



How the ISO20400 Guidance aligns with the Flexible Framework

Flexible Framework at The University of Manchester

Introduction

The University of Manchester has been supported by NETpositive Futures for the past two years to progress through the Flexible Framework. During this time, we have collectively developed a good understanding of the requirements of the Flexible Framework, how it can be applied in a Higher Education context and, more importantly, how to effectively embed sustainability into procurement practice.

The University of Manchester recently became the first UK university to be independently verified as having reached Level 5 on the Flexible Framework.

With the launch of the ISO20400 guidance, which aims to support organisations to embed sustainability into procurement practice, we felt it was a good time to reflect on the sector commitment to the Flexible Framework and review if and how the ISO20400 guidance could be implemented within a Higher Education Institution.

We have also chosen to develop this paper as we know, as a result of research carried out by the Responsible Procurement Group, that the Flexible Framework is currently the tool of choice within the Higher Education Sector.

In Appendix 1 we provide detailed comparisons across each of the themes of the Flexible Framework. These comparisons focus initially on Level 4 activity with consideration in relation to Level 5 activity where this is appropriate.

In Appendix 2 we share our own starting point for this activity, a SWOT analysis. This exercise may be useful for institutions building a business case in their own context.

Different Starting Points

We have identified four starting scenarios; you may recognise yourself in one of these areas.

Scenario

Question

1

We have had no interest in implementing sustainable procurement but should start to look at it more closely

Should I use the Flexible Framework the ISO20400 guidance or both to help me?

2

We have made very little progress on sustainable procurement and against the Flexible Framework although we had assumed the Flexible Framework was the tool we would use

Should I use the Flexible Framework the ISO20400 guidance or both to help me?

3

We have started our journey through the Flexible Framework and operate around Level 2-3

Should I carry on with the Flexible Framework or begin to use the ISO20400 guidance?

4

We are currently operating at level 4 or 5 of the flexible Framework

Should I transfer across and implement the ISO20400 guidance or stick with the Flexible Framework?

Important Note: It is critical to recognise at this point that the **ISO20400 is only guidance** and whilst it is possible to operate in line with the guidance you are **not able yet to achieve a standard and do not have to be externally assessed at this point.**

Summary of our Analysis and Reflections

This document reflects only the views of NETpositive Futures and University of Manchester; whilst both organisations have a great deal of experience of sustainable procurement theory and implementation, we acknowledge this is simply our opinion.

The following are based on a thorough review of documentation associated with the ISO20400 guidance and the Flexible Framework Guidance.

Key points of particular relevance for Higher Education Institutions

1. The intent of the Flexible Framework and the ISO20400 guidance is almost identical; both focus on how to practically embed sustainability within the procurement process
2. Both the Flexible Framework and the ISO20400 guidance focus on very similar areas. Although the language and structure differ slightly, the detailed content and associated actions are essentially the same:

THE FLEXIBLE FRAMEWORK STRUCTURE	THE ISO20400 GUIDANCE EMPHASISES
People	Enabling people
Policy Strategy and Communications	Governing procurement
Procurement Process	Identifying and setting sustainable procurement priorities
Supplier Engagement	Engaging Stakeholders
Measurement and Results	Measuring and improving performance

3. Having identified the areas of similarity and shared references it should be noted that there are however different areas of emphasis:

THE FLEXIBLE FRAMEWORK EMPHASISES	THE ISO20400 GUIDANCE EMPHASISES
Collaboration across and beyond the sector	Process and documentation to support and evidence activity
Embedded use of Whole Life Costing approaches	Embedded use of Life Cycle Costing
Celebration, reward and promotion of the contribution of procurement internally and externally (leadership)	Governance, responsibility and accountability within the procurement function and beyond

4. What neither document provides is an Action Plan or starting point to support the practical implementation of the approaches outlined. We know from experience that this can be a barrier to taking sustainable procurement forward in institutions.

Sector Use of the Flexible Framework

Since the launch of the Flexible Framework in 2006, as part of the document [Procuring the Future](#), the Higher Education sector has embraced the Framework and the commitment to sustainable procurement with some noticeable success. This has been for a number of reasons, which include:

1. The sector has collaborated to share guidance, learning, progress and innovation
2. Leading universities have shared good practice and worked together on joint initiatives to drive progress
3. There has been a clear commitment to making progress on sustainable procurement from the Purchasing Consortia and HEPA through the Procurement Maturity Assessment.

Recent research from the Responsible Procurement Group has shown that 59% of universities have engaged with the Flexible Framework.

Where does this put the sector in relation to the ISO20400?

The ISO20400 is a welcome step forward in supporting the implementation of sustainable procurement within Higher Education.

We have already noted that embedding sustainable procurement from a procurement process and practice perspective looks very similar whether viewed through the Flexible Framework or the ISO20400. This is both positive and unsurprising given the pedigree of both pieces of work.

