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wheel**

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# THE WHEEL'S SUBMISSION TO THE PUBLIC CONSULTATION ON THE NATIONAL PUBLIC PROCUREMENT STRATEGY

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May 2025

## What is the most important thing that the strategy needs to deliver?

The first *National Public Procurement Strategy for Ireland* provides an important opportunity for the new government to recognise the **societal value** created by community and voluntary organisations, and social enterprises, who provide services on behalf of the State. It is a chance to develop effective, outcomes-based procurement processes that take into account the full range of benefits (financial and non-financial) that different providers can offer when meeting particular service objectives.

Across a broad range of areas such as health, social care, housing, youth services and disability, not-for-profit organisations have demonstrated their ability to provide high quality, efficient, responsive, accountable and equitable services. It is essential that the future of public procurement enables provision by community and voluntary providers, and includes full understanding of the value they create. These values reflect those that underpin good public services: high quality, efficient, responsive, accountable and equitable.

A recent report by Tasc on behalf of the Department of Rural and Community Development (DRCD), mapped *Commissioned Services Delivered by Community and Voluntary Sector Organisations*. The research was conducted in the context of the implementation of *Sustainable, Inclusive and Empowered Communities: a five-year strategy to support the community and voluntary sector in Ireland 2019- 2024* (Government of Ireland, 2019), a whole-of-Government strategy led by DRCD. The strategy commits to “review the current national practice in relation to the commissioning model and develop a model reflecting a collaborative, partnership and whole-of-government ethos and prioritising societal value and community need”.

This report contains valuable analysis and recommendations for procurement and commissioning and we recommend incorporating its findings into development of the National Public Procurement Strategy. Many of the findings reflect those from The Wheel’s own 2016 report, *Commissioning for Communities*. A 2023 report by NESC on social enterprise also made valuable recommendations.

In the DRCD report, organisations currently providing services on behalf of the State reported a shift in recent procurement processes from public bodies, with an emphasis on value-for-money, rather than sustainability or quality of service. (p35) Other concerns include a decline for some respondents in the relationship between the sector and the State, as well as increasingly complex compliance and regulation requirements. These closely reflect concerns highlighted by The Wheel’s members in our recent member survey.

**Recognition of the critical importance of nonprofit organisations, including social enterprises, in delivering services in communities is essential to producing a meaningful and effective *Procurement Strategy* for high quality public services that truly benefit society.**

We welcome the recognition of societal and environmental benefits, in addition to economic benefits of socially responsible public procurement. We also welcome the recognition of the key role social enterprises can play in stimulating employment, including among those disadvantaged groups that are underemployed.

**It is important that social enterprises and community and voluntary organisations are recognised in the same way SMEs are currently recognised and supported in relation to public procurement.**

## What are the biggest challenges that you see in delivering the strategy over the next 5 years?

1. Community and voluntary organisations, and social enterprises, seeking to provide services on behalf of the State, often struggle to compete for procurement tenders due to the size and complexity of the goods and services being procured.
2. Organisations in the sector have experienced a lack of understanding within some public bodies about the essential role played by nonprofit organisations in delivering services across a broad range of areas.
3. Overall, societal value is not considered enough in public procurement processes, which often focus too heavily on a narrow sense of 'value for money' that does not prioritise long-term sustainability or impact.
4. Many community and voluntary organisations are struggling with broader sustainability issues. In The Wheel's recent member survey, almost half of respondents were unsure if they would have sufficient funding to provide their existing supports or services in 2025. To achieve an effective public procurement environment, there is a general need to provide funding on a full-cost-recovery basis to ensure the sustainability of services delivered by the community and voluntary sector. More information can be found in our [Pre-Budget Submission](#).

## Do you have any views on how these challenges can be met?

1. Develop outcomes-based procurement processes that incorporate social value. This should include social value training for decision makers and staff within public bodies.
2. Increase the use of social clauses to deliver wider social aims through procurement processes.
3. Break larger tenders down into lots so that smaller organisations have the opportunity to compete on a level playing field. This was detailed in a [2023 Circular](#) relating to public procurement. *"The sub-division of contracts, including framework agreements, into lots supports SME participation in public procurement. Contracting authorities should, where reasonable and without compromising efficiency and value for money, consider separating contracts into lots, thereby enabling smaller businesses to compete for these elements. Depending upon requirements, to be considered on a case-by-case basis, contracts can be divided into lots in range of ways including on the basis of geography, specialism and/or value, thereby encouraging SMEs to bid for contracts appropriate to their capacity, specialism and location.' The same should apply to social enterprises and other nonprofits."*
4. Support community and voluntary organisations to provide public services through long-term sustainable, multiannual funding.
5. Ensure cross-Governmental communication and design in procurement processes. This was highlighted in many areas of the recent Programme for Government.
6. Ensure outcomes-based evaluation of services, which incorporates a broad range of impact measurement approaches, beyond financial only.

7. Develop co-design of services with organisations in the community and voluntary sector who work closely with service users.
8. Establish a central register of social enterprises and community and voluntary groups interested in tendering for public contracts.
9. Promote a 'Buy Social' campaign to encourage the incorporation of social enterprises in corporate supply chains.

## **Do you have any specific feedback on Theme 6 – Capability building for public buyers?**

There is a need for awareness-raising within public bodies about what nonprofits, including social enterprises, actually do (ie. investing that profit back into their social mission). We recommend providing training around social enterprise and not-for-profit ethos more generally to put community organisations on a par with SMEs, thus building societal value into procurement contracts.

## **Do you have any specific feedback on Theme 7 – Supports for SMEs?**

Include and name community and voluntary organisations, and social enterprises alongside SMEs.

## **The objective of the strategy is to improve the lives of the people of Ireland through the delivery of strategic, innovative, sustainable and transparent public procurement practices. What do you think of this objective? Is there anything that we should add?**

This objective is positive but needs to put communities at the heart of how it is delivered. In order to achieve it, societal and environmental impacts need to be seen as equal to economic considerations.

The Wheel is Ireland's national association of charities, community groups and social enterprises. Our membership includes thousands of nonprofit organisations of all types and sizes, including most of Ireland's leading charities.

As a representative voice, we provide leadership to the charity and community sector and we advocate on behalf of our growing community of members.

As a supportive resource, we offer advice, training and other opportunities to people working or volunteering in the charity and community sector.

**[www.wheel.ie](http://www.wheel.ie)**



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