

Estates, Facilities Management, and Corporate Services Market Intelligence Quarterly Report

March 2026



Contents

Foreword	3
UK Businesses economic outlook	4
Headline Indicators summary (Source: House of Commons Library – Economic Indicators)	4
Based on above procurement implications can be	4
Estates, Facilities Management and Corporate Services economic outlook	5
UK energy prices – insights and forecast.....	5
Estates, Facilities Management, and Corporate Services Market Overview	6
Facilities Management market overview	6
Estates Facilities Management related NHS LPP frameworks	7
Waste Management Services market overview	8
Waste Services related NHS LPP frameworks	8
Transport Services market overview.....	9
Transport Services related NHS LPP frameworks	9
Corporate Services market overview.....	10
Corporate Services related NHS LPP frameworks	10
Sustainability - EFMCS	11
New Mental Health Reforms for Local Authorities from the Mental Health Act 2025.....	11
Procurement implications.....	11
Procurement Act 2023: A Year on.....	11
New Contract Management Playbook published by the Cabinet Office	12
NHS LPP EFCS News	15
NHS LPP Contacts.....	15
Feedback.....	15
References	16

Foreword

During the last quarter of FY 2025/26, the Estates, Facilities Management (FM), Transport, Waste and Corporate Services sector continued to navigate a complex landscape of regulatory, market and strategic pressures that will shape procurement and delivery priorities for the remainder of the year. The 2026 NHS Premises Assurance Model (NHS PAM) has now become a core component of business as usual governance, with national teams looking to analyse the first full wave of PAM returns alongside Model Hospital and ERIC data to inform external assurance, peer comparison and targeted support. CQC inspection teams are going to explicitly reference PAM evidence and trajectories when assessing estates safety, compliance and responsiveness, with Trusts going to receive formal PAM-related findings that will shape their estates investment priorities. At the same time, allocations from the 2025–27 Estates Safety Fund have been confirmed and schemes are moving into next phase, with Trusts expected to demonstrate measurable risk reduction for critical infrastructure, particularly in high-risk acute, maternity and mental health settings. Regional teams are looking to monitor progress closely through quarterly PAM-aligned dashboards, placing growing emphasis on how estates safety investments contribute to reducing clinical disruption, supporting elective recovery and improving patient and staff environments.

Market conditions remain challenging but with some signs of stabilisation. Inflationary pressure has eased slightly to 3.0% in February 2026, but remains above historic norms in energy, construction and FM labour markets, while fragility in key supply chains and specialist contractor capacity continues to pose delivery and price risk. Net zero and decarbonisation expectations are tightening further, with the £1.2bn National Decarbonisation Fund and new guidance tying capital and FM spend to carbon reduction, local employment and community benefit outcomes. Procurement teams are being asked to evidence how suppliers will deliver these priorities through specifications, evaluation and contract management, with updated Health Technical Memoranda (HTMs) and HBNs now serving as default baselines for design, construction and operation of healthcare facilities.

Transport services have been particularly affected by regional cost pressures, with London congestion charges, ULEZ compliance and parking restrictions adding material cost to patient transport and logistics operations. Frameworks are increasingly incorporating locality-specific pricing schedules and performance incentives tied to on-time delivery, patient experience and environmental impact. Waste services continue to see strong pressure from rising disposal costs, regulatory tightening around clinical waste segregation and incineration, and the need to demonstrate progress against the NHS England Greener NHS waste reduction targets, with procurement increasingly focused on circular economy principles, recycling rates and supplier environmental credentials.

Corporate services are looking to move from planning into implementation as the new NHS operating model and payment reforms for 2026–27 take shape. This includes the transition of NHS England functions into DHSC, deeper cost-reduction requirements for ICBs and providers, and a sharper focus on productivity and value for money. The Procurement Act 2023 is now reshaping estates and FM procurements with new obligations around social value, SME access and contract transparency, while the first wave of Act-compliant procurements are providing early lessons around governance, legal engagement and publication requirements.

Looking ahead, organisations that use PAM as a live management tool, align capital and FM plans to safety and net zero funding, modernise procurement under the Procurement Act, and deepen collaboration across estates, transport, waste and corporate services will be best placed to deliver safe, resilient and sustainable environments for patients and staff throughout 2026 and beyond.