A historic lack of practical guidance and materials to support the implementation of the Flexible Framework meant the HE sector innovated and in doing so made some great strides forward. In some areas it could be argued the sector is already exceeding the expectations within the ISO20400 guidance. This includes:

Supplier Engagement and Development

The commitment of the HE sector to the NETpositive Supplier Engagement Tool (with 40 universities and 4 purchasing consortia) using the associated data to inform evidence based engagement.

Sustainability Impact Analysis

This shared approach (hosted by HEPA) allows the identification of sustainability issues at a category and individual project level. Alongside use of the Marrakech Prioritisation Tool a risk-based approach to sustainable procurement is already in place in many cases.

Category Management

Whilst quality is still mixed, the development of category strategies has taken hold within Higher Education. Driven by the Procurement Maturity Assessment and supported by the leading institutions this is fast becoming an area of excellence for the sector.

What would we recommend if you asked for our advice?

Our view is as follows:

1. The ISO20400 is a very useful document. It provides a fresh look at how to embed sustainability into the procurement process and in some considerable detail
2. It has some great reference material and can help inform stakeholder management processes, understanding of sustainability issues and provides a consistency of terminology to feed into training sessions
3. The sector should find a way to use the resource and guidance for the benefit of the sector as a whole.

However:

If we were to return to the 4 scenarios outlined in the introduction to this document our advice would be the same:

1. *Aim for a minimum of Level 4 on the Flexible Framework as this aligns with the ISO20400 guidance.*
2. *Aim for a minimum of Level 4 on the Flexible Framework as this aligns with the ISO20400 guidance.*
3. *Develop an action plan to embed sustainability into your procurement process which aligns to the Flexible Framework, the ISO20400 guidance and the Procurement Maturity Assessment.*
4. *Support the Responsible Procurement Group to develop a range of resources and materials that mean the processes that are both repetitive and can be done once at a sector level are delivered. If at some point the ISO20400 guidance becomes a standard maintaining a strong and robust Level 4 and Level 5 on the Flexible Framework would provide a very strong basis for transferring across to the future ISO20400 standard.*

An example action plan to deliver Flexible Framework Level four and following the ISO20400 guidance and contributing to the Procurement Maturity Assessment Framework is currently being developed by NETpositive Futures and will be shared shortly.

Appendix 1

Detailed comparison between the Flexible Framework and the ISO20400 guidance

References in brackets relate to ISO2400:2017 documentation

People	Flexible Framework: Key Activities to embed Sustainable Procurement (amalgamated to Level 4)	ISO20400 Guidance: Alignment with Flexible Framework	ISO20400 Guidance: Alignment with Flexible Framework
	<p>Sustainable procurement champion identified</p> <p>All procurement staff receive basic training in sustainable procurement principles</p> <p>Key staff receive advanced training in sustainable procurement principles</p> <p>A programme of targeted refresher training is in place</p> <p>Sustainable procurement included in competencies and selection criteria</p> <p>Performance objectives and appraisal processes include sustainable procurement</p> <p>Sustainable procurement is included as part of employee induction programme</p> <p>A simple incentive programme in place</p>	<p>Importance of a Procurement Lead to support the implementation of sustainable procurement (5.1, 5.2)</p> <p>Need for all staff to understand the concept and principles of sustainable procurement (4.1, 4.2, 4.3)</p> <p>Inclusion of sustainable procurement in performance management, staff objective reviews and incentive programmes (6.2.2)</p>	<p>Emphasis on the difference between those accountable and those responsible for delivering Sustainable Procurement (Figure 2, p12)</p> <p>Collaboration is the term used to describe the sharing of good practice (6.2.3)</p> <p>Suggests procurement professionals are provided with tools and guidance to implement sustainable procurement (6.2.4)</p>
			<p>Ways the Flexible Framework is different</p> <p>Emphasis on competencies and selection criteria</p>
<p>Beyond Level 4:</p> <p>Flexible Framework Level 5</p>	<p>There is a high level of alignment between the ISO20400 and level 4 of the Flexible Framework (which relates to the embedding of sustainable procurement).</p> <p>However, when we look at level 5 of the Flexible Framework there is an additional focus on:</p> <ul style="list-style-type: none"> • Raising the profile of sustainable procurement (especially through achievement of internal and external awards) • Celebrating achievements and benefits to help attract the best procurement professionals • A focus on sharing best practice with other organisations 		

Appendix 1 (continued)

