

BUILDING SOCIAL VALUE THROUGH PROCUREMENT

**Engaging Social Enterprises in
Below-Threshold Contracts (€5,000–€50,000)**
- A Workshop for SICAP CEOs/Managers

Delivered by SERI for Pobal

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AGENDA AT A GLANCE

Time	Segment	Duration
9:30–9:40	Welcome, introductions, meet Orla and why this matters	10 min
9:40–9:55	The rules of the game: thresholds, law and strategy	15 min
9:55–10:10	Orla: spotting the need and estimating value	15 min
10:10–10:25	Market engagement: PMC and finding social enterprises	15 min
10:25–10:35	BREAK	10 min
10:35–10:50	Building the spec/RFQ and choosing a route to market	15 min
10:50–11:10	Requesting, assessing and awarding the contract	20 min
11:10–11:20	Common mistakes — group activity: “Spot Orla's slip-up”	10 min
11:20–11:30	Wrap-up, Q&A and where to find help	10 min



ABOUT SERI

Lunch & Networking
**NATIONAL SOCIAL
ENTERPRISE
CONFERENCE 2024**
#socentIRL

SERI is Ireland's national body for social enterprises. One of our key roles is to encourage social enterprise participation in procurement.

We're also a partner in WeBuySocialEU, the Buy Social Corporate Challenge, and Buy Social Europe B2B — all initiatives shaping how governments and corporations embed social value in procurement.

And we don't just talk about procurement — we participate in it.

SERI has won public procurement contracts as a social enterprise working in partnership with private suppliers. So we understand the process from both sides — as advocates and as practitioners.

That experience led us to develop Sphere — Ireland's first AI-powered social procurement platform. Sphere connects buyers with verified, procurement-ready social enterprises and makes it easy to track and report social value impact.

TRAINING BENEFITS

- Explain **why SICAP Programme Implementers must follow public procurement rules**, and identify the key EU and Irish legislation, circulars and strategies that apply.
- Correctly **estimate the value of a contract** — including VAT treatment and the effect of possible extensions — and place it in the right threshold band.
- If helpful, run a **Preliminary Market Consultation (PMC)** to shape a realistic specification and identify potential social enterprise suppliers.
- Build a clear specification / **Request for Quotation (RFQ)** and choose an appropriate route to market: email, the OGP's QuickQuotes or eRFQ tools, and SERI's social procurement platform.
- **Assess quotes fairly** and correctly notify successful and unsuccessful bidders.
- **Recognise common mistakes** — disaggregation, VAT errors, miscalculating value where extensions are possible — and avoid them.
- Articulate the **difference social procurement makes** to social enterprises and the communities SICAP serves.



SCOPE



This session deals only with contracts valued between €5,000 and €50,000 (ex VAT).

Full above-threshold tendering ($\geq$ €50,000, requiring advertisement on eTenders and a formal competitive process) are referenced only for contrast, so participants understand where the below-threshold band sits and why getting the value estimate right matters.



MEET ORLA

A hypothetical SICAP Manager, as she works through a real procurement journey — from spotting a training need, through market engagement, to awarding a below-threshold contract. Orla is experienced, well-intentioned and really busy — much like most people in this room.

#1: WHY THIS MATTERS

The good you can do with
money you are already spending.



LOAF CATERING

EVERY BELOW THRESHOLD CONTRACT IS A CHOICE

- Every year, you spend money on training, facilitation, catering, printing, venue hire and dozens of other everyday services — almost all of it below €50,000. That spend has to go somewhere.
- Every euro that goes to a social enterprise instead of a conventional supplier is a euro that is reinvested in a social or environmental mission, often in the very communities SICAP exists to support.
- A SICAP Manager who buys well is complying with a rule **AND** extending the reach of the programme itself.

Question: “When did you last procure a service worth between €5,000 and €50,000? Who did you buy it from, and could a social enterprise have delivered it?”

#2: RULES OF THE GAME

What rules does Orla need to be aware of
when she is engaging in procurement?