Nawaz Habib

Assistant Director for the Estates, Facilities Management and Corporate Services Category at NHS LPP

UK Businesses economic outlook

Headline Indicators summary (Source: [House of Commons Library – Economic Indicators](#))

UK real GDP grew by **0.1% in Quarter 3 2025** compared with Quarter 2 2025 and was **1.3% higher than a year earlier**. Services output increased by 0.2% in Q3 2025, while manufacturing and wider production were weaker overall.

The latest ONS flash estimate shows labour productivity in **Quarter 4 2025** was **0.5% lower per hour** and 0.2% lower per worker than a year earlier using LFS-based estimates, although the RTI-based measure pointed to modest annual growth.

CPI inflation was **3.0% in February 2026**, unchanged from January, while CPIH was 3.2%. March 2026 CPI had not been published by the quarter-end cut-off.

The Bank of England **held the base rate at 3.75% on 19 March 2026**.

In **November 2025 to January 2026**, the UK employment rate was **75.1%** and the unemployment rate was **5.2%**, with around **34.3 million** people in employment.

Retail sales volumes rose by **0.7% in the three months to February 2026**, indicating a modest improvement in consumer spending at the end of the quarter.

ONS business surveys continued to show cost pressure: around **24%** of trading businesses reported higher input prices in October 2025 and **8%** reported higher selling prices, with labour cost remaining the most commonly cited pressure among larger firms.

The labour market remained relatively tight but softer than earlier in 2025, with payrolled employee numbers easing year on year and unemployment edging up, which may continue to moderate pay growth over time.

Based on above procurement implications can be:

Value for money remains sensitive to price pressure because inflation is still above target and businesses continue to face higher input and labour costs.

Contract uplift clauses need to be tightly controlled because suppliers are still experiencing cost increases, but the market is not strong enough to justify open-ended increases.

Workforce planning and service continuity are important because labour shortages and higher unemployment coexist, pointing to skills mismatches rather than a simple shortage of workers.

Short-term demand is improving only modestly, so procurement pipelines should remain realistic and phased rather than assuming a rapid rebound in activity.

Funding and borrowing conditions remain stable but restrictive, with the base rate holding at 3.75%, which continues to affect financing costs and supplier pricing expectations.

Estates, Facilities Management and Corporate Services economic outlook

UK energy prices – insights and forecast

The energy market remained relatively stable during **Q1 2026** than in the volatility seen over the past few years, but costs stayed elevated for both households and non-domestic users. Wholesale gas prices continued to ease through late 2025 and into early 2026, while wholesale electricity prices were broadly stable, meaning the pressure on bills came more from network, standing charge and policy-related costs than from wholesale energy itself.

The Ofgem price cap for a typical dual-fuel household was around **£1,758 per year** for the period **1 January to 31 March 2026**, broadly flat compared with the previous quarter. This was only a marginal increase in cash terms, but it still left bills well above pre-crisis levels, so energy remained a material cost pressure for households and organisations alike.

In real terms, energy bills were slightly lower than a year earlier once inflation was taken into account, but the overall cost burden remained significant. Non-domestic users continued to experience a similar pattern, with falling wholesale prices partly offset by rising network and policy charges. As a result, estates, facilities management and corporate services teams continued to place strong emphasis on energy efficiency, demand reduction and active cost control.

Cornwall Insight's early 2026 forecasts suggested that the price cap could fall further from **April 2026**, potentially to around **£1,620** for a typical household, reflecting easing wholesale costs and some rebalancing of policy costs. However, even if this reduction materialises, energy prices are still expected to remain above historic norms for some time.

Short procurement implication

For FM and estates procurement, the message is that **energy cost risk has reduced but not disappeared**.

