



APPG

for Public
Sector
Efficiency

Procurement as a Lever for Supporting Local Government Efficiency

All-Party Parliamentary Group for Public Sector Efficiency | London Procurement Network Roundtable Outputs and Lessons Learnt

June 15th, 2026

Background to the Roundtable

On 15 June 2026, the All-Party Parliamentary Group for Public Sector Efficiency hosted a London Procurement Network roundtable at the House of Lords in Westminster. The roundtable event brought together 17 representatives from 14 London boroughs, alongside the APPG Secretariat and speakers from Efficio, to explore how procurement, contract management and commercial capability can help councils protect services and unlock better value for residents. The event was held under the Chatham House Rule and aimed to provide a space for discussion, debate and collective learning.

The event opened with a few words from the APPG secretariat and an update on the work the APPG has been conducting. The results of the survey were then discussed, which had been circulated to attendees before the event and aimed at uncovering the biggest challenges procurement teams are currently facing. We then heard three presentations from the boroughs of Hillingdon, Croydon and Kensington and Chelsea, providing insights into commercial transformation, commercial excellence and contract management and sharing lessons learned.

The later roundtable discussion that followed asked participants to consider how boroughs can involve procurement earlier, what minimum contract management model is realistic now, where AI and better data should start, whether the Procurement Act has changed behaviours, and what practical action should be taken forward.

This APPG event was the first in a planned programme of local government engagement across officer and member cohorts with the role not to set policy, but to convene parliamentarians, practitioners and industry experts to look at opportunities to drive forward public sector efficiency, including gathering evidence from front-line experience to build insight into usable outputs.

The roundtable gave space and time to facilitate discussion, and attendees were asked not to merely describe their operational pressures, but to share what had worked, what had been difficult to overcome, and what aspects of this learning other authorities could realistically and effectively use.

Bottom Line Up Front – What Did We Learn?

	Key Areas	Why These Arose and What Can be Done?
!	The pressure	19 survey responses from 14 boroughs pointed to stretched teams, rising tender volumes, budget constraints, skills gaps, limited specialist support and more complex projects.
£	The value gap	Contract management was identified as the most important priority for the coming financial year and the largest skills gap outside procurement.
✓	The enabler	Reliable contract registers, spend data, named ownership, pipeline visibility and governance need to be fixed before AI can scale.
+	The opportunity	Turn existing borough practice into reusable products: templates, dashboards, training, AI prompts, commercial review checklists and a minimum contract management model.
→	The next step	Move London borough collaboration from discussion to delivery through a shared repository, community of practice and more open dialogue between boroughs.

The Survey and Roundtable

19 survey responses from 14 boroughs pointed to three dominant themes: procurement teams are stretched, contract management remains inconsistent, and AI is increasingly seen as an opportunity to add value but is still at an early stage of adoption. Almost all respondents reported some level of capacity pressure, with rising tender volumes, budget constraints, skills shortages, limited specialist support and complex projects all contributing to the challenge. Contract management was identified as the most important priority for the coming financial year, while the largest skills gap outside procurement was seen as the ability to manage contracts effectively and ensure that value is delivered after award.

The discussion repeatedly returned to the idea that procurement value is created long before and long after the tender event. Participants argued that procurement, commissioning and commercial teams need to be involved while services are still shaping their needs, not only once a specification has been fixed. Hillingdon's experience illustrated the point: stronger commercial capability, targeted contract reviews, clearer pipeline visibility and more than 200 Power BI dashboards have helped senior managers, executives and members see upcoming renewals, contract risks and savings opportunities. The borough's case study also showed that spend visibility, governance and reliable data foundations are more important than AI alone; once the basics are in place, analytical tools can help identify opportunities such as workforce changes, materials savings and alternative delivery models.

Croydon's presentation reinforced the importance of moving away from a 'let and forget' approach. The council described how blanket savings requests, including an attempted 10% reduction across contracts and generic letters to suppliers, had delivered limited value. More targeted commercial review proved more effective: audits of historic payments identified overpayments and rebates, while operational reviews of cleaning and security services generated savings through changes in delivery model and greater use of technology. The wider lesson was cultural as well as technical. Procurement had often been perceived as a process function or a source of restrictions, so the team focused on improving its own engagement with services, strengthening templates, guidance, training and systems, and positioning procurement as a partner in solving service challenges.

Kensington and Chelsea provided a third practical example, centred on contract visibility and accountability. The strategic procurement team initially found no comprehensive corporate contract register, with information held across fragmented spreadsheets, service records and legal files. Building a complete register revealed around 460 contracts covering approximately £380 million of expenditure and supported two-year procurement plans for each directorate. Contracts were risk-rated, ownership was clarified, and a gateway review process was introduced so that contracts did not disappear from oversight after award. The outcomes reported included better planning, improved visibility, revenue savings, cost avoidance, income generation and fewer waivers. Just as importantly, the case study showed how a contract register becomes a platform for challenge: before renewing or extending, services can be asked whether a contract is still needed, whether it should be redesigned, and whether there are opportunities to consolidate or renegotiate.