Detailed comparison between the Flexible Framework and the ISO20400 guidance

References in brackets relate to ISO2400:2017 documentation

Policy, Strategy and Communications	Flexible Framework: Key Activities to embed Sustainable Procurement (amalgamated to Level 4)	ISO20400 Guidance: Alignment with Flexible Framework	Ways the ISO20400 is different:
	<p>Overarching sustainability objectives are agreed and in place</p> <p>Sustainable procurement policy, including supplier engagement, is reviewed and updated regularly</p> <p>A procurement strategy (covering risk, process integration, marketing, supplier engagement and measurement) is linked to an EMS (if appropriate) and recognises the potential of new technologies</p> <p>Procurement policy and strategy are supported by the institutional leadership and have an associated review process</p> <p>Policy and strategy are part of a wider Sustainable Development strategy and aligned with organisational priorities</p> <p>Commitments to sustainable procurement are widely communicated (internally and externally)</p>	<p>Commitment to delivering sustainable procurement endorsed at top management level (5.1)</p> <p>Sustainable procurement policy and strategy commitments provide clarity of approach and alignment with the organisational priorities (5.3)</p> <p>Sustainable procurement embedded in existing procurement strategy is the ideal (5.3)</p> <p>Approach to sustainable procurement is disseminated widely (5.5)</p> <p>Commitment to regular review, monitoring and celebration of achievements related to the policy and strategy (5.5)</p> <p>Importance of engaging a range of stakeholders at the appropriate time (6.3.3)</p>	<p>Links provided to ISO 26000 and list of sustainability issues that should be used to inform the development of priorities for procurement strategy/policy documents (Annex A)</p> <p>Outlines how the implementation of sustainability objectives in policy and strategy should be managed (goals set for each objective etc.) (5.5)</p>
			Ways the Flexible Framework is different
			<p>Less prescription relating to elements to be included in an organisation's approach to sustainable procurement</p>
<p>Beyond Level 4:</p> <p>Flexible Framework Level 5</p>	<p>All level 5 activities in the Flexible Framework in this area are covered within the ISO20400.</p>		

Appendix 1 (continued)

Detailed comparison between the Flexible Framework and the ISO20400 guidance

References in brackets relate to ISO2400:2017 documentation

Procurement Process	Flexible Framework: Key Activities to embed Sustainable Procurement (amalgamated to Level 4)	ISO20400 Guidance: Alignment with Flexible Framework	Ways the ISO20400 is different:
	<p>Detailed expenditure analysis supports prioritisation</p> <p>Sustainability risks are assessed, considered from the start and managed through all stages of procurement process</p> <p>Whole-life-cost analysis adopted</p> <p>A life-cycle approach to cost/ impact assessment is applied</p> <p>Targets to improve sustainability are agreed with key suppliers</p> <p>Project/contract governance relating to sustainability is in place</p>	<p>Sustainability risks included as part of the planning process (through the development of the sourcing strategy) and through the procurement process. (7.2.2 p25, 7.2.6)</p> <p>Focus on total cost of ownership utilising Life Cycle Costing (7.2.3, Figure 6)</p> <p>Sustainability requirements clearly included at every stage of the procurement process (7.3)</p> <p>Minimum requirements and KPIs developed and managed through contract award and management (7.4, 7.5)</p>	<p>Explicit inclusion of a variety of technical and sustainability input into the procurement process (7.2.2)</p> <p>Use of a category strategy approach is suggested (6.4.2)</p> <p>Explicit consideration of opportunity alongside risk (6.4.1, 7.2.2)</p> <p>Emphasis on considering organisational need as part of the procurement process (7.2.4)</p> <p>Explicit focus on reviewing and learning from the contract (7.6)</p>
			Ways the Flexible Framework is different
			<p>Specific reference to Government Buying Standards</p> <p>Much less prescription relating to the procurement process and where (and how) sustainability considerations should be included</p>
Beyond Level 4:	There is a high level of alignment between the ISO20400 and level 4 of the Flexible Framework (which relates to the embedding of sustainable procurement).		
Flexible Framework Level 5	<p>However, when we look at level 5 of the Flexible Framework there is an additional focus on:</p> <ul style="list-style-type: none"> • Raising the profile of sustainable procurement (especially through achievement of internal and external awards) • Celebrating achievements and benefits to help attract the best procurement professionals • A focus on sharing best practice with other organisations 		

Appendix 1 (continued)

