales & West.

Current Board Members

- **Amanda Long**, CCPI (Chair)
- **David Wells**, Wrekin Housing (Deputy Chair)
- **Caroline Lawley**, Taff Housing
- **Charlotte Johnson**, Platform Housing
- **Ian Davies**, EMH Housing
- **Jayne Stringer**, Connexus
- **Mak Akinyemi**, Interim Assets Director
- **Sarah Payling**, Ocean Media
- **Steve Porter**, Wales & West
- **Victoria Speakman**, Bromford



A Year in Review

Social Value

CHIC seeks to bring positive, sustainable changes to peoples lives by delivering added social value through collaborative Asset Management and Procurement. This is delivered through Contractual Commitments and through our aligned charity CHIP, funding Employment Sponsorship, Annual Awards and Community Chest grants.

This year, through our Corporate Volunteering Programme, our team contributed **1,058 hours** to various community projects, ranging from supporting the homeless to providing training and career advice to students. The CHIC team participated in two sponsored events, raising over **£2,600** for CHIP. We have produced a separate Social Value Report highlighting these contributions, which estimates the monetary value of all our social value activities in 2023/24 at £27.25m.



47

New Members



110

Onboarded Suppliers



Legal Services

Most Used Framework



All Under One Roof

Most Used DPS



196

Merchants Reports Sent



385

New Opportunities



239

New Call Off Contracts



£27m

Savings from Contracts



11

Networking Events



691

Live Contracts



Case Studies

Swift and Effective Maintenance Solution

MEMBER: Cardinal Newman College
SUPPLIER: Churches Fire & Security
ROUTE TO MARKET: Active Fire and Security Framework

Cardinal Newman College in Preston, Lancashire, urgently required maintenance for their fire alarm, fire detectors and CCTV systems. To address this need swiftly, CHIC supported the award of a new contract to Churches Fire & Security through our Active Fire and Security Framework. CHIC managed the entire procurement process to let a three-year contract that ensures the college's safety systems are maintained by a trusted provider.

Both the College and contractor appreciated the convenience and compliance with the approach taken by CHIC. This successful partnership will ensure the delivery of reliable maintenance services, giving peace of mind for the college's students and staff. CHIC's efficient procurement frameworks provide cost effective solutions and timely responses to urgent needs, ensuring peace of mind for educational institutions and other social landlords.

MEMBER: Citizen Housing Group
SUPPLIER: Sustainable Building Services
ROUTE TO MARKET: Multiple Elements Framework

Citizen embarked on an £18m multi measure decarbonisation project to improve energy efficiency for 653 homes in Coventry. Funded by the Social Housing Decarbonisation Fund Wave 2.1, this initiative aimed to reduce energy costs and CO₂ emissions for nearly 1,600 residents. The project, which started in September 2023, involved installing external wall insulation, energy efficient double glazed doors and windows and new or additional loft insulation, all adhering to PAS 2030/2035 standards. The goal is for each property to achieve at least an EPC Band C rating by 2025, with the works carried out by contractor SBS under CHIC's Multiple Elements Framework.

In 2023/24 the project made significant progress, with 230 properties upgraded to meet the required standards. Upon completion, the expected energy savings are 4,375,800 kWh/year and carbon savings are projected at 1,193,400 kg/year of CO₂. Beyond environmental benefits, the initiative has enhanced living conditions for hundreds of families and supported 93 local jobs.



Transforming Coventry: A Multi-Measure Decarbonisation Success

What Our Members Said

“

We initially utilised CHIC's services for the delivery of the Investment Works Programme in 2022 and have continued to do so due to the 'hands on' attitude. We are fully supported throughout the procurement process by a team of people who were not only professional but extremely approachable. The expertise and guidance from technical and procurement staff is particularly appreciated in achieving our goals.

Eileen Nicholson, Fairhive Housing Association

CHIC made the Direct Award process simple and stress free. Our Account Manager handled all the paperwork, including a detailed Business Case, contract execution and supplier contact. Cardinal Newman College was happy with the process and would recommend CHIC as a compliant route to market.

