

# New UK Public Procurement – Thresholds from 1 January 2022

The new thresholds apply to procurements conducted under the Public Contracts Regulations 2015, the Concession Contracts Regulations 2016, the Utilities Contracts Regulations 2016 (and their equivalents in Scotland), and the Defence and Security Public Contracts Regulations 2011.

One of the main changes is that the thresholds are now expressed inclusive of VAT, not net of VAT, reflecting a change in practice resulting from the UK's independent membership of the WTO Government Procurement Agreement. Under previous EU rules, procurement thresholds were net of VAT.

Contract Type	Previous Threshold (net of VAT)	New Threshold (including VAT)
<b>Public Sector Contracts</b>		
Suppliers and services contracts awarded by Central Government Bodies	£122,976	£138,760
Suppliers and services contracts awarded by Sub-Central Authorities	£189,330	£213,477
Subsidised services contracts	£189,330	£213,477
Works contracts	£4,733,252	£5,336,937
Light Touch Regime (Services)	£663,540	£663,540
Small lots for supplies and services	£70,778	£70,778
Small lots for work contracts	£884,720	£884,720
<b>Utilities Contracts</b>		
Supplies and services contracts	£378,660	£426,955
Works contracts	£4,733,252	£5,336,937
Small lots for supplies and services contracts	£70,778	£70,778
Small lots for works contracts	£884,720	£884,720
<b>Defence and Security Contracts</b>		
Supplies and services contracts	£378,660	£426,955
Works contracts	£4,733,252	£5,336,937
Small lots for supplies and services contracts	£70,778	£70,778
Small lots for work contracts	£884,720	£884,720