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# BUILDING SOCIAL VALUE THROUGH PROCUREMENT

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

**www.socialenterprise.ie/SICAP**




# TRIEST PRESS

# CAVEAT

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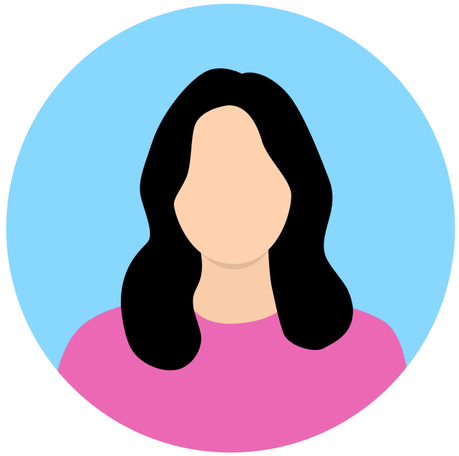

CEO/
DEPUTY CEO



FINANCE
STAFF



SICAP
STAFF



# MEET ORLA

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

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# AGENDA AT A GLANCE

| Time | Segment | Duration |
|---|---|---|
| 9:35–9:40 | Training benefits/scope, why social procurement matters | 5 min |
| 9:40–9:55 | The rules of the game: thresholds, law and policy | 15 min |
| 9:55–10:10 | Orla spots a procurement need and estimates the value | 15 min |
| 10:10–10:25 | Orla engages the market: PMC and finding social enterprises | 15 min |
| **10:25–10:35** | **BREAK** | **10 min** |
| 10:35–10:50 | Orla builds a spec/RFQ and chooses a route to market | 15 min |
| 10:50–11:10 | Orla assesses and awards the contract | 20 min |
| 11:10–11:20 | Orla makes some mistakes | 10 min |
| 11:20–11:30 | Wrap-up, Q&A and where to find additonal help | 10 min |

# TRAINING BENEFITS

- Articulate the **difference social procurement makes** to social enterprises and the communities SICAP serves.
- Explain **why SICAP Programme Implementers must follow public procurement rules related to social procurement**, 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.



# SCOPE

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

Full above-threshold tendering (≥€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.

We're also focused exclusively on **spending via SICAP**, not LEADER or other programmes.

Focus on **goods and services**, not works.




# SERI'S ROLE IN SOCIAL PROCUREMENT

**JOHN LOGUE / SERI & FORMER SICAP STAFF MEMBER**

SERI is Ireland's national body for social enterprises. One of our key roles is to encourage social enterprise participation in procurement. We sit on the Government's SME Advisory Group & Social Procurement Working Group.

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.

WWW.SOCIALENTERPRISE.IE

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# #1: WHY SOCIAL PROCUREMENT MATTERS

The good Orla can do with
money she’s already spending.

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# EVERY BELOW THRESHOLD CONTRACT IS A CHOICE

- Every year, Orla spends 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 like Orla who buys well is complying with a rule **AND** extending the reach of the programme itself.

**Question to Consider:**
“When did your organisation 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?”




# LOAF CATERING

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# €185 MILLION OPPORTUNITY FOR SOCIAL ENTERPRISES

**1%** of the €18.5bn the state spends annually in public procurement = **3x** all public investment in social enterprises

**www.socialenterprise.ie/SICAP**


CORNMARKET
PROJECT
EXIT
SKID
Snap ITC
STENCIL
SEGA
Tahoma
Times New Roman
Trebuche
Utsaah
Verdana
Teach Spraoi
Community Childcare Centre

# EPIC

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# #2: RULES OF THE GAME

The rules Orla needs to be aware of
when she is engaging in social procurement

**www.socialenterprise.ie/SICAP**

# 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. |
| Public Procurement Guidelines for Goods and Services Version 3 | This latest version of the Public Procurement Guidelines for Goods and Services is the third update to be published. The guidelines provide an overview of the procedures and policies that govern public procurement in Ireland in a simplified and accessible form. |
| 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.** |
| EU Public Procurement Act | Replaces the three existing EU procurement Directives with a single Regulation. Will include a definition of 'social procurement' to assist buyers and suppliers. |
| **SICAP Programme Requirements (Pobal)** | **Programme-specific rules for PIs, including the requirement to follow OGP guidance.** |
| **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 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) | Can be awarded on the basis of responses to a written spec sent to at least three suppliers (for example – issued via email). | 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). | Formal competitive tendering procedure | Must be advertised on eTenders — outside the scope of today's session |

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# #3: SOCIAL PROCUREMENT IN PRACTICE

Orla Engages Social Enterprises in Below-Threshold Contracts (€5,000–€50,000)

**www.socialenterprise.ie/SICAP**



# BACK TO ORLA

Orla has noticed that several of the community groups she supports are struggling with governance, GDPR and financial compliance. Under SICAP, 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**.

