



RESPONSIVE  
MATERIALS

COMPLIANCE

BUILDSMART  
NEW HOMES

PLANNED  
INVESTMENT

LEGAL  
SERVICES



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10 YEARS OF DELIVERING  
INTELLIGENT PROCUREMENT

# ANNUAL REPORT

2019/20

CHIC

We have been delivering our members significant savings and efficiencies for over 10 YEARS

CHIC was formed in 2010 with 7 founder members.

## CHAIR'S STATEMENT



This year saw an expansion in our membership, our services and products. We delivered a range of new procurements, including a new legal services framework, updated BuildSmart supply contracts, frameworks for fire doors, comprehensive contracting services and multiple elements of the built environment. We also updated our marketing activities with the launch of CHIC CHAT, our monthly newsletter, new webinars and supply chain supported seminars.

The unexpected impact of the Covid-19 lockdown was dramatic, stalling most construction sector activity in our last quarters trading. CHIC's workload and income is intrinsically linked to maintenance and construction work. But we finished this year in a strong position, showing how highly our services, products and ongoing support to our members organisations is regarded.

In 2020/21 we have some exciting projects and organisational developments to deliver. Despite the ongoing impact of the coronavirus, I am confident CHIC will continue to go from strength to strength as it enters the second decade of service delivery.

CHIC's expansion means more efficiencies and savings for our members. We reduced our fees in the first 10 years by around 60%. As we move into the 2020s', the Board will be focused on more savings through growth, with added social value. We have not forgone the values that were adopted by the founding members and will continue to ensure these hold true.

**Maggie Punyer**  
Chair

Such is the pace of change that it is hard to believe this was my third year as CHIC's chair and the tenth trading year for CHIC. We expected to celebrate that milestone at our annual conference in June, but along with businesses globally, the end of our 2019/20 trading year in June was not as we had planned.

CHIC's Board comprises mainly of directors drawn from our membership, with a wide range of skills and experience; this ensures that what we do responds to our members needs and expectations. My role as one of two independents on the board – both with significant experience in the housing sector - helps us to create an effective balance between serving our members whilst operating an effective, commercially focused, not for profit consortium.

I would like to pay tribute to my board colleagues for their support, commitment and hard work during the year and particularly to welcome two new members who joined us this year. Thank you also to the CHIC team which delivers our overriding strategy to create efficiencies for members. Together, the board and staff team translate a strategy directly influenced by members into effective support, savings and social value outcomes.

## MESSAGE FROM OUR MD



contractors and suppliers once contracts are established. We have enhanced our regular reporting on activities and savings for all active members during the year.

Despite the inevitable impact of the Covid-19 lockdown in our fourth quarter, with a significant reduction in activity across the construction industry, CHIC nevertheless enjoyed its most active year yet, supporting more members with more projects across all of our products.

The support of my colleagues to deliver the growth in our products, services and membership during the year has been outstanding. We have done a great deal to establish CHIC as a strong and flexible asset management and procurement consortium as we move into our second decade of service delivery. So my thanks to the team and to the CHIC board for their support.

CHIC has lots to look forward to, as we trade out the most severe effects of the pandemic. 2020/21 will see geographical expansion, procurement of new frameworks across our products and more contracts being supported for more members. In turn, we will secure increased savings and social added value outcomes. We look forward to working with all of our stakeholders to achieve this.

**John Fisher**  
Managing Director

CHIC has seen strong growth during the year, with both new membership and new product development. In turn, the services we provide to our members and the resultant efficiencies, savings and social value we deliver have all increased.

We started the year having just left the Reallies partnership, so needed to re-establish our direct relationships and bespoke catalogues with the supply chain. Many thanks to all our supply chain colleagues and partners for their support; as a result we have seen a growth in demand from existing and new members.

This was CHIC's 10<sup>th</sup> year of trading; when we started a decade ago we provided services in the Midlands to 7 members with 45,000 homes. These 7 are now only 4 (through mergers) but, as the founders intended, demand for CHIC's services has seen our membership grow to over 100 organisations across the UK, together managing >800,000 homes.

CHIC prides itself on its flexible approach to meeting members' needs. We provide compliant procurement solutions but we also continue to support members and

# NEW TO 2019/20

CHIC provides ongoing managed services support as well as procurement solutions



## MERCHANT REPORTS

Our successful merchant reports have received a brand new look and feel this year, to better highlight key information on merchant spend. In addition to showing a detailed spend breakdown, and an on/off catalogue summary, each report is further modified to best fit each organisations requirements. All members which have merchant spend through CHIC's managed services get comprehensive monthly reports.