WHY SICAP STAFF ARE SUBJECT TO PROCUREMENT RULES

- SICAP is **publicly funded** — through the Exchequer and the European Social Fund Plus (ESF+) — and delivered by Programme Implementers under contract to Local Community Development Committees (LCDCs), with Pobal administering the programme nationally. Because it is public money, three things follow:
- PIs must spend it in line with **national and EU procurement law** and the Public Spending Code's value-for-money principles, regardless of their own legal form (company, cooperative, etc.).
- The SICAP Programme Requirements set out by Pobal **explicitly require PIs to follow the Office of Government Procurement's (OGP) guidelines and circulars** when buying goods, services or works.
- Because ESF+ co-funds the programme, procurement compliance is **directly auditable** — poor practice can lead to costs being disallowed or clawed back, not just a process headache.

THE LEGISLATIVE, POLICY & GUIDANCE LANDSCAPE

Instrument	What it does
Circular 17/2025: Updated Green Public Procurement Instructions for Public Sector Bodies	Circular 17/2025 is the Irish Government’s updated instruction requiring public bodies to strengthen the use of Green Public Procurement (GPP), including incorporating relevant environmental criteria into public procurement and considering wider sustainable and social procurement measures.
Directive 2014/24/EU (EU Public Sector Directive)	The EU-level rulebook for public procurement above EU thresholds; sets the underlying principles — transparency, equal treatment, proportionality — that apply at every value.
S.I. No. 284 of 2016 (the Regulations)	Transposes the EU Directive into Irish law; also prohibits artificially splitting a requirement to avoid the rules that would otherwise apply (see “disaggregation” below).
Circular 05/2023 – Initiatives to Assist SMEs in Public Procurement	Sets the national below-threshold rules SICAP Managers use every day: the quotes needed at each value band and the €50,000 eTenders advertising threshold. Replaced Circular 10/2014.
EU Public Procurement Act	Replaces the three existing EU procurement Directives with a single Regulation.
SICAP Programme Requirements (Pobal)	Programme-specific rules for PIs, including the requirement to follow OGP guidance and the 30% subcontracting limit (Segment 5).
Procuring for our Future: National Public Procurement Strategy 2026–2030	Ireland's first-ever national procurement strategy, published August 2026. Four values: transparency, procuring for impact, value for money, and efficiency. Sets a voluntary ambition that 10% of public contracts will incorporate social considerations by 2030.
Trading for Impact: National Social Enterprise Policy 2024–2027	Defines what counts as a social enterprise in an Irish policy context and commits the State to growing the social enterprise sector, including through public procurement.

THRESHOLDS: WHERE DOES €5,000–€50,000 SIT?

Value (ex VAT)	What's required	Where it's advertised
Under €5,000	One or more competitive quotes (verbal or written) – informal, but document your reasoning	Not advertised
€5,000 – €50,000 (today's focus)	Minimum 3 written quotes for goods/services (5 for works)	Not required on eTenders – but a written, documented process is important. Contracting authorities should publish contract award notices on eTenders for awards over €25,000.
€50,000 and above (goods/services) €200,000+ (works)	Formal competitive tendering procedure	Must be advertised on eTenders – outside the scope of today's session

#3: SOCIAL PROCUREMENT IN PRACTICE

Examples of Engaging Social Enterprises in
Below-Threshold Contracts (€5,000–€50,000)



BACK TO ORLA

Orla has noticed that several of the community groups she supports are struggling with governance, GDPR and financial compliance. She decides to commission a governance and compliance training programme. Straightforward enough — except Orla now has to work out how to procure it properly and if she can support a social enterprise in the process.

ESTIMATING CONTRACT VALUE – THREE VERSIONS OF ORLA'S TRAINING

What Orla is buying	Estimated value	What that means
A 6-day governance workshop for one cohort of community groups, delivered once per week for 6 weeks. It's estimated that each day will require one day of prep by the trainer, i.e. 12 days. It's assumed the day rate will be €500 ex VAT.	€6,000	In the €5,000–€50,000 band – 3 written quotes required, no eTenders advertisement.
A full year, 26-day programme (governance, GDPR, financial compliance - 2 days per month plus an induction and wrap up day), no extension option. It's estimated that each day will require one day of prep by the trainer, i.e. 52 days total. It's assumed the day rate will be €500 ex VAT.	€26,000	Still comfortably in the €5,000–€50,000 band – same rules.
The same annual programme, but with an option to extend for one further year at similar cost – correctly valued over its full potential life.	€52,000	Tips over €50,000. Now out of scope for today: it requires a formal tender advertised on eTenders.

