

New UK Public Procurement – Thresholds from 1 January 2026

Procurement Policy Note (PPN) 023, published on 27 November 2025, provides details of the new threshold amounts which govern the procedures for the award of public contracts under the Procurement Act 2023.

Contract Type	Previous Threshold (including VAT)	New Threshold (including VAT)
Public Sector Contracts		
Supplies, works and services contracts awarded by Central Government Bodies	£139,688	£135,018
Supplies, works and services contracts awarded by Sub-Central Authorities	£214,904	£207,720
Works contracts	£5,372,609	£5,193,000
Concession contracts	N/A	£5,193,000
Light touch contracts	£663,540	£663,540
Light touch concession contracts	N/A	£5,372,609
Utilities Contracts		
Supplies and services contracts	£426,955	£415,440
Works contracts	£5,372,609	£5,193,000
Light touch contracts	N/A	£884,720
Defence and Security Contracts		
Supplies, services and all other contracts	£426,955	£415,440
Works contracts	£5,336,937	£5,193,000
Concession contracts	N/A	£5,193,000