



Procurement Policy Note

PPN 02/21

Procurement of Social and Other Specific Services (Light Touch Services)

Revised: 6 January 2026

This Procurement Policy Note has been approved by the Northern Ireland Executive and has the status of government policy, rather than guidance.

This Procurement Policy Note is mandatory for all bodies listed at <https://www.finance-ni.gov.uk/articles/list-public-bodies-which-ni-public-procurement-policy-applies>.

If a Department wishes to opt out of an element of this policy it must attain the approval of the Minister. The nature of and reason for the opt-out must be reported to Construction and Procurement Delivery.

Opt-outs should be extremely rare and strongly justified by the characteristics of the specific contract.

The term **contractor/supplier** has been used to denote an organisation that contracts directly with a Department, whether it is a supplier, a service provider, third sector organisation or a contractor.

The term **Department** has been used to refer to those bodies subject to Northern Ireland Public Procurement Policy including Departments, Non-Departmental Public Bodies and Public Corporations.

The term eTendersNI has been used to describe the current web-based portal used to publish tender opportunities.

Revision History

First issued: 22 November 2021

First revisions made on 6 January 2026 to reflect:

- The Procurement Act 2023 (as amended);
- The Procurement Regulations 2024 (as amended);
- and
- The NI Executive's [Public Procurement Policy Statement 2025](#)

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1. INTRODUCTION

- 1.1 This Procurement Policy Note (PPN) sets out the Procurement Policy in relation to the commissioning¹ and procurement of 'Light Touch services' **below** the UK Procurement Threshold². This PPN updates and replaces PPN 02/21 published on 22 November 2021.
- 1.2 Light Touch services are those in relation to certain social, health, education and other public services and are subject to more flexible procurement rules. These services are generally services provided directly to individuals or groups of people and therefore warrant special treatment and greater flexibility.
- 1.3 The Procurement Act 2023 (as amended) (the Act) and The Procurement Regulations 2024 (as amended) (the Regulations) detail the rules which apply to Light Touch Contracts **above** the UK Procurement Threshold. The Act integrates Light Touch Contracts into the broader procurement regime and includes special rules and exemptions where greater flexibility is justified.
- 1.4 The list of Light Touch services as specified in [Schedule 1 of The Procurement Regulations 2024](#).
- 1.5 The Act also identifies the Light Touch services which are Reservable³ contracts for 'public service mutuals'⁴. Public service mutuals are defined as a body that;
- (a) operates for the purpose of delivering public services and mainly for the purpose of delivering one or more Reservable Light Touch services,
 - (b) is run on a not-for-profit basis or provides for the distribution of profits only to members, and

¹ Commissioning is the process of assessing and identifying the needs and then developing the policy and service required to meet these needs effectively.

² £663,540 (January 2026) [Guidance: Thresholds](#)

³ The Capitalised reference to 'Reservable' means those contracts that can be reserved to Public Service Mutuals in accordance with [Section 33](#) of The Act and which are above the UK Procurement Threshold.

⁴ [Section 33 of The Act](#)

(c) is under the management and control of its employees.

- 1.6 Details of the services that may be Reservable (R) Light Touch Contracts are highlighted and can be accessed at [Light Touch Services and Reservable Contracts](#).

2. PURPOSE

- 2.1 The purpose of this PPN is to outline the Executive's Policy in relation to Light Touch Services below the UK Procurement Threshold to ensure the processes and procedures used to procure these services deliver best value for money and social value outcomes.

3. GRANT FUNDING

- 3.1 It is recognised that the nature of the some of the services covered by this PPN may not lend themselves to competitive markets and therefore it is important to first determine whether grant funding would be the most appropriate route to achieve the desired outcomes.
- 3.2 The Dear Accounting Officer Letter ([DAO \(DoF\) 05/22 - Grant or Procurement](#)) provides information on the characteristics of a grant funded arrangement as opposed to a public contract. For Light Touch contracts, grant funding should be considered in the first instance. This is also referred to in [Procurement Policy Note \(PPN\) 01/21 Social Value in Procurement](#).