Detailed comparison between the Flexible Framework and the ISO20400 guidance

References in brackets relate to ISO2400:2017 documentation

Engaging Suppliers	Flexible Framework: Key Activities to embed Sustainable Procurement (amalgamated to Level 4)	ISO20400 Guidance: Alignment with Flexible Framework	Ways the ISO20400 is different:
	<p>Detailed supplier spend analysis undertaken and high sustainability impact suppliers identified</p> <p>Targeted supplier engagement programme in place promoting continual sustainability improvement</p> <p>Key suppliers targeted for intensive development with senior management involvement</p> <p>Key suppliers targeted for engagement and views on procurement policy sought</p> <p>Two-way communication between procurer and supplier exists, is formally recorded and includes incentives</p> <p>Supply chains for key spend areas have been mapped and sustainability audits and supply chain improvement programmes in place</p>	<p>Engaging elements of the supply chain beyond contractual requirements is suggested (6.3.2)</p> <p>Focus on supplier engagement through contract award and management (7.4.4, 7.5)</p> <p>Joint initiatives part of supplier relationships in relation to sustainability (7.5.1)</p>	<p>Supply chain mapping part of suggested approach rather than core approach (6.4.2)</p>
			<p>Ways the Flexible Framework is different</p> <p>Explicit reference to CEO involvement</p> <p>Supplier views on procurement policy sought</p>
<p>Beyond Level 4:</p> <p>Flexible Framework Level 5</p>	<p>There is a greater emphasis at Level 5 of the Flexible Framework on celebration alongside involvement from leaders within the organisation.</p>		

Appendix 1 (continued)

Detailed comparison between the Flexible Framework and the ISO20400 guidance

References in brackets relate to ISO2400:2017 documentation

Measurement and	Flexible Framework: Key Activities to embed Sustainable Procurement (amalgamated to Level 4)	ISO20400 Guidance: Alignment with Flexible Framework	Ways the ISO20400 is different:
	<p>Key sustainability impacts of procurement activity have been identified</p> <p>Detailed appraisal of the sustainability impacts of the procurement activity has been undertaken</p> <p>Sustainability measures refined from general departmental measures to include individual procurers and are linked to development objectives.</p> <p>Measures are integrated into a balanced scorecard approach reflecting both input and output</p> <p>Comparison is made with peer organisations</p> <p>Benefit statements produced</p>	<p>The implementation of a performance measurement system which establishes a baseline, monitors, communicates and benchmarks (6.5.1)</p> <p>Commitment to external reporting and communication of measure and impacts (6.5.2)</p> <p>Benchmarking with peers (6.5.3)</p> <p>Management also of specific sustainability criteria in contracts (7.5.4)</p>	<p>Explicit reference to the establishment of a grievance system (6.6)</p> <p>Ways the Flexible Framework is different</p> <p>n/a</p>
Beyond Level 4:	There is a greater emphasis at Level 5 on the role of the KPI to inform continuous improvement and strategy review and a focus on evidencing the benefits of sustainable procurement		
Flexible Framework Level 5			

Appendix 2

SWOT Analysis

Our starting point is to support institutions to get the most practical value from both approaches. To consider how each add value we have undertaken a simple SWOT analysis. If an institution is building a business case for either approach this is likely to be useful.

FLEXIBLE FRAMEWORK		ISO20400 GUIDANCE	
STRENGTHS			
The Flexible Framework was developed by teams of experts		The ISO was developed in line with an internationally recognised approach by teams of experts	
It has been used extensively by the HE sector and there is a level of embedded knowledge relating to its application within the sector		The ISO covers all of the key areas that are required to successfully embed sustainability into procurement practice	
The FF covers all of the key areas that are required to successfully embed sustainability into procurement practice		The ISO documentation provides useful information on how to implement sustainable procurement including good content on sustainability issues and good practice	
WEAKNESSES			
The Flexible Framework whilst looking simple it is difficult to know where to start		The ISO whilst comprehensive does not provide a natural pathway/action plan for delivery	
There is a level of repetition on the FF and sometimes terminology can be confusing		The ISO introduces a great deal of new terminology and potential complexity to sustainable procurement	
Some of the suggested actions in the FF are now dated		There is less emphasis on leadership with the ISO, a key feature of Level 5 flexible Framework	
OPPORTUNITIES			
To draw from the ISO and continue to build on the work started within the sector on the Flexible Framework (making it meaningful for this context)		To follow internationally recognised guidance in preparation for it becoming a standard in the future (meaning a score is possible)	
To update the FF for use in the HE sector to more closely follow the guidance in the ISO		To use the standard to facilitate partnerships with other sectors	
To share with other sectors how using the Flexible Framework in the way the sector does means it is already very advanced in delivering against the ISO		To unite the sector around the ISO and a new approach	
THREATS			
The collective effort of the sector around the FF could be wasted if there is confusion about the best approach		Universities try to follow the standard and find it too onerous or complicated	
The excellent work and guidance offered by the ISO is not utilised due to over reliance on the Flexible Framework as an approach		It is not possible to implement the standard for all purchasing across the university	
If the sector does not respond to the opportunity offered by the guidance it is perceived as not being responsive and taking an outdated approach		A university may progress along the ISO route in an environment and culture that does not always embrace standardised approaches	



This report has been written jointly prepared by
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Designed by the Division of Communications and Marketing

Royal Charter Number RC000797
M2142 01.18