## CHIC CHAT

We replaced our quarterly board updates with a new monthly newsletter this year. This provides the latest CHIC and relevant sector news. We also inform our stakeholders about the latest innovations and developments across our supply chain. CHIC CHAT gives an opportunity for our members and partners to share their product developments and news stories with a dedicated audience.



## MEMBER REPORTS

We pride ourselves on providing our members with added value. We now provide active members with a monthly report highlighting key information that they can use to further drive efficiencies and savings. We report on contract progress, forecast annual savings and project specific issues. We will continue to develop our reports to keep our members informed.



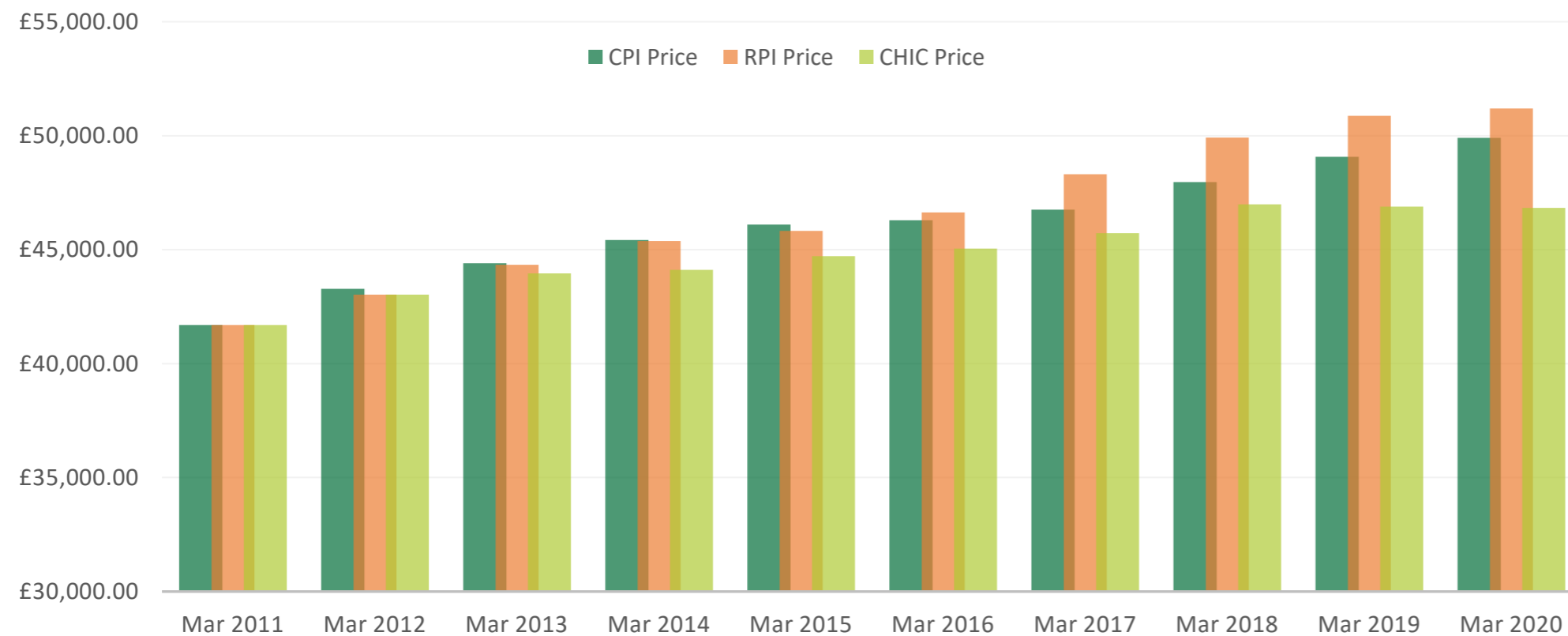
## CHIC SEMINARS

CHIC Seminars are regular events in collaboration with our supply chain partners. They are free to attend for our members and supply chain, as a way of providing added value for all stakeholders. They are topical and engaging, focusing on providing essential updates inspired by market trends. We hosted successful events this year on The British Standards changes to the domestic fire detection and alarm system standard and on the future of heating.