4. BELOW THRESHOLD LIGHT TOUCH SERVICES

- 4.1 There is broad discretion and flexibility when awarding Light Touch services below the UK Procurement Threshold.
- 4.2 The [Procurement Policy Note \(PPN\) 04/21 Procurement Control Limits](#) requires contracts with an estimated value above £50,000 (£65,000 for Utilities) to be advertised on eTendersNI.

- 4.3 It is accepted that light touch services do not lend themselves to standard tendering processes and a range of options should be considered to ensure the most advantageous outcome is achieved. The preferred option will depend on the nature of the service or the sector who is best equipped to deliver the service.
- 4.4 The options for consideration are:
- selected tenders;
 - reserved tendering; or
 - direct award.

Selected Tenders

- 4.5 For Light Touch services below the UK Procurement Threshold, departments can select organisations to tender whose purpose is in the pursuit of a public service mission without advertising the competition on eTendersNI.
- 4.6 This option should be used where it is established that the use of the eTendersNI system will present a barrier to the organisations who are best equipped to deliver the service but may not have suitable resources to successfully manage an eTendering platform.

Reserved Tendering

- 4.7 For Light Touch services below the UK Procurement Threshold, Departments can restrict the sectors who are asked to tender. For example, a tender can be published on eTendersNI (valued above £50,000 and below the UK Procurement Threshold) and reserve the tender to the Voluntary Community and Social Enterprise (VCSE) sector, or micro businesses.

Direct Award

- 4.8 There may be exceptional services where a Light Touch service (particularly a localised community services) which can only be provided by a particular organisation whose purpose is in the pursuit of a public service mission. In these circumstances the Department has the option to award the contract without competition.

Procurement Process

- 4.9 The procurement process for Light Touch services below the UK Threshold, must be relative to the value of services required and tailored to suit the specific sector which is best placed to deliver the desired policy outcomes.
- 4.10 For the selected and reserved tendering options, Departments should, where appropriate, engage with service providers (and users where applicable) to help tailor the procedures, award criteria and financial model (including full cost recovery mechanisms) to reflect the nature of the services they are procuring and the sector providing the services. Where minimum standards are proposed, these should also be discussed with service providers to ensure they do not create barriers for the VCSE sector or micro business participation.
- 4.11 In relation to award criteria, Departments can take consideration of a wide range of factors including:
- the need to ensure quality, continuity, accessibility, affordability, availability and comprehensiveness of the services;
 - the specific needs of different categories of users, including disadvantaged and vulnerable groups;
 - the involvement and empowerment of users; and
 - innovation.
- 4.12 For all options, Departments must:
- carry out an appropriate assessment of the sector/market;
 - ensure best Value for Money (VfM) is achieved (including documenting how VfM is achieved if awarding a contract directly to an organisation without competition);
 - identify and manage associated risks (e.g. conflict of interest, fraud, corruption etc.);
 - use appropriate Conditions of Contract;
 - develop proportionate Key Performance Indicators for the service delivery;
 - undertake appropriate due diligence checks on service providers;
 - keep appropriate records of decisions made;

- publish details of contracts awarded on the Department's website (or the website of your Centre of Procurement Expertise); and
- follow your own Departmental approval processes.

5. REPORTING

5.1 Departments are required to provide details outlining their compliance with Public Procurement Policy Notes.

5.2 The compliance report for PPN 02/21 should include details on below threshold Light Touch Contracts.

5.3 Details should include:

- contract title;
- brief description of the contract;
- contract value;
- supplier details (including supplier profile (e.g. VCSE/micro business); and
- which option (listed in paragraph 4.4) was used to procure the service.

6. FURTHER INFORMATION

Any queries on this PPN should be addressed to:

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