



Glossary of Terms

Term	What this means	What it means for local businesses
Tier 1 contractor	The main contractor appointed to lead delivery of a major project. They manage programme, risk, budget, subcontractors and delivery. Indicative guide: direct contract with the client or major delivery lead; annual turnover often £1 billion+ for national contractors, or £50 million to £150 million for major regional contractors; average project value often £30 million+.	Local businesses are unlikely to contract directly with Universal, but may need to get in front of Tier 1 contractors early. These are usually national or international contractors. Local firms should usually target their supply chains rather than expect direct appointment.
Tier 1 supply chain	Specialist subcontractors appointed by Tier 1 contractors to deliver major work packages, such as M&E, structural steel, groundworks, cladding, brickwork, structures, infrastructure or logistics. Indicative guide: major package contractor working for Tier 1; annual turnover often £50 million to £500 million; package value often £25 million to £250 million.	Often the best route for capable regional firms. Strong route for large regional specialists in M&E, groundworks, specialist construction packages and delivery support.
Tier 1 designer	Design, technical or professional specialist appointed by, or working alongside, the Tier 1 contractor. This may include architects, engineers, principal designers, BIM specialists, temporary works designers, surveyors, planning consultants, fire consultants, environmental consultants or technical assurance teams.	Opportunity for design and professional service firms with strong project experience, insurance, quality systems and the ability to work to Tier 1 standards. local firms should identify which Tier 1s and package contractors need their expertise.
Tier 2 contractor	Subcontractor or specialist contractor working across construction sectors. Often provides labour, specialist services, materials or smaller packages. Indicative guide: specialist subcontractor or supplier working under a larger delivery contractor; annual turnover often £5 million to £50 million; indicative package value £2.5 million to £25 million.	Realistic entry point for many established local SMEs. Best-fit route for firms with proper systems, insurance, health and safety arrangements, policies, accreditations, case studies and capacity to deliver safely and consistently.
Tier 2 supply chain	Businesses that supply or support Tier 2 contractors. This may include trade contractors, plant hire, materials, specialist labour, consumables, fabrication, testing, inspection, training, welfare, transport, logistics or smaller service providers.	Strong opportunity for local firms that may not be ready for Tier 1 expectations but can support established contractors. Local businesses should target Tier 2 contractors that already work with Tier 1s and understand what those contractors regularly buy.



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Tier 2 designer	Specialist design or technical support working with Tier 2 contractors. This may include installation design, CAD, BIM, temporary works, manufacturer design, specialist engineering, fire stopping design, M&E; design support or technical drawings for defined packages.	Good route for smaller technical firms and consultants. Local design and technical businesses may find more realistic opportunities through specialist contractors than by approaching the main contractor directly.
Tier 3 contractor	Supplier or sub-subcontractor further down the chain. May provide plant, materials, equipment, labour, logistics or trade support. Indicative guide: smaller contractor, supplier or service provider; annual turnover often £500,000 to £5 million; package value £250,000 to £2.5 million.	Local suppliers may sit here without realising it. Still commercially valuable. Realistic route for local trades, plant, welfare, signage, security, cleaning, waste, catering, transport and support services.
Tier 3 supply chain	Businesses supporting Tier 3 contractors with practical delivery needs. This may include merchants, small plant, tools, consumables, transport, storage, cleaning, waste, labour-only support, repairs, maintenance, PPE, welfare supplies and local trade services.	Very relevant for local businesses. This is where many local firms will naturally sit because the work is practical, local and repeatable. Firms should focus on being easy to buy from, reliable, insured, compliant and quick to respond.
Tier 4 contractor	Smaller contractor or deep supply chain provider. Often provides product, labour, consumables, maintenance, hire, welfare, cleaning, transport, labour-only support or other practical services. Indicative guide: micro supplier, labour-only provider, consumables or local support; annual turnover under £500,000; package value under £250,000. Trade contractors may self-deliver or subcontract specialist elements where safe and appropriate.	Good category for smaller firms, sole traders and local service providers. Still relevant. The work may be smaller, but there will be volume across the wider development and local economy.
Tier 5 / deep local support	Very small suppliers, sole traders, local service businesses or support providers delivering low-value, frequent or practical services. This may include ad hoc labour, small repairs, local transport, cleaning, consumables, maintenance, small hire, local printing, signage, catering, accommodation support or emergency call-outs.	This is not always visible in formal procurement, but it matters. Local businesses may win work through relationships, responsiveness and being known to contractors already delivering on or around the project.
Commodities and materials	Product and materials suppliers that may sit outside the contractor tier structure but are still essential to delivery. Examples include plasterboard, paint, carpet, skirting, pipework, door frames, fixings, timber, PPE, cleaning products, tools and general materials. These products have to be bought from somewhere.	Economies of scale will have a big impact, but local relationships still matter. Local suppliers should understand who buys the products, whether that is the contractor, subcontractor, merchant, installer or facilities provider. The opportunity may be in supply, availability, service, delivery speed or local stockholding rather than the product alone.