Cardinal Newman College

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Financial Overview

CHIC had a positive year financially, continuing to reduce transaction fees for members and further strengthen reserves to match growth.

As a not for profit consortium, CHIC's business strategy is to balance transaction fees and costs at levels that are competitive for members, yet enable professional support services to continue to provide for all projects that we support.

In 2023/24 we hit our target to level our average fees at 2% of transaction volume. Individual project fees vary, with slightly higher percentage fees (up to maximum of 4%) applying to the multitude of the lower volume projects we support, but the average across all projects is now 2%.

The volume of spend by members through CHIC procured contracts grew to £190m and CHIC's own turnover grew to £4.2m. As a not for profit consortium we must ensure we do not generate significant surpluses, but our strategy is to increase our reserves at each year end to reflect any growth in turnover. Reserves will enable CHIC to meet its day to day financial commitments and, where appropriate, to invest in developing our services and products.

The Board will continue to review our financial strategy, to maintain the balance between the affordability of our fees for members and capacity to provide best value 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.

Our Mission

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



£201m
Spend by
Member

2%
Average
Fee

£4.17m
CHIC's
Turnover

26%
Growth in
Year

Consortium Collaboration

In October the CHIC team held an annual strategic awayday. We reviewed our progress with delivering the business strategy, as agreed by the Board on behalf of our members. We also considered how we currently market and promote CHIC to members and prospective members and how we should evolve our marketing activity.

To continue to meet with and hear from our members and supply chain partners, CHIC hosted several events during the year:

CHIC Conference and Exhibition

600+ Attendees (20% increase from 22/23)
10 Workshops
59 Exhibitors

CHIP Dinner and Awards

170 Attendees
£2,250 Raised for CHIP

Roundtables

Optimised Retrofit Programme
Welsh Housing Quality Standard
Newbuild Consultation
Meet the Consortium (North & South)

Engagement Days

Newbuild Consultation
Merchant Framework

Framework Launches

Healthy Homes Framework
Newbuild Framework
Legal Services Framework (Webinar)

Charity

12m Sponsored Steps
Sponsored Walk
Football Match

Webinars

Building Safety
Changing Technological Landscape
SHDF Wave 3 Funding
Procurement Act

“Another well organised and delivered CHIC Conference! Speaking to other attendees, the conference is a staple event in the social housing sector now, providing excellent insight and collaboration”

Tom Sowerby, Wates

New Frameworks and Systems Development



Newbuild & Regeneration

A new comprehensive solution to deliver all types of development related works and services to help tackle the housing shortage. This is being assessed for accreditation to become acknowledged as a Gold Standard Framework.



Legal Services

This updated framework creates savings and efficiencies through a panel of the country's leading housing specialist law firms.



Healthy Homes

Responding to the sectors Net Zero objectives, this is another new framework that enables landlords to seamlessly execute retrofit energy efficiency solutions and property safety refurbishments.

“COMS is a simple and straight forward system that requires minimal Client input yet still allows the client control and visibility of orders being placed.

It efficiently reduces administration time processing the material invoices by consolidating all of the monthly material purchases into one monthly invoice per supplier.”

***Jess Shackell, Contracts Manager
Two Rivers Housing***

CHIC Order Management System (COMS)

COMS is CHIC's platform for managing our members' materials orders, programmes of work and catalogues. It has been further enhanced this year to improve user convenience. New features include varied delivery SLAs by workstream, delivery time cutoffs and the ability to split invoices by product type.

CHIC Solutions (CSOL)

Serving as a comprehensive hub for operational activities, CSOL is our internal data management warehouse which helps to streamline processes and optimise data use. Development of CSOL v2, a faster, cloud-based version has begun, enabling future enhancements not feasible in the current system.



Kitchens & Bathrooms

Continuing previous solutions to support members in maintaining their customers homes by replacing components that are beyond their useful life.