Charts 3.4.1 - 3.4.2: Prices of fuels purchased by non-domestic consumers in the United Kingdom

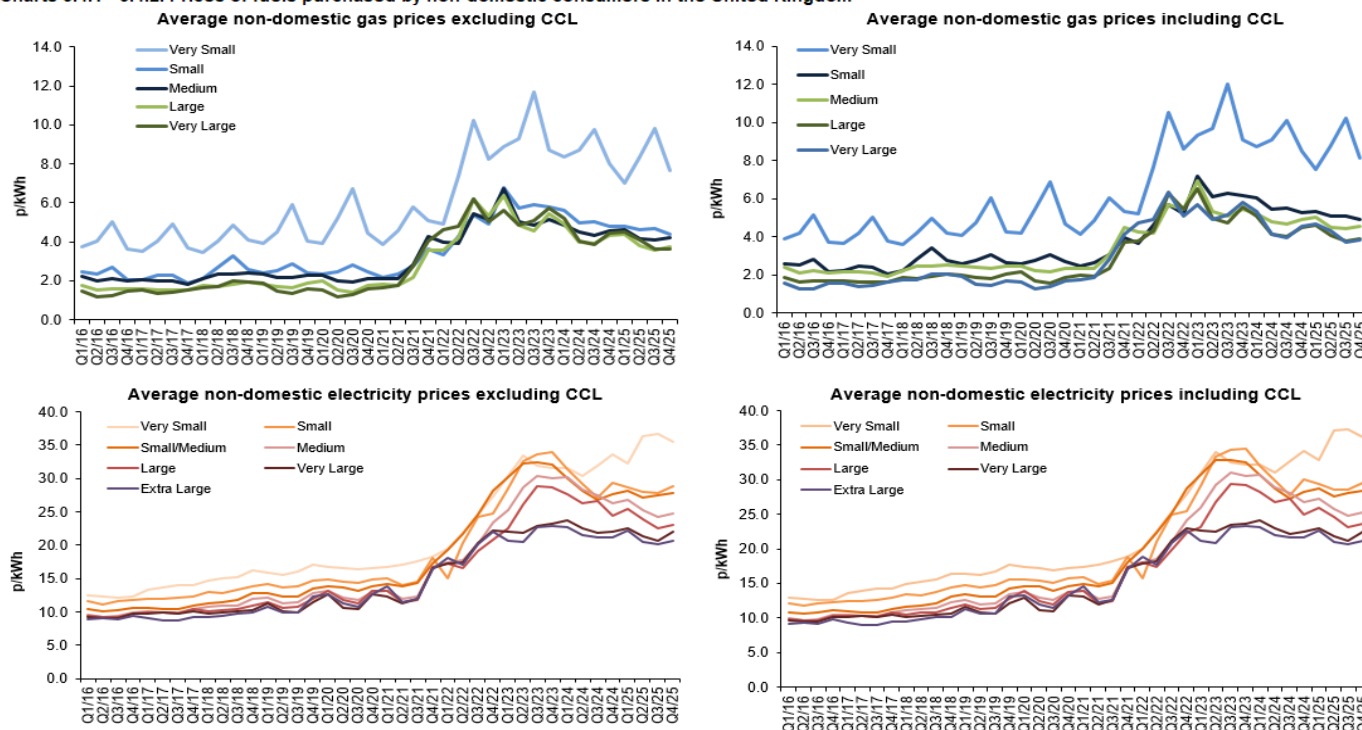


Fig. 1 Non-domestic Gas Prices - Department for Energy Security and Net Zero

Connecting data centres and other large users of energy to the grid is fast becoming one of the most critical challenges to economic growth in the UK. [In this snap poll](#), Utility Week and Accenture want to hear the views of demand customers about your experiences of seeking a connection and how the process could be improved. Utility Week are conducting this research alongside Ofgem and government’s consultations on prioritising projects in the queue. This suggests various options, including stricter requirements for entry to the queue and options to prioritise ‘government-identified strategic demand projects.’ Meanwhile, electricity networks are already experimenting with novel connection offers, such as those that offer a phased path towards the maximum load sought or flex the amount sought over time. We strongly believe it’s vital that the voice of the demand customer is at the heart of these reforms. To that end, we would like to ask for five minutes of your time to complete the snap poll highlighted. Feedback in the form of anonymised results will be shared with networks to help them build out their suite of solutions for demand connections.

Estates, Facilities Management, and Corporate Services Market Overview

Facilities Management market overview

A report from Facilities & Estates Management Live highlights that, by the end of Q4 FY 2025, the facilities management industry continued to show resilience, adapting to economic uncertainty, hybrid work patterns and persistent cost pressures. FM services remain a significant spend area for organisations, keeping demand high for value-driven, outcomes-focused workplace solutions. Outsourcing FM is still viewed as an important way to manage risk and future-proof estates, particularly as organisations balance efficiency, ESG obligations and user experience in a market that is stabilising but still cautious. The industry focus continues to sit around three core themes: Digital, Physical and Human.