ORLA'S POTENTIAL ERRORS

ORLA'S ERROR #1 Miscalculating value when extensions are possible

Orla's first instinct is to value the contract at €26,000 — the cost of year one. But let's say the specification she's drafting includes an option to extend the contract for a further one-year period. Procurement value must be calculated over the full potential lifetime of the contract, including all options and extensions, not just the initial term.

The correct estimate: $€26,000 \times 2 \text{ years} = €52,000$. That is above €50,000, which means this requirement — as specified — needs a formal tendering process advertised on eTenders, not a below-threshold quotes process. Orla has two honest choices: run the correct above-threshold process, or genuinely reduce the scope (for example, a single one-year contract with no extension option) so the below-threshold route is legitimate.

ORLA'S ERROR #2 Forgetting VAT

All procurement thresholds are expressed exclusive of VAT. Common error: judging a threshold using a VAT-inclusive figure (which can wrongly suggest a higher band applies), e.g. assuming a tender for with an estimated value of €45,000 ex VAT must go on eTenders as it would be over €50,000 when VAT is included.

ORLA'S ERROR #3 Disaggregation — splitting a requirement to dodge the rules

Under pressure to keep things simple, Orla considers raising three separate purchase orders — one for the governance module, one for GDPR, one for financial compliance — each just under €5,000, from three different trainers. On paper, no single order needs three quotes. In substance, this is one requirement artificially split to avoid the rules that would apply to its true combined value — disaggregation — and it is prohibited under procurement law, not just discouraged. The test is simple: if it's one coherent need that could sensibly be delivered as a single contract, value it as one.

PRACTICE EXAMPLES

- (a) estimate the true contract value and
- (b) name the threshold band it falls into.

LAPTOPS FOR LOCAL GROUP

Orla needs to buy 12 laptops for a resource centre. She estimates each laptop to cost €750 (ex VAT), delivered once, with no ongoing arrangement.

- (a) What is the true contract value?
- (b) What threshold band does it fall into?

NEWSLETTER PRINTING

Orla prints a community newsletter four times a year. Each print run costs €900 (ex VAT), from the same supplier, for the same recurring need.

- (a) What is the true contract value?
- (b) What threshold band does it fall into?

MARKETING TRAINING

Orla is setting up a one-year marketing support contract at €24,000/year (ex VAT), with an option in the spec to extend for two further one-year periods on the same terms.

- (a) What is the true contract value?
- (b) What threshold band does it fall into?

THE SICAP 30% SUBCONTRACTING RULE

- Under SICAP Programme Requirements, subcontracting is permitted for specific services or discrete pieces of work necessary to deliver SICAP — but it is capped at a maximum of 30% of the relevant Lot budget. If Orla plans to bring in an outside trainer for one module, that's fine; if she intend to subcontract most of the delivery to someone else entirely, that may breach the limit.

#4: MARKET ENGAGEMENT

Preliminary Market Consultation
& Finding Social Enterprises

PRELIMINARY MARKET CONSULTATION (PMC)

- Before writing a final specification or estimating contract value, it can be helpful — and specifically permitted under procurement law — to run a **Preliminary Market Consultation**: informal engagement with the market to test what's realistic, sharpen the specification, and find out who's actually out there.
- For a below-threshold contract this can be as simple as a **few phone calls or emails**.
- PMC helps Orla avoid writing a spec that only one type of supplier could ever meet, and helps her discover social enterprises she didn't know existed.
- The rule to hold onto: **PMC must not distort competition**. Anything one potential supplier tells Orla that shapes the final specification should, in substance, be available to all bidders — don't let one conversation quietly become an advantage for that supplier alone.



ORLA RUNS A PMC

Orla spends 20 minutes searching for governance trainers and reaches out informally to two organisations — one a conventional training company, one a social enterprise she's heard of through a neighbouring LDC — to sense-check her draft brief, likely cost and delivery format (in-person vs online). Both conversations shape small, sensible adjustments to her spec. Neither supplier gets to see anything the other bidders won't also see once the RFQ goes out.

Note: Other methods include a Prior Information Notice (PIN) on eTenders, a request for information (RFI) or a published industry day.

FINDING SOCIAL ENTERPRISES: WHAT ARE THEY?

There's no dedicated legal form for a social enterprise in Ireland — they can be companies limited by guarantee, cooperatives, charities' trading arms, or other structures.