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# ESTIMATING CONTRACT VALUE — THREE VERSIONS OF ORLA'S TRAINING

| What Orla is buying | Estimated value | What that means |
|---|---|---|
| A 6-day governance workshop for 10 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 €400-€500 ex VAT. | €4,800 - €6,000 | Borderline case - best to include in the €5,000–€50,000 band — 3 written RFQs 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 possible extensions are included in the RFQ**
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 × 2 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**
To avoid eTenders, Orla considers splitting the job into three — one for the governance module, one for GDPR, one for financial compliance — each under €50,000. 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. Irish guidance encourages lots where they make it easier for smaller providers to compete and says to consider the aggregate value of the lots when deciding on advertising.

# PRACTICE EXAMPLES

(a) estimate the true contract value
(b) identify the process to be followed (1 RFQ, 3 RFQs, eTenders)

### LAPTOPS FOR LENDING

Orla needs to buy 12 laptops for a SICAP digital inclusion lending scheme. She estimates each laptop to cost €750 (ex VAT), delivered once, with no ongoing arrangement.

### 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.

### MAGAZINE PRINTING

Orla wants to print and distribute a SICAP magazine six times a year. Each print run costs €900 (ex VAT).

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# #4: MARKET ENGAGEMENT

Preliminary Market Consultation
& Finding Social Enterprises

**www.socialenterprise.ie/SICAP**

# 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, rates 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?

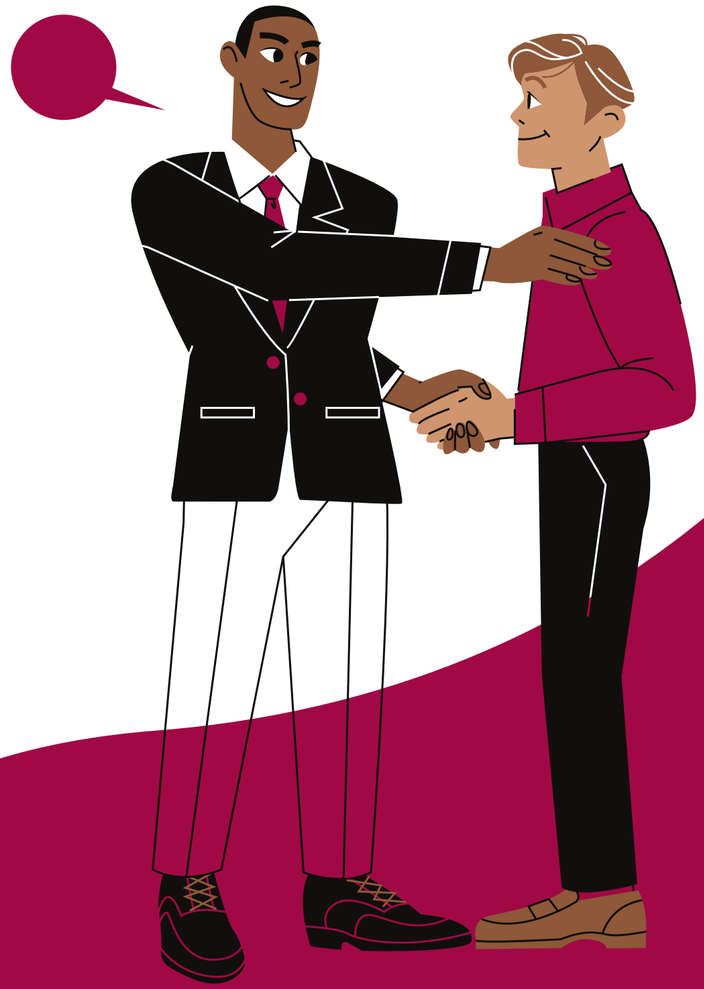
There's no dedicated legal form for a social enterprise in Ireland — they can be companies limited by guarantee, cooperatives, charities' trading arms, or other structures.

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

- PURPOSE **(P)**
- ASSETS **(A)**
- SURPLUS **(S)**
- TRADING **(T)**
- ACCOUNTABILITY **(A)**

**Helpful way to remember:** The PASTA Test








# TRIEST PRESS & THE PASTA TEST

# HOW CAN ORLA 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
- **WISE Ireland** — a social procurement directory connecting buyers with social enterprises.
- **CRNI's Virtual Trade Fair**
- **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.