Digital

The integration of AI and automation into facilities management services continued to mature through Q4 FY 2025, with more organisations moving from pilot activity into operational use. AI is now being used not only for fault detection but also for predictive maintenance, energy optimisation and scenario planning, supporting better efficiency, user comfort and carbon reduction. Smart FM solutions, including IoT sensors, BMS alarm analytics, HVAC optimisation, AI-enabled BIM and predictive maintenance, are increasingly being linked to corporate data platforms so that FM performance can be connected more directly to business, workforce and sustainability outcomes. This is strengthening the business case for investment and helping organisations demonstrate measurable value from technology-enabled FM.

Physical

Workplace strategy has continued to move beyond the simple question of hybrid working into a broader focus on experience, flexibility and asset performance. The emphasis is now on creating human-centred, data-informed workplaces that support an “untethered workforce” through adaptable policies and spaces, while using utilisation, condition and performance data to inform strategic estate decisions. Cost and value for money remain the main drivers of FM procurement, but during Q4 FY 2025 there is a clearer link between cost, digitisation and ESG delivery. Organisations that invest in smart, integrated FM and decarbonisation initiatives are increasingly seeing better long-term value, particularly where contracts are designed to support energy reduction, backlog maintenance planning and lifecycle efficiency rather than short-term savings alone.

Although wider fiscal and labour market pressures continue, the emphasis has shifted from one-off cost cutting towards more sustainable efficiencies through energy reduction, backlog maintenance mitigation and better asset life-cycle planning. National policy and capital guidance continue to provide greater medium-term certainty for estate investment and safety, helping organisations rebalance spend away from purely reactive maintenance and towards targeted energy efficiency, resilience and decarbonisation schemes supported by national funding and framework routes.

Human

The multigenerational workforce remains a defining theme, and by early 2026 workplace expectations are still being shaped by flexibility, wellbeing and a desire for purposeful employers. Workplace design and FM-led services continue to be important in attracting and retaining talent, supporting collaboration and maintaining productivity in a hybrid context. FM leaders are increasingly expected to act as strategic partners to HR and IT, using data on occupancy, satisfaction and ESG performance to shape decisions about space, services and investment.

In Q4 FY 2025, works and maintenance services across health and public estates continued to be influenced by tightening sustainability requirements and multi-year capital and carbon plans. Procurement is now more explicitly linked to carbon and social value outcomes, with estates teams using decarbonisation frameworks and green building standards to select suppliers and solutions. Capital and maintenance funding is moving onto longer-term, more transparent settlements, supporting a shift from reactive spend towards planned energy, infrastructure and heat-decarbonisation projects that align with Greener NHS and wider net zero priorities. Estates teams are therefore reviewing supplier portfolios, ownership models and on-site generation or treatment options to improve energy resilience, reduce lifetime costs and embed climate adaptation within estate strategies.

Estates Facilities Management related NHS LPP frameworks

- [Total Facilities Management Framework](#)
- [Works and Maintenance Dynamic Purchasing System](#)
- [Estates & Facilities Consultancy Services Dynamic Purchasing System](#)

Waste Management Services market overview

Between January and March 2026, the waste services sector continued to adapt to the food waste legislation introduced in March 2025. This legislation requires most businesses with ten or more employees to separate food waste and arrange collection through licensed providers. NHS organisations have moved beyond basic compliance and are now focusing on longer-term strategies aligned with circular economy principles. These include reducing clinical waste, increasing reuse and recycling, and using specialist sustainable waste frameworks for procurement.



Environmental priorities are now standard in waste contracts.

Requirements such as carbon reduction plans, net zero alignment, and social value are expected. NHS trusts are increasingly seeking providers who can deliver detailed waste data, carbon reporting, and support behavioural change among staff. Rising landfill tax, which reached £126.15 per tonne in April 2025, continues to drive a shift away from landfill towards recycling, recovery, and advanced treatment methods. In response, waste management companies are investing in technologies that support compliance, improve recycling processes, optimise collection routes, and provide real-time emissions data.