Kitchen Materials

Providing access to work directly with market leading, national kitchen manufacturers (pre-assembled or flatpack), including an optional fitting service.



Windows & Doors

An updated replacement framework providing access to work directly with a wide selection of market leading window and door manufacturers and installers.

CHIC eSourcing

CHIC has worked closely with Panacea, the software developers for our CHIC eSourcing platform, preparing for Procurement Act 2023 readiness, which goes live in February 2025. Some of the key activities include:

- Working closely with the UK Cabinet Office Transforming Public Procurement Team to ensure compliance to the new regulations that come into force in February 2025.
- As an approved e-Sender, this includes testing of notice publication requirements to the Central Digital Platform to ensure adherence to the new Regulations, including contract Pipeline Notices, Award Notices, Payments Compliance Notices and Transparency Notices.
- Phased testing programmes take place to ensure all Panacea clients, including CHIC, are ready and compliant. Training and knowledge based articles will be made available to support both end users in the CHIC Procurement Team and CHIC's Supply Chain.

Service Support

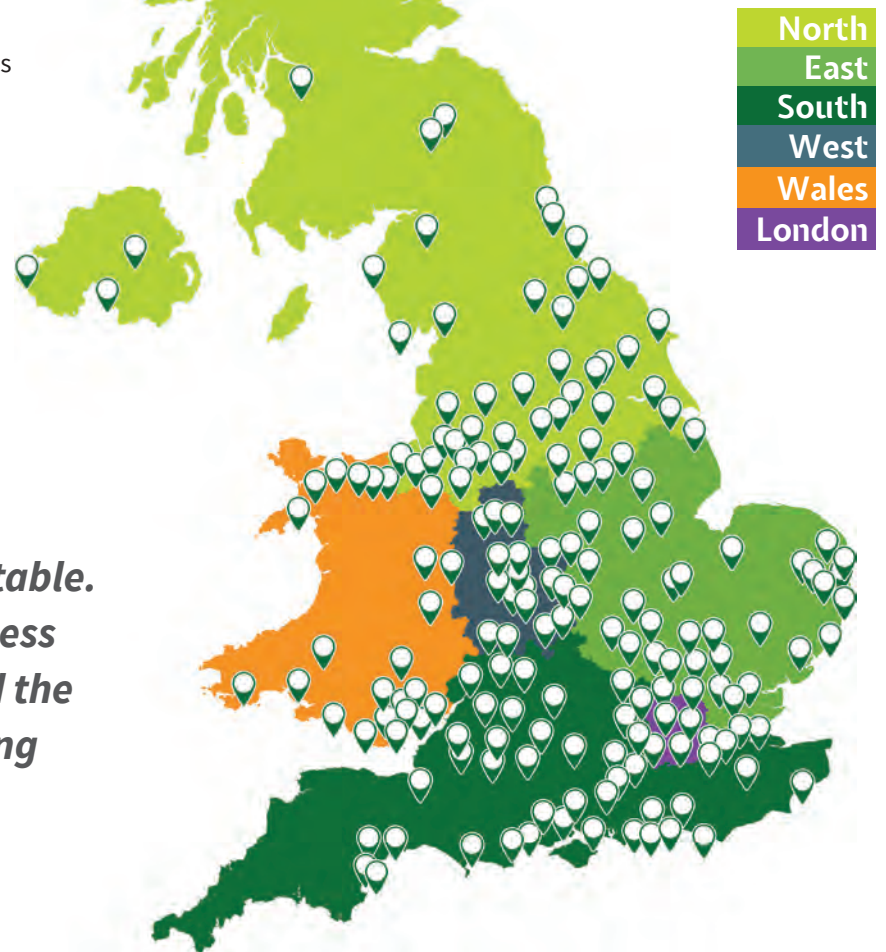
CHIC's original core operating area was across the Midlands, where we quickly established a strong and reputable presence. However, as a natural response to increasing demand we have progressively supported new projects and expanded our services across the UK, reflecting our commitment to meeting the needs of our members wherever they are located.