# GENERATING SAVINGS

Greater volume produces greater purchasing power and allows CHIC to offer competitive pricing. When compared to inflation, each year CHIC's basket pricing has been lower than the market, based on both Consumer Price Index and the Retail Price Index figures.

WE AIM TO DELIVER  
15% SAVINGS FOR  
OUR MEMBERS  
EACH YEAR



*CHIC has tracked competitive pricing on a comprehensive 'basket of goods' for 10 years now. This graph shows how our work in partnership with the supply chain continues to provide great value for money.*

For core products CHIC operates a flexible transaction fee model ranging from 0.5% up to a maximum of 4% depending on value, volume and commitment of work. Each project has an annual fee review to ensure ongoing value for money for our members. As a not for profit organisation any surplus is invested back to our members through CHIC's developing service offers and product range. On average fees have reduced by 60% since we set up our first projects in 2011.

# NEW FRAMEWORKS AND CONTRACTS

CHIC supports members to secure PCR 2015 compliant access to a wide range of contractors, suppliers, merchants, consultants and lawyers from our frameworks and contracts, through mini-competition or direct award. We fully support the procurement process, with dedicated member services and then continue to provide commercial supply chain management services.

## This year we have delivered:



### LEGAL SERVICES

CHIC has partnered with our specialist legal services agent Kennedy Cater to deliver our new legal services framework, comprising of a panel of 22 leading housing law firm



### BUILDSMART NEW HOMES

BuildSmart gives members a compliant procurement solution in collaboration with others, using a common supply chain, standard home type designs, coordinated materials supply and greater efficiencies during the build period. We have procured 3 new long term modular manufacturing contracts for new homes, with turnkey options.



### MULTIPLE ELEMENTS OF BUILT ENVIRONMENT

This new framework gives easy access a whole variety of flexible solutions through a wide selection of market leading contractors. The framework is split into 3 work-stream lost - Multiple Building Elements, Restricted Mobility Adaptations and Decorations.



### FIRE DOORS SUPPLY

Our 4 year framework gives access to 7 manufacturers of timber fire door sets across the UK. Some of the organisations offer optional supplier installation.

## COMING SOON...

**Lifting Equipment**

April 2021

**Asbestos**

April 2021

**Active Fire and Security**

November 2020

**Cladding Surveys & Removal**

January 2021

**Consultancy**

April 2021

**Compliance**

April 2021

**Temporary Fire Protection**

November 2020

**Technical Auditing**

April 2021

**Planned Materials**

April 2021

# EXPANDING OUR SERVICE DELIVERY

CHIC set out to provide an efficient route to market for registered providers all across the UK. We understand the importance of tenants having safe and decent homes to live in and we want to contribute as much as we can to meet the country's ambitious house building targets. This year, we have responded to new opportunities whilst broadening our reach both geographically and generating more volume, creating further savings and efficiencies for more members across the UK.

## THE NORTH AND SCOTLAND

We are delighted to announce that we are now able to provide regional support for our services in the North of England and Scotland. Being a national consortium with local presence allows our service delivery team to fully understanding our members specific needs based on local market knowledge, so we have expanded our member services delivery team to support this expansion.