Government policy continues to encourage higher recycling rates and reduced reliance on landfill. Public sector organisations, including the NHS, are expected to demonstrate alignment with net zero goals, waste hierarchy principles, and social value commitments in both procurement and contract management. Although inflation has stabilised compared to previous peaks, cost pressures remain due to rising labour, fuel, and compliance costs. As a result, pricing transparency, clear indexation, and efficient service design are increasingly important in contract negotiations.

There is also growing demand for visibly sustainable waste practices. This includes better waste segregation, lower contamination rates, and improved recycling performance. Within NHS organisations, staff behaviour plays a key role in achieving these outcomes, as waste must be correctly sorted at the point of disposal. Waste providers are therefore investing in digital tools such as tracking systems, smart containers, and reporting platforms. Buyers now expect real-time data, including contamination insights, carbon reporting, and integration with wider ESG systems, rather than basic collection services.

Compliance remains a critical factor in waste management. Key requirements include proper food waste separation, accurate documentation, duty of care, and adherence to environmental regulations. Contracts must clearly define responsibilities, include audit rights, and set out reporting expectations to reduce legal and operational risks. Environmental performance is now a major differentiator in the market, with organisations prioritising providers that can minimise landfill use, increase recycling and recovery rates, and demonstrate credible reductions in carbon emissions.

Waste Services related NHS LPP frameworks

- [Waste Management Services Dynamic Purchasing System](#)
- [Managing Agent Service Responsible for Managing Outsourced Waste Management Services](#)

Transport Services market overview

The public sector remains the anchor of the market, with NHS ambulance services continuing to absorb the largest share of demand because of their statutory role in emergency response and patient transport. However, in Q1 2026 the operating environment remained challenging, with pressure from delayed handovers, workforce shortages, vehicle availability, and growing demand for higher-acuity patient moves. This has continued to reinforce the need for more responsive, efficient and digitally enabled transport models, including route optimisation, improved dispatch technology, better demand forecasting and greater use of clinically appropriate alternatives to ambulance conveyance. Investment in lower-emission fleets and charging infrastructure also remained important, especially in urban areas and where NHS providers are under pressure to reduce emissions and improve fleet resilience.



The market opportunity for private providers and SMEs remains strongest in the non-emergency and scheduled transport space, where flexibility, local knowledge and responsiveness can add value. National providers continue to have an advantage in scale, fleet resilience and geographic coverage, but regional and local suppliers remain important where service models depend on short travel times, local operating intelligence, and the ability to flex capacity quickly. Across the quarter, the wider procurement environment continued to favour models that balance value for money with service quality, local accessibility and measurable performance outcomes.

NHS operational pressure remains high, and patient transport continues to be shaped by national priorities around urgent care flow, elective recovery, ambulance handover performance and regional collaboration. Procurement strategies are increasingly expected to support system-wide resilience rather than purely transactional transport provision. Fuel, labour, maintenance and insurance costs remain material cost drivers, although energy and fuel market pressures were more volatile than in prior years due to geo political issues. Providers still face upward pressure on wages and operating overheads, so pricing models need to be realistic, transparent and capable of reflecting local cost differences without undermining competition.

Ageing populations, multi morbidity and increasing demand for outpatient and community based care continue to drive volumes. There is also rising public expectation around punctuality, dignity, patient experience and accessibility, especially for vulnerable patients, dialysis journeys, discharge transport and mobility-impaired users. Digital scheduling, live vehicle tracking, dispatch optimisation, e-referral integration and performance dashboards are becoming more important. Providers that can demonstrate strong digital capability, data visibility and interoperability are likely to be better placed in future procurements.

Procurement in this space remains governed by the Provider Selection Regime where applicable, with a strong emphasis on transparency, fairness, and proportionality and clear criteria. There is also continuing focus on safeguarding, information governance, equality duties, accessibility and clinical risk management. NHS and wider public sector decarbonisation goals continue to shape fleet strategy, with growing emphasis on low-emission and electric vehicles, charging infrastructure, reduced idling, and route efficiency. Carbon performance is increasingly becoming part of contract design rather than a separate policy objective.