The map shows where our members main offices are based, although many work across wider geographical areas.

We provide extensive support throughout the procurement process, including dedicated member services and supply chain management support. After contracts are awarded we continue to offer support by providing ongoing advice and reporting to our members.

“We value the collaborative approach CHIC brings to the table. We appreciate the attentiveness from your representative and the ease of finding and onboarding the right supplier.”

Our Member Services Team is divided into the following 6 regions to help support Members localised requirements

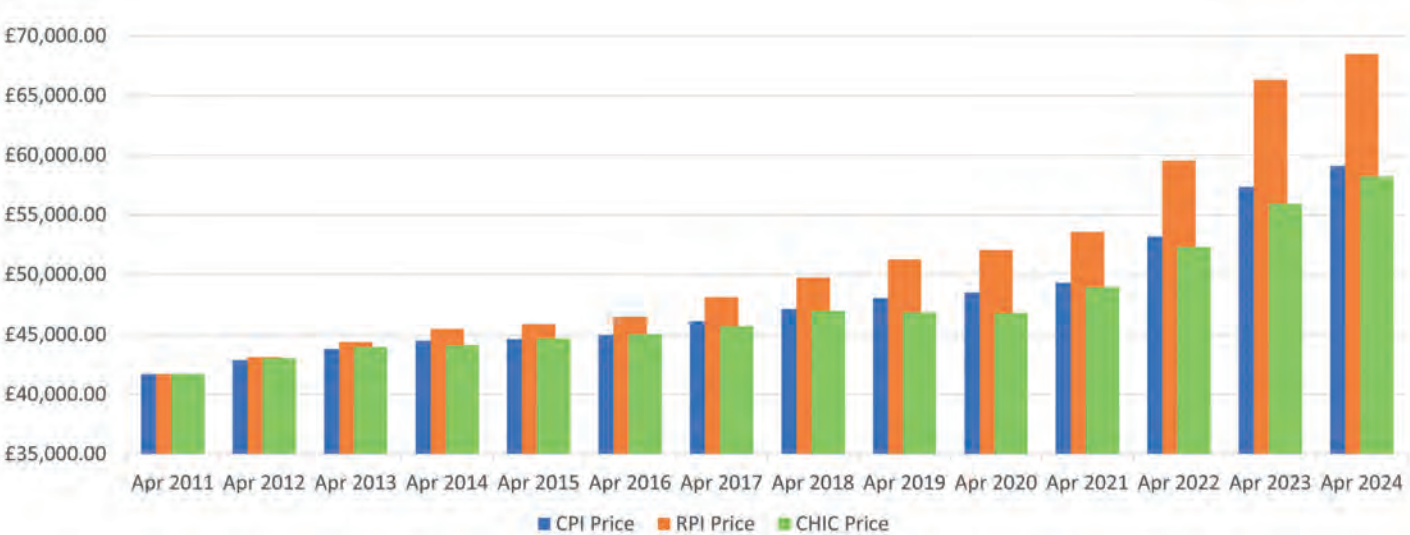


Value for Money

Performance & Growth

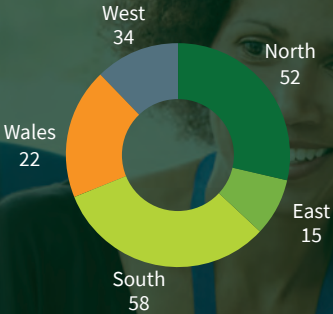
CHIC has been tracking competitive pricing on a comprehensive ‘basket of goods’ for 14 years. This graph demonstrates how our partnership with the supply chain consistently provides competitive value for money.

Greater volume produces greater purchasing power, enabling CHIC to offer competitive pricing. When comparing inflation rates, CHIC’s basket pricing has consistently remained lower than the market, as evidenced below in comparison to the Consumer Price Index (CPI) and the Retail Price Index (RPI) figures.