Borough Examples - What was done and what learning can we reuse?

Borough	What was done	Takeaway
Hillingdon	Strengthened commercial capability, contract reviews, pipeline visibility and 200+ Power BI dashboards to show renewals, risks and savings opportunities.	Get the data, establish governance and reduce manual tasks. Dashboards need reliable ownership, pipeline and spend data.
Croydon	Used the "Every Pound Matters" campaign. Blanket 10% savings requests and generic supplier letters had limited impact; targeted audits and operational reviews worked better.	Make savings a win-win. Target the contracts where evidence suggests there is value, rather than applying generic cuts.
Kensington & Chelsea	Built a complete contract register from fragmented records, covering around 460 contracts and £380 million of expenditure. Added risk-rating, two-year plans, Gateway 3 reviews and focus on the top 20 contracts.	Visibility creates accountability. Every renewal or extension should trigger a challenge: is this still needed, should it be redesigned, can it be consolidated or renegotiated?

Key Outcomes and Considerations

Four strong themes emerged from the roundtable, and it became quickly clear that many of the pressures were common and shared.

- **First, contract management is the central value gap.** Councils often invest considerable effort in conducting compliant procurements, but the benefits can be lost if contracts are not actively managed once awarded. Participants emphasised that many people responsible for contracts do not formally recognise themselves as contract managers and may receive little or no commercial training. A practical minimum model therefore needs clear contract ownership, prioritisation of the highest-value or highest-risk contracts, regular supplier reviews, basic KPIs and risk checks, escalation routes, and evidence that can support the case for more resources.
- **Second, data is the foundation for both commercial improvement and future AI adoption.** AI was recognised as a significant opportunity for spend analysis, supplier intelligence, market research, contract analysis and automated reporting. However, adoption remains immature, with most organisations still exploring ideas or running limited pilots. The roundtable's message was clear: authorities should start where data is reliable, the task is repeatable and the benefit is practical. Shared AI prompts, use cases and guidance could help boroughs move faster, but they will only be useful if contract registers, spend data and ownership information are accurate enough to support the analysis.
- **Third, procurement reform depends on the wider organisational ecosystem.** Procurement teams cannot deliver sustainable change alone if commissioning, services, finance, digital and senior leadership are not aligned. Participants highlighted the importance of executive sponsorship, access to senior management discussions, clear roles and responsibilities, and governance that brings procurement in earlier without creating unnecessary delay. The language used to describe the organisation was also challenged: the traditional split between 'frontline' and 'back office' can undervalue the teams that enable service delivery. A more useful framing is that everyone in a council contributes to outcomes for residents, and procurement should be seen as part of transformation rather than simply compliance or cost control.
- **Fourth, there is a clear appetite for collaboration across London boroughs, but it needs to become practical.** The discussion highlighted how procurement teams face the same challenges across boroughs, yet there are currently limited discussions and collaboration between boroughs.

Participants saw opportunities to share templates, policies, business cases, procurement plans, Power BI approaches, AI prompts, contract management training materials and supplier intelligence. Joint procurement and shared services may offer longer-term benefits, but the near-term opportunity is to reduce duplication by making proven tools and approaches easier to reuse. A structured community of practice, supported by clear ownership and a practical repository of materials, could help councils move from discussion to implementation.

Tangible Actions That Were Agreed

Timeframe	Action
30 days - establish control	Confirm the top 20 contracts by spend, risk, and service criticality.
60 days - find value	Run targeted commercial reviews on 3-5 high-value or high-risk contracts.
90 days - embed and scale	Produce an internal annual procurement report showing pipeline, value delivered, risks and next-year priorities.

Concluding Lessons to Take Forward

Three things stood out from the afternoon:

1. Procurement as a strategic lever

The most important lesson from the event is that procurement should be treated as a strategic lever for service protection, not merely a transactional function or a route to one-off savings. Financial pressure across local government is severe, but the examples from Hillingdon, Croydon and Kensington and Chelsea show that value can still be found through better visibility, earlier involvement, targeted contract reviews and stronger commercial conversations with suppliers. That value is not only financial: it includes improved governance, better service design, clearer accountability, more resilient supplier relationships and stronger outcomes for residents.

2. AI readiness

A second lesson is that councils should fix the basics before expecting technology to transform performance. Clean contract registers, accurate data, named contract owners, visible pipelines and simple dashboards are not administrative extras; they are the infrastructure that makes strategic procurement possible. Once those foundations are in place, AI and automation can accelerate analysis and reduce manual work. Without them, new tools risk amplifying poor data or creating activity that is not connected to decisions.

3. Shared capability

Finally, the roundtable showed that the sector does not need to solve every problem from scratch. Many boroughs are facing the same constraints and building similar solutions in parallel. The immediate opportunity is to create a safe and practical way to share what works: minimum contract management models, dashboard designs, contract review checklists, training materials, AI prompt libraries, commercial strategy templates and case studies that help leaders understand procurement's impact. Continuing the conversation through the APPG and London Procurement Network can help turn the ideas discussed in the House of Lords into repeatable practice across local government.

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