Transport Services related NHS LPP frameworks

- [Non-Emergency and other transport services – Dynamic Purchasing System](#)

Corporate Services market overview

NHS corporate services are under increasing pressure to deliver greater value. Organisations are focusing on areas such as finance, payroll, procurement, HR, and estates, where improvements in technology, process design, and shared service models can help reduce costs. While most organisations are generally satisfied with their current arrangements, there is a clear desire to improve both quality and efficiency through better use of digital tools, automation, and more integrated operating models.

In Q1 2026, the market shifted from planning to implementation. This reflects broader changes across the NHS, including ongoing structural reforms, a stronger focus on productivity, and growing expectations to demonstrate measurable efficiency gains. As a result, the conversation in corporate services is moving away from whether change is needed to how quickly improvements can be delivered without compromising service quality or resilience.

A key challenge remains, although organisations recognise the potential benefits of shared services and standardisation, it is still difficult to determine which changes will deliver meaningful savings at scale. This is particularly important where there is a need to balance local flexibility with consistency, and where cost savings must not introduce additional operational risks for frontline services. Overall, the market remains cautious but active, with a stronger emphasis on practical, deliverable solutions rather than large-scale transformation plans.

Corporate Services related NHS LPP frameworks

- [Payroll Services](#)
- [Analysis and Recovery Framework](#)
- [CPC Drive - Vehicle Leasing and Salary Sacrifice Scheme](#)

Sustainability - EFMCS

The last quarter saw the award and delivery of the NHS Decarbonisation funding for 2025/26.

Decarbonisation Funding

The NHS ChargePoint Accelerator Scheme has been launched, providing a further £4m of funding for electric vehicle charging infrastructure. The application window is open until **Wednesday 20th May** and all secondary care trust types are eligible, including ambulances. More information and the application form can be found on NHS Futures: [NHS EV chargepoint funding 2026/27 - Greener NHS Knowledge Hub - Futures](#)

We recommend the NHS LPP [Works and Maintenance Dynamic Purchasing System](#) and we are able to support on joint funding applications and procurements. Please contact simon.rowland7@nhs.net for further support.

Round 12 of the Heat Network Efficiency Scheme is open until **Friday 22nd May** and more information can be found here: [HNES | Heat Network Efficiency Scheme](#)

New Mental Health Reforms for Local Authorities from the Mental Health Act 2025

The new mental health reforms for local authorities come from the Mental Health Act 2025, which received Royal Assent in December 2025 and amends the Mental Health Act 1983 rather than replacing it. Before these reforms, local authority duties were mainly centred on existing aftercare arrangements, Approved Mental Health Professional services, commissioning advocacy and partnership working with the NHS, with the ordinary residence rules determining which council was responsible for aftercare in out of area placements. What is new is a wider package of changes that strengthens tribunal powers, changes how some aftercare responsibilities are allocated, and introduces new safeguards for restricted patients subject to conditions amounting to a deprivation of liberty, alongside a clearer expectation that councils will play a stronger local leadership and commissioning role in mental health services. The reforms will affect local authorities, NHS bodies, providers, patients and carers, especially in relation to section 117 aftercare, placements out of area, tribunal processes and the commissioning of support services such as advocacy provision. The first provisions started from February 2026, with commencement regulations made in March 2026, but the wider changes will be phased in over time rather than all at once.

Procurement implications

The mental health reform is pushing both local authorities and the NHS towards more collaborative commissioning, with clear joint duties, more delegated responsibilities to ICB's and the greater pressure to design contracts around integrated pathways. Procurement will need to move from one off buying toward long term strategic commissioning with clearer outcomes, pathway integration, and shared governance across health and social care. Which means Councils and NHS bodies will need to align specifications, funding flows, and contract terms if they are collaboratively responsible for delivery.

Procurement Act 2023: A Year on

The Procurement Act 2023 has begun to reshape public sector procurement by moving it away from a compliance-heavy, process-led model and towards one that is more strategic, transparent and outcome-

[Estates, Facilities Management, and Corporate Services \(EFMCS\) Market Intelligence Report – March 2026](#)
NHS London Procurement Partnership

focused. One year on, the change has been significant: procurement teams are now expected to think less about simply running a competition and more about how every buying decision supports value for money, public benefit, resilience, innovation and better contract performance.