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PQQ	Pre-Qualification Questionnaire. A document or online form used to check whether a business is suitable before it is invited to tender. It usually asks for company details, insurance, finances, health and safety, policies, accreditations, experience and references.	Get basic evidence ready now. This includes insurance, health and safety policy, training records, risk assessments, method statements, case studies, accreditations and financial information.
SQ	Selection Questionnaire. Often used instead of, or alongside, a PQQ. It helps buyers assess whether a supplier meets the basic requirements to be considered.	Treat this like the first gate. If the answers are weak, missing or inconsistent, the business may not get through to tender stage.
ITT	Invitation to Tender. A formal invitation to submit a bid for a contract or package of work. It normally sets out scope, specification, contract terms, pricing requirements, deadlines and evaluation criteria.	This is where the business must prove it can deliver the work, not just say it can. Responses need to be clear, priced properly and supported by evidence.
RFP	Request for Proposal. A formal request inviting suppliers to submit a detailed proposal for how they would meet a requirement. It will usually ask about approach, experience, delivery, commercial terms and how the proposal meets the buyer's needs.	Treat it as more than a price request. Explain how the work will be delivered, answer the brief directly and back up claims with relevant evidence, examples and a clear commercial proposal.
RFQ	Request for Quotation. A request for a price for clearly defined goods, works or services. Usually simpler than a full tender.	Good opportunity for local suppliers where the buyer knows what they need and wants a clear price. Speed, accuracy and reliability matter.
RFI	Request for Information. A request used to gather information from the market before a formal tender or quotation. It may ask about capability, capacity, experience or interest.	A chance to get visible early. Respond clearly and show what the business can deliver.
EOI	Expression of Interest. A way for businesses to show interest in a future opportunity before the formal procurement process starts.	Useful for getting on the radar. Keep responses short, relevant and focused on what can actually be delivered.
Framework	A pre-approved list or agreement that allows buyers to appoint suppliers more quickly. Being on a framework does not guarantee work, but it can make access easier.	Some Tier 1s and public bodies will prefer framework suppliers. Check which frameworks are relevant to the trade or service.
Approved supplier list	A list of suppliers a contractor or buyer has already checked and is willing to use.	Getting onto approved supplier lists can be more realistic than waiting for a public tender. Ask contractors how to register and what evidence is needed.



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Pre-construction	The planning and preparation stage before construction starts. This can include design, surveys, costing, programming, risk review and early procurement.	Important opportunities can start before work begins on site. Surveyors, designers, consultants, training providers, H&S; advisers and specialist suppliers should engage early.
Meet the Buyer	An event where businesses can meet main contractors, buyers, procurement teams or supply chain managers.	Do not turn up with a generic pitch. Know what you sell, who buys it, what evidence you have and what type of package you are suited to.
Capability statement	A short document that explains what the business does, where it works, who it has worked for, accreditations, insurances, case studies and contact details.	Every business wanting project work should have one. It should be clear, factual and tailored to the type of contractor being approached.
Evaluation criteria	The rules used to score a tender. These may include price, quality, safety, programme, social value, environmental impact, experience and capacity.	Answer what is being scored. Do not waste space on generic claims that do not match the criteria.
Social value	The wider benefit a project creates for people, places and communities. This may include local jobs, apprenticeships, training, local spend, volunteering or community support.	Local businesses can have a strong advantage if they can show local employment, local supply, training, community links and local economic impact.
Compliance evidence	Documents that prove the business is safe, insured, competent and properly managed. This may include policies, RAMS, training records, accreditations, insurance certificates and licences.	This is often where smaller firms fall down. Get the basics ready before opportunities appear.
RAMS	Risk Assessments and Method Statements. These explain the risks involved in a task and how the work will be carried out safely.	Contractors will expect suitable RAMS for site work. Poor RAMS can block access to work even where the trade skill is strong.
CHAS / SafeContractor / Constructionline	Common supplier assessment and accreditation schemes used in construction to check health and safety, compliance and supplier information.	Not every opportunity will require these, but many contractors will ask for one or more. Check which accreditations target contractors expect.



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Insurance requirements	The insurance levels a buyer or contractor expects suppliers to hold. This may include public liability, employers' liability, professional indemnity, contractor's all risks or product liability.	Check cover before bidding. The wrong insurance level can stop a supplier being appointed.
Contract terms	The legal terms that control payment, risk, delivery, liability, insurance, changes, delays and dispute handling.	Do not ignore the contract. Understand payment terms, liability, retention, damages, notice requirements and what is being signed.
Retention	Money held back from payment until work is completed or defects are resolved. Common in construction contracts.	Factor retention into cash flow and pricing.
Mobilisation	The process of getting ready to start work. This may include labour, materials, plant, training, inductions, access arrangements, documents and site setup.	Know what is needed to mobilise quickly and safely.
Induction	Site training before someone can work on a project. It usually covers site rules, hazards, emergency arrangements and safety expectations.	Labour providers and subcontractors need to allow time for inductions and make sure workers have the right cards, training and documents.
CSCS / competence cards	Cards or evidence used to show workers have relevant training and competence for construction work.	Businesses providing labour or trade work should check that workers have the right cards and training before approaching contractors.