What identifies them, per Ireland's national social enterprise policy, is a combination of features:

- A primary objective that is **social** or environmental — not profit maximisation for owners or shareholders.
- **Trading** in goods or services (not solely grant-dependent) to pursue that mission.
- **Reinvestment** of most surplus back into the mission, rather than distribution to shareholders.
- **Independence** from the State, with a governance structure that reflects and protects its social purpose with an “**asset lock**”.



HOW DO I FIND SOCIAL ENTERPRISES?



- SERI (Social Enterprise Republic of Ireland) — the national representative body; its member network and forthcoming social procurement platform are a natural starting point (more in Segment 5).
- WISE Ireland — a social procurement directory connecting buyers with social enterprises.
- BuySocial.ie
- Your Local Development Company / other LCDCs — informal knowledge-sharing about who's delivered well locally is often the fastest route.
- Local Enterprise Offices (LEOs) and regional social enterprise networks, which often know who's active in a given area or sector.

BELOWTHRESHOLD.IE

SERI's AI-powered social procurement platform
which makes it easy to find relevant social
enterprises and send RFQs

Free for SICAP Programme Implementers

FAQ IN SPOTLIGHT: WHAT IF I CAN'T FIND 3 SOCIAL ENTERPRISE SUPPLIERS?

You must still run a fair, competitive process open to the market — you generally cannot restrict competition to social enterprises only unless you're using a specific reserved-contract mechanism.

Where you can't identify three social enterprises, make up the numbers with mainstream suppliers, document your market search (this is exactly what a PMC record is for), and consider building social value into your award criteria so social enterprises are rewarded for what they offer even if they're not the only bidders.

BREAK TIME

We'll see you again in 10 minutes.

#5: SPEC DEVELOPMENT

Building the Spec/Request For Quote
& Choosing a Route to Market

WRITING THE SPECIFICATION / REQUEST FOR QUOTE

A good below-threshold RFQ doesn't need to be long, but it should cover the same essentials every time:

- What's needed: scope, outcomes, target groups, number of sessions/participants, location/format.
- Duration and any extension options — stated honestly, having already run the aggregation check from Segment 3.
- Timeline for delivery and for submitting quotes.
- Award criteria and how they'll be weighted (see Segment 6) — decide and record this before quotes come in, not after.
- Any mandatory requirements: insurance, tax clearance, child safeguarding vetting if working with vulnerable groups.

<https://www.gov.ie/en/office-of-government-procurement/collections/below-threshold-documents/>

CHOOSING HOW TO SEEK QUOTES: YOUR THREE ROUTES

For a below-threshold contract, SICAP Managers generally have three practical routes to seek the three required quotes. None is mandatory over the others below €50,000 — the right choice depends on the opportunity and the suppliers you're trying to reach.

Route	When it fits
Direct email / written request	The most flexible and universally usable route — send the same written spec to at least three suppliers, with a clear deadline, and keep every response on file. Works well when Orla already has good relationships with named social enterprises.
OGP's QuickQuotes / eRFQ tools	OGP-provided digital tools for running a below-threshold quotation process in a structured, auditable way. Worth using where your organisation has access to them — they create a clean, timestamped record automatically, which is valuable if a purchase is later reviewed or audited.
SERI's social procurement platform	Purpose-built to connect public and corporate buyers with social enterprise suppliers. A strong first stop specifically when the goal is to reach social enterprises Orla might not otherwise know about — used alongside, not instead of, the wider market check needed to keep the process fair.

HOW MANY QUOTES DO I NEED?

For Orla's €5,000–€50,000 contract: a minimum of three written quotes for goods and services (five for works or works-related services). If, despite genuine effort, fewer than three responses come back, document what happened — who was approached, when, and why others didn't respond or weren't suitable — rather than quietly proceeding as if the requirement were met.



ORLA'S ROUTE

For her €26,000 training contract, Orla emails her written spec to two social enterprises she found through SERI's platform and her PMC, plus one established training provider as a benchmark — giving everyone 30 days to respond, with all queries and answers shared with every bidder.

#6: ASSESSING & AWARDING

Decide your evaluation approach before quotes arrive, and apply it consistently to every bidder.

ASSESSING THE QUOTES

Decide your evaluation approach before quotes arrive, and apply it consistently to every bidder:

Lowest price is valid for straightforward, well-defined requirements where quality is unlikely to vary much between suppliers.