Last year was, in many ways, a transition year. For many authorities, the first challenge was not the law itself but the practical shift in mindset and capability required to work under it. Teams had to learn new notices, new procedures, and a stronger transparency regime while still delivering live procurements and managing existing contracts. That created pressure, but it also forced organisations to review their governance, templates, training and internal decision-making so they could operate more confidently in the new framework. For procurement teams, the most visible change has been the greater freedom to design processes around the need, rather than forcing the need into rigid old structures. The Act supports more flexible competitive procedures, wider use of market engagement, and a stronger focus on what delivers the best overall outcome rather than simply the lowest price. This means procurement teams are increasingly acting as commercial advisors and strategic enablers, not just administrators of tender exercises.

Another major shift is transparency. The new regime requires more publication, more visibility of decision-making, and stronger reporting around contract performance. That has increased the administrative burden in the short term, but it has also improved accountability and created better opportunities to learn from data, benchmark performance and manage suppliers more actively once contracts are live. In practice, this is pushing procurement closer to contract management and performance improvement, which is exactly where much of the real value is delivered. The Act is also helping to reinforce broader policy goals, including social value, prompt payment, innovation and access for smaller suppliers. Public bodies are being encouraged to think more deliberately about local impact, supply chain resilience and supplier diversity. This is a meaningful change for procurement teams because it widens the conversation from “how do we buy this?” to “how do we buy this in a way that strengthens services, markets and communities?”.

The first year suggests that the Procurement Act is setting a new tone for public sector procurement: more strategic, more transparent and more commercially mature. It has not made procurement easier, and it has certainly not removed the need for skilled judgment, but it has created the conditions for a more confident profession. The most successful teams over the past year have been those that embraced the change early like NHS LPP, invested in capability, and used the Act as an opportunity to improve how they plan, engage, award and manage contracts.

New Contract Management Playbook published by the Cabinet Office

The Cabinet Office has recently published Contract Management Playbook which sets out best practice for managing public contracts across the full lifecycle, from mobilisation through delivery, change, and exit. Its main message is that contract management should be proactive, not reactive, and treated as a core part of commercial delivery rather than an admin function.

The Playbook sits alongside existing procurement guidance, and is closely aligned with the Procurement Act 2023, which introduces enhanced post-award obligations, including greater transparency, updated rules on contract modification, and stronger expectations around performance monitoring. The Playbook complements the Procurement Act 2023 and Contract Management Capability Programme (CMCP) training by offering practical guidance to support delivery and drive improvements on certain key policies.

The Playbook focuses on five main themes:

[Estates, Facilities Management, and Corporate Services \(EFMCS\) Market Intelligence Report – March 2026](#)
NHS London Procurement Partnership

1. Develop a clear contract management strategy.
2. Set up strong governance and accountability.
3. Make sure there is enough capability and capacity to manage the contract.
4. Use systems and tools to support performance and risk management.
5. Focus on outcomes, not just compliance.

It encourages contracting authorities to:

- Define roles and responsibilities clearly.
- Use proportionate governance based on risk and contract complexity.
- Maintain live risk, issue and change logs.
- Set measurable KPIs and review performance regularly.
- Keep good records for audit and transparency.
- Plan exit and transition from the start of the contract.

The Playbook also reinforces the link between contract management and the wider procurement lifecycle. It also says lessons learned from live contracts should feed into future procurement planning, specification development and route-to-market decisions.

For managers, the key message is that successful contracts depend on active leadership, regular oversight and early intervention when risks emerge.

NHS LPP EFMCS had a look on the Contracts Management Playbook and prepared below checklist for contract managers just to help them.

Before contract award

- Confirm who will own the contract after award √
- Agree governance arrangements and reporting lines. √
- Check the contract is clear on scope, deliverables, KPIs, and responsibilities. √
- Make sure mobilisation and transition activities are planned. √
- Identify key risks, dependencies and escalation routes. √

At mobilisation

- Hold a mobilisation meeting with the supplier and internal stakeholders. √
- Confirm milestones, service start date, contacts and approvals. √
- Set up contract files, trackers and reporting templates. √
- Agree the performance management schedule. √