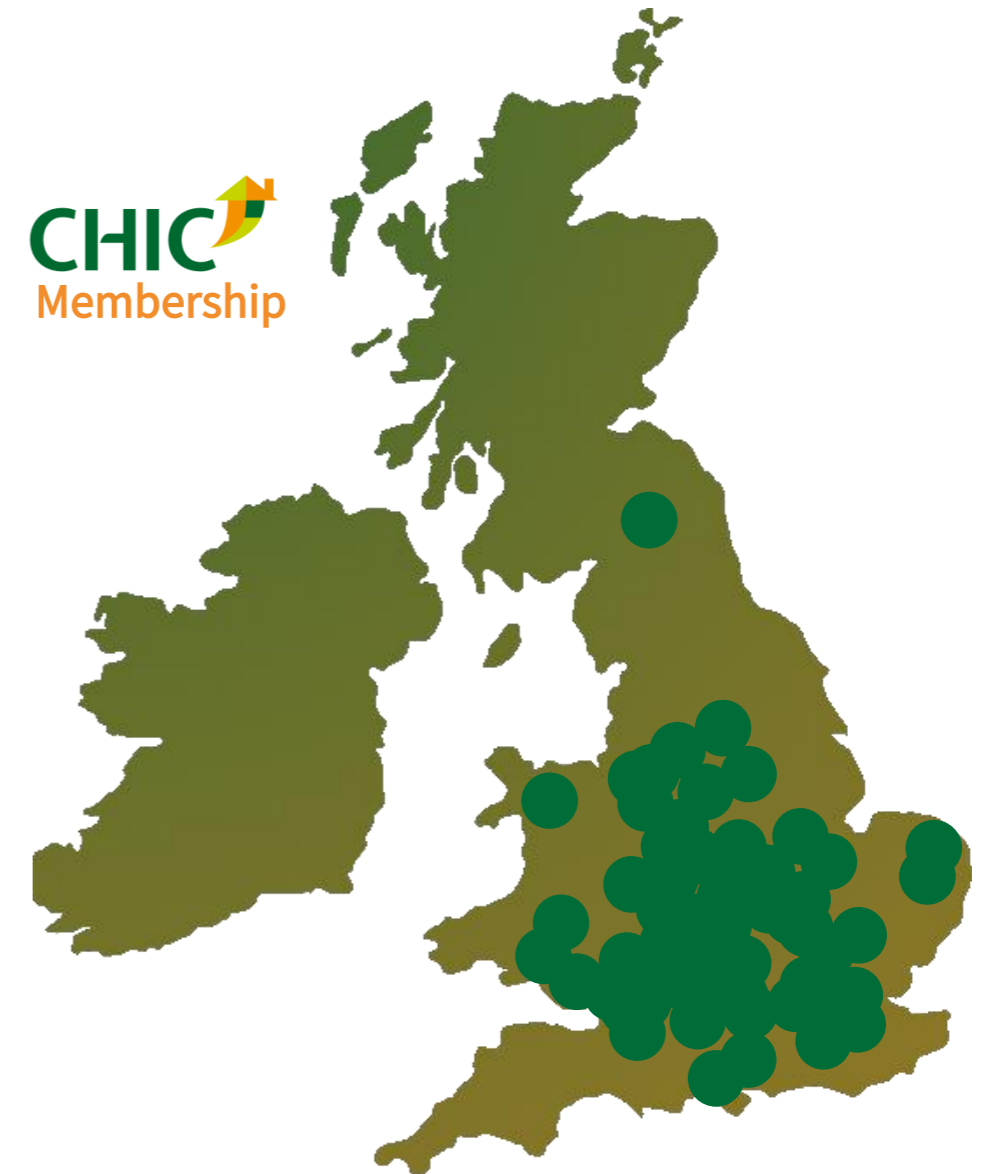
## L&Q

CHIC and L&Q Housing Association are collaborating to establish a framework, which will assist L&Q and the wider CHIC membership to inspect and remediate buildings over 11 metres high, to meet latest guidance on building safety.

The framework will provide for intrusive inspections, façade design and engineering support and specialist contractors to complete remediation works, which could include removal and re-installment of cladding\.

### St. Claire Cottages

Our first modular building was completed this year.



# PERFORMANCE REPORT



## 200+ SUPPLIERS

On our contracts and frameworks

## Completion

of our first turn-key modular building



This year we have issued over **500** member reports, helping our members generate further savings

We delivered some outstanding outcomes and achievements this year which would like to share...



We supported **35** new projects this year worth **£21m**



## 100+ MEMBERS

Formed of Housing Associations, Local Authorities, ALMOs' and Charities. This year we have had over **25** new members join CHIC



CHIC members manage over **800,000 HOMES** across the UK

## NUMBER OF LIVE PROJECTS



37



68



99



55



19

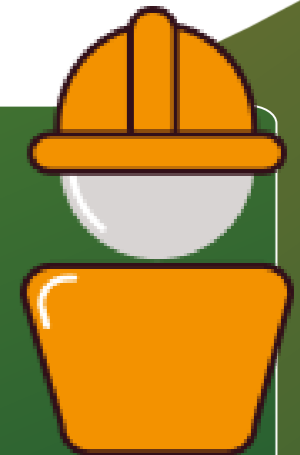


CHIC has procured **3** new frameworks this year to give our members an efficient route to market



We had a **53%** growth of call off contracts compared to last year

**22** people have been supported into new jobs through CHIC's contractual agreements



We are proud to announce that according to our 2019 Member Survey, **90%** of CHIC's members would recommend our services to other Registered Providers

CHIC currently has **269** ongoing contracts with our members and partners. These are supported by a dedicated commercial team, managing catalogues and regular reporting, giving you competitive prices



# SOCIAL VALUE

CHIC builds social value targets into every works, services and material supply contract. This ensures we can deliver consistent, measurable employment outcomes which are directly proportional to contract value

## Recognising Hard Work

We engage with and fund local employments groups (LEGS) Black Country Housing Group, Jericho Foundation and Steps to Work. This allows more focus to be applied to those facing specific barriers in the workplace due to long-term unemployment, disability, age or women in manual trades. This year we supported Apprenticeships for an organisation that rescues people from modern day slavery.