Most Economically Advantageous Tender (MEAT) — weighting price alongside quality factors such as relevant experience, methodology, and social value/impact — suits a requirement like Orla's, where the trainer's approach and social value genuinely matter.

Whichever you choose, record it in the RFQ up front, score every bidder against the same criteria, and keep the scoring sheet on file.

STEP 1 (A): LOWEST COST

Supplier	Meets mandatory requirements?	Price	Result
A	Yes	€6,000	Award
B	Yes	€7,500	—
C	Yes	€9,000	—
D	No	€5,000	Excluded

STEP 1 (B): MOST ECONOMICALLY ADVANTAGEOUS TENDER (MEAT)

Award criterion	Weighting
Understanding of SICAP PI's requirements and proposed approach	25%
Experience and expertise of proposed trainer(s)	25%
Quality and relevance of proposed training programme	20%
Price	30%
Total	100%

STEP 1 (B): OUTCOME

Supplier	Quality /70	Price /30	Total
A	42	30	72
B	58	25	83
C	63	21	84

NOTIFYING BIDDERS

Once a decision is made, notify all bidders — not just the winner. Successful bidders should get formal confirmation before work begins; unsuccessful bidders deserve a short, courteous notice explaining that another bidder was successful. It costs little and matters a great deal to a small social enterprise that put time into a quote.

AWARD NOTICES ON ETENDERS — DO I HAVE TO?

Below €50,000, publishing an award notice on eTenders is not mandatory. It becomes mandatory once the properly aggregated contract value reaches €50,000 or more. That said, many PIs choose to publish below-threshold award notices above €25,000 voluntarily as good transparency practice — and doing so also helps build the national picture of social and socially responsible public procurement (SRPP) activity that the new National Public Procurement Strategy is trying to measure.

For every below-threshold contract, keep: the specification/RFQ sent, all quotes received, the evaluation record, notification correspondence, and the final contract or order. This is your evidence trail if a Pobal or ESF+ audit ever asks how the decision was made.

#7: ERRORS TO AVOID

Decide your evaluation approach before quotes arrive, and apply it consistently to every bidder.

- **Example #1:** Orla has a €22,000/year training contract with a two-year extension option. She plans to run it as a below-threshold quotation process based on the €22,000 figure.
- **Example #2:** To keep things simple, Orla raises three separate small purchase orders — governance, GDPR and financial compliance training — each under €5,000, from three different trainers, instead of running one combined quotation process.
- **Example #3:** Orla decides only social enterprises will be invited to quote, and excludes two well-qualified mainstream training providers from the process entirely.
- **Example #4:** Once the winning bidder is confirmed, Orla emails them to proceed and moves on to her next task without contacting the other two bidders.

#7: WRAP UP

Below threshold checklist, Q&A
and where to find help

THRESHOLDS: WHERE DOES €5,000–€50,000 SIT?

Value (ex VAT)	What's required	Where it's advertised
Under €5,000	One or more competitive quotes (verbal or written) – informal, but document your reasoning	Not advertised
€5,000 – €50,000 (today's focus)	Minimum 3 written quotes for goods/services (5 for works)	Not required on eTenders – but a written, documented process is essential. Contracting authorities should publish contract award notices on eTenders for awards over €25,000
€50,000 and above (goods/services) €200,000+ (works)	Formal competitive tendering procedure	Must be advertised on eTenders – outside the scope of today's session

BELOW THRESHOLD CHECKLIST

- Value estimated correctly — exclusive of VAT, including all extension/renewal options.
- Single coherent requirement not artificially split into smaller orders.
- Preliminary Market Consultation completed and recorded (only if helpful and used).
- Written specification/RFQ sent to the same requirements, to at least 3 suppliers (5 for works).
- Consider at least one route for reaching social enterprises: SERI's platform, WISE Ireland, local networks.
- Award criteria and weighting decided and recorded before quotes were assessed.
- All bidders — successful and unsuccessful — notified in writing.
- Award notice published on eTenders if the aggregated value reaches €25,000, or voluntarily for good practice.
- Full file retained: spec, quotes, evaluation, notifications, contract/order.

ROUTES TO MARKET EXAMPLES

Route	Best used for
Email / written RFQ	Universal fallback; full flexibility; requires disciplined record-keeping by the Manager.
OGP QuickQuotes / eRFQ	A structured, auditable digital process where accessible to your organisation.
SERI social procurement platform	Discovering and engaging verified social enterprise suppliers directly.



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