- Record any assumptions, constraints or unresolved issues. ✓

During delivery

- Review performance regularly against KPIs and outcomes. ✓
- Keep a live risk and issue log. ✓
- Track changes through a formal change control process. ✓
- Hold structured supplier reviews. ✓
- Escalate problems early and document actions taken. ✓
- Monitor spend, budget and contract usage. ✓
- Maintain audit-ready records of decisions and performance. ✓

Managing relationships

- Map key stakeholders and understand their interests. ✓
- Keep communication clear, consistent and timely. ✓
- Use meetings to solve issues, not just report them. ✓
- Build an open but controlled relationship with the supplier. ✓
- Ensure accountability stays with the contract owner. ✓

Managing change and exit

- Assess the impact of any contract modification before agreeing it. ✓
- Keep approvals and rationale documented. ✓
- Start exit planning early. ✓
- Make sure data, assets, documents and knowledge are transferred properly. ✓
- Capture lessons learned for the next procurement. ✓

Some of the good habits to embed

- Use a standard contract management plan for all material contracts. ✓
- Keep everything proportionate to the size and risk of the contract. ✓
- Review performance routinely, not just when things go wrong. ✓
- Treat contract management as part of commercial leadership. ✓
- Use lessons learned to improve future specifications and awards. ✓

Please contact NHS LPP should you need support in relation to Contract Management.

NHS LPP EFCS News

The NHS London Procurement Partnership EFCS team is re-procuring below agreements:

- Non-Emergency Patient Transport Services as a Framework Agreement under the Provider Selection Regime.
- Total Facilities Management as an Open Framework
- Estates and Facilities Consultancy Services

These agreements will focus on quality & innovation, value, SME inclusion, sustainability and social value, offering members and the wider NHS an agreement to meet the changing needs of the NHS.

The procurement of these agreements, is directly aligned with both national and organisational strategies to modernise, integrate, and improve Estates, FM and Transport services.

NHS LPP Contacts

Should you wish to discuss any of the highlighted NHS LPP agreements, please feel free to contact the respective Category teams below

NHS LPP Agreement	Contact
Estates & Facilities Consultancy Services Dynamic Purchasing System	risha.mehta@nhs.net / nathan.jones17@nhs.net
Works and Maintenance Dynamic Purchasing System	ashwaq.fraser2@nhs.net / remmy.kamya@nhs.net
Non-Emergency Transport and Other Transport Services Dynamic Purchasing System	ashwaq.fraser2@nhs.net / remmy.kamya@nhs.net
Total Facilities Management Framework	j.rumsey@nhs.net / nathan.jones17@nhs.net
Waste Management Services Dynamic Purchasing System	risha.mehta@nhs.net / nathan.jones17@nhs.net
Corporate Services (Professional Services)	nathan.jones17@nhs.net / nawaz.habib@nhs.net
Sustainability	Simon.Rowland7@nhs.net

Feedback

We would love to hear from you. If you have any suggestion on what you want to see in the next Quarterly report, please email: gstt.customer@nhs.net

References

- ONS - GDP first quarterly estimate, UK: January to March 2026
<https://www.ons.gov.uk/releases/gdpquarterlynationalaccountsukjanuarytomarch2026>
- House of Commons Library - Gas and electricity prices during the 'energy crisis' and beyond
<https://commonslibrary.parliament.uk/research-briefings/cbp-9714/>
- Ofgem - Changes to energy price cap between 1 January and 31 March 2026
<https://www.ofgem.gov.uk/news/changes-energy-price-cap-between-1-january-and-31-march-2026>
- Net Zero Estates & Facilities Priorities for environmental sustainability
<https://www.hfma.org.uk/system/files/2024-03/Ian%20Stenton.pdf>
- NHS LPP
<https://www.lpp.nhs.uk/categories/sustainability-social-value/sustainability/estates-and-facilities/>
- Alixpartners Tipping point: The future of the U.K. waste industry, June 05 2025
https://www.alixpartners.com/media/2qcg2szg/alixpartners_tipping-point_the-future-of-the-uk-waste-industry_june-2025.pdf
- UK Ambulance Services Market - Insights for Business Growth Report 2024-2032
<https://introspectivemarketresearch.com/reports/uk-ambulance-services-market/>
- Cabinet Office Contract Management Playbook
https://assets.publishing.service.gov.uk/media/69c15da17e02b81c0d1c7682/20.47_CO_Contract_Management_Playbook_Final_Web.pdf