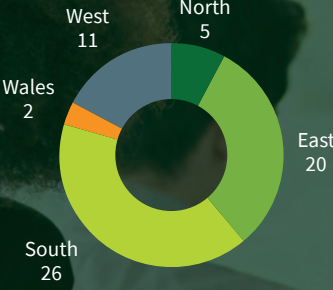


Our Members

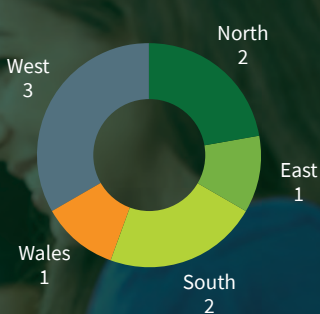
Housing Associations



Local Authorities



Other Members



Out Staff

Staff Achievements

All staff have engaged in training in Asset Management, the Microsoft Suite and Presentation Skills.

The procurement team also completed Procurement Act 2023 Practitioner Training.

Individual achievements include:



Martin Radbourne

Completed his Masters Degree in Data Analytics



Sam Domican

Completed his Procurement Act Advanced Practitioner and Super User Training



Riten Aghera

Passed his CIPS Level 4 Diploma in Procurement and Supply



Matthew Maycroft

Working towards his CIPS Level 4 Apprenticeship



CHIC's team grew this year, to support our increased membership and more comprehensive service activities, particularly across our procurement, strategic services and member services teams. New team members include:

- **Kieran Waud-Shaw**, Commercial Coordinator
- **Sarah Degg**, Head of Member Services (Midlands)
- **Chris Brockwell**, Head of Member Services (South)
- **Adrian Hussain**, Head of Member Services (West)
- **Michael Ivory**, Senior Procurement Manager
- **Ian Mackinnon**, Senior Procurement Manager
- **Matthew Maycroft**, Procurement Officer
- **Lewis Chant**, Partnerships Executive
- **Rebecca Wills-Smith**, Catalogue Manager
- **Hannah Elliott**, Technical Manager

Looking Ahead

Our members must continue to keep their buildings and residents safe but also to invest in their homes, with planned component replacements and continued work towards net zero. The new Government focus on new homes will also put more pressure on development and regeneration.

We are therefore confident we will continue to see demand for our services, so CHIC can further enhance the positive impact members have on the communities where they operate.

Our pipeline of new projects already forecasts 25% growth in 2024/25, which we will respond to in the positive way we have to year on year, whilst growing over the last 5 years.

We look forward to further strengthening our team, enhancing our procurement capabilities and delivering social value initiatives.

196

Contracts due to start next year

88

Members with new contracts starting

£243m

Forecast spend under contract for 2024/25

Procurement Act

The Procurement Act 23 will come into force on 24th February 2025. It will be supported by Cabinet Office guidance and will form the basis of procurement regulation from that date.

The CHIC Procurement team has kept up to date on the new Act through regular learning modules and then shared these through internal training sessions for the rest of the team. CHIC has provided an overview of the changes for our members and our supply chain through a dedicated page on our website, with guidance on how to prepare for this new procurement landscape.

As we look forward, we prepare for our first frameworks under the new act to be launched in 2025.

We will be launching replacement frameworks for

- Fire & Building Safety Framework
- Mechanical & Electrical Framework
- Merchants Framework

And launching three new frameworks

- Building Multi-Elements Framework
- Compliance
- Lifting Equipment & Mobility Aids



**MATERIALS &
MERCHANTS**



**BUILDING
SAFETY &
COMPLIANCE**



**NEW BUILD
DEVELOPMENT**



**CAPITAL &
PLANNED
INVESTMENT**



**PROFESSIONAL
SERVICES**



**DECARBONISATION
& RENEWABLES**



**TECHNOLOGY
SOLUTIONS**



**FACILITIES
MANAGEMENT**



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