CHIC has this year directly supported **22 people** into new jobs, with a specific focus on ensuring that those employed are retained for a minimum of 6 months. 19 of the 22 were retained for 26 weeks - an 86% achievement. Under the CHIC arrangements these newly employed people will continue to be monitored for up to 3 years.

At CHIC's annual conference we hosted the presentation of the Trainee Of The Year Award (*pictured right*) where all contractors and members are invited to submit entries, to celebrate their achievements encouraging new trainees into the sector. We also introduced two new award categories at our 2019 conference, Best Newcomer and Above and Beyond.



**THOMAS TILL**  
Sunfish Services

*Trainee of the year winner*



**SACHA HUTCHESON**  
United Living

*Above and beyond winner*



**KYLE BRADY**  
DMW Environmental Safety

*Best Newcomer winner*

*\*CHIC's Trainee of the Year Award Highly Commended 2019*



# ADAPTING TO COVID - 19

The coronavirus pandemic had a significant impact on many sectors in the second half of our 2019/20 year, with construction and maintenance works being significantly affected. Especially during the initial lockdown phase, most work delivered under CHIC procured contracts and frameworks came to a halt, with only essential work being permitted.

For our members and for CHIC, we had to adapt quickly to new ways of working. We supported on-going essential compliance works and requests from members for interim support contracts, where their own in-house teams could not meet demand.

CHIC worked closely with our contractors and suppliers to understand how services and supplies could be sustained. Whilst many businesses traded with very limited staffing, we were able to maintain effective contact so that when lockdown was eased, projects and programmes could recommence efficiently.

We worked closely with many members to use the time to plan new contracts, including completing a range of mini-competitions. We also progressed work on new framework procurements and on new BuildSmart manufacturing and turnkey long term contracts.

The CHIC team swiftly moved to more flexible working practices, with all team members working from home and on upgraded IT infrastructure to support the changes. The CHIC team is now more connected than ever, and like our membership, has adapted positively to the new ways of working.

CHIC will continue to deliver day to day operations with a flexible working model, to ensure that we can continue to provide a great service to our members.

*CHIC's financial year runs from 1<sup>st</sup> July to June*

## Remaining Operational in Challenging Times

In the initial 3 months of the coronavirus outbreak, CHIC consistently remained productive, supporting contracts for emergency works and creating several new contracts ready for post lockdown starts.

Despite the COVID-19 inspired changes, asset management, building safety and new build development are going to remain a top priority for registered providers. CHIC's procurement and asset management support for members has been proven over the last 10 years; we will continue to add value across these activities.

“Connexus has been a member of CHIC since its inception in 2010. The investment is very much long-term and has helped us achieve great savings and efficiencies over the years.”

**Jayne Bissell**  
Connexus

“As well as helping us to streamline our procurement process, we have come to trust that CHIC understand our values and objectives to ensure that we right source contractors

**Ian Bamforth**  
Saxon Weald

“Following our successful appointment to the CHIC framework, we have experienced a great level of post contract engagement, shared intelligence and promoted opportunities for collaborative working.”

**Chris Pritchard**  
CLC

## NEW FACES THIS YEAR

CHIC grows in response to what our members want and need us to do, so our team grows too.



**Luke Hurd**  
Chief Operating Officer



**Martin Radbourne**  
Contract and Commercial Coordinator



**Lesley Dixon**  
Head of Member Services (Cumbria)



**Sarah Payling (Board Member)**  
Strategic Partnerships Director,  
Ocean Media Group



**Mark Pinnell (Board Member)**  
Executive Director of Assets and Development,  
Solihull Community Housing

This year we completed a member survey where most members considered CHIC as their **procurement partner of choice**. Feedback confirmed:

**90%** of respondents believe CHIC has an effective relationship with its contractors and suppliers

**89%** of respondents believe CHIC's Post contract engagement and account management support is effective