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# 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**

# BREAK TIME

We’ll see you again in 10 minutes.

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# #5: SPEC DEVELOPMENT

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

**www.socialenterprise.ie/SICAP**

# WRITING THE SPECIFICATION / REQUEST FOR QUOTE

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

Orla’s below-threshold RFQ doesn't need to be long, but it should cover the essentials:

- 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, safeguarding/Garda vetting if working with vulnerable groups.
- **IMPORTANT: Are any of these requirements placing an unnecessary burden on social enterprises?**

**See Orla’s sample RFQ based on OGP Template.**

# HOW TO SEEK QUOTES: ORLA’S OPTIONS

For a below-threshold contract, Orla generally has **three practical routes** to seek the three quotes. 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 suppliers. |
| OGP's QuickQuotes / eRFQ tools **(currently being updated by OGP)** | 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 buyers with social enterprise suppliers. A strong first step 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. |



# ORLA’S ROUTE

For her €26,000 training contract, Orla sends her written spec to a social enterprise she found through SERI's platform, plus two emails to private training providers — giving everyone 30 days to respond, with all queries and answers shared with every bidder.

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# #6: ASSESSING & AWARDING

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

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# ASSESSING THE QUOTES

Orla should decide on the 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, e.g. buying a specific model of laptops.

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

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

# STEP 1 (A): LOWEST COST

| Supplier | Meets mandatory requirements? | Price | Result |
|---|---|---|---|
| A | Yes | €6,000 | **Award** |
| B | No | €5,000 | Excluded |
| C | Yes | €9,000 | — |

# 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 (1000 Marks)** | **100%** |

# STEP 1 (B): OUTCOME

| Supplier | Quality /700 | Price /300 | Total (/1000) |
|---|---|---|---|
| A | 420 | 250 | **670** |
| B | 200 | 300 | **500** |
| C | 630 | 200 | **830** |

# A SIMPLER EXAMPLE



**Laptops for a SICAP digital inclusion lending scheme (goods, approx. €8,500)**

- To support older people and jobseekers who can't access online services, Orla plans to buy 15 laptops with carry cases and basic software for loan to participants.
- The specification sets minimum requirements (processor, RAM, storage, screen size, warranty length, delivery date) rather than naming a brand.
- Three written quotes are sought from three IT suppliers, and **because the specification is tightly defined, the award can be based on lowest price among compliant quotes**.

# NOTIFYING BIDDERS

Once a decision is made, **Orla notifies 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**.

**FOR A SOCIAL ENTERPRISE, PROCUREMENT FEEDBACK = CRITICAL**

# AWARD NOTICES ON ETENDERS — DO I HAVE TO?

Below €50,000, publishing an award notice on eTenders is not mandatory.

That said, SICAP PIs may 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.

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# #7: ERRORS TO AVOID

While below threshold procurement is less complex, it’s worth briefly re-visiting common errors with some practical examples.

**www.socialenterprise.ie/SICAP**

- **Example #1:** Orla has identified a need for 12-month €22,000/year training with a two-year extension option. She plans to run it as a below-threshold quotation process based on the €22,000 figure and sends RFQs to 3 suppliers by email.

- **Example #2:** To keep things simple, Orla splits a €12,000 RFQ into three smaller ones — governance, GDPR and financial compliance training — each under €5,000, instead of running one combined quotation process.

- **Example #3:** It’s a busy time of year in the SICAP team so Orla assesses and scores the RFQ responses on her own. Once the winning bidder is confirmed, Orla emails them to proceed and moves on to her next task without contacting the other two bidders.

# #8: WRAP UP

Checklist, where to find help and Q&A

# 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) | Can be awarded on the basis of responses to a written spec sent to at least three suppliers (for example – issued via email). | 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 |

# HELPFUL LINKS

**www.socialenterprise.ie/SICAP**

**www.belowthreshold.ie**

# SUPPORTING SOCIAL ENTERPRISES CHECKLIST

- Smaller lots can be helpful for social enterprises - but be careful of disaggregation.
- Preliminary Market Consultations (PMCs) can identify social enterprises (or barriers they face).
- Where possible, tell the market well in advance what you plan to procure for.
- Where possible, include at least one social enterprise when you issue RFQs.
- Be careful of onerous criteria in your RFQs, e.g. indemnities, previous experience, minimum turnover, which can prevent a social enterprise from bidding.
- Become familiar with routes for reaching social enterprises: SERI's platform, WISE Ireland, local networks.
- All bidders — successful and unsuccessful — should be notified in writing. Help SEs to improve by giving constructive feedback.




# THANK YOU.
# ANY QUESTIONS?