

Transforming Public Procurement: Glossary

Term	Meaning	What does this mean/simplified definition
Appropriate authority	(a) a Minister of the Crown, (b) the Welsh Ministers, or (c) a Northern Ireland department;	An duly appointed authorising body
Associated tender documents	In relation to a tender notice, a document setting out information specified in regulations under section 95 that supplements that set out in the tender notice.	Documents that supplement the tender notice and provide duplicate information or further detail about the procurement and could include things like the specification, evaluation methodology, terms and conditions etc
Award criteria	Criteria set in accordance with section 23 (award criteria) against which tenders may be assessed for the purpose of awarding a public contract under section 19 (award following competitive tendering procedure).	Criteria to assess tenders against for the purpose of awarding a public contract to the most advantageous tender (MAT)
Below-threshold contract	A contract with an estimated total contract value (including VAT) of less than the threshold amount for the type of contract.	Not a covered procurement, but may be subject to obligations in Part 6 of the Procurement Act

Central digital platform	the online system provided by the Cabinet Office on www.gov.uk	a central “online system” for the publication of notices, documents and other information in relation to the Procurement Act
Central government authorities	Those listed under such heading in schedule 2 of the Procurement Regulations 2024.	organisations advised in schedule 2 of the Procurement Regulations 2024 and at: https://www.gov.uk/government/organisations
Commercial basis	Examples of factors in determining whether a person operates on a commercial basis include: a) whether they operate on the basis that any losses would be borne or its continued operation secured, by a public authority (whether directly or indirectly) b) whether the the person contracts on terms more favourable than those that might reasonably have been available to it had it not been associated with a public authority; c) whether the person operates in a market that is subject to fair and effective competition.	Commercial relationships generally apply to those persons or bodies who can profit from the relationship
Competitive flexible procedure	not an “open procedure” but any other such	a competitive tendering procedure carried out in accordance with the tender notice and any

	competitive tendering procedure as the contracting authority considers appropriate for the purpose of awarding the public contract	associated tender documents to award a contract to the most advantageous tender
Competitive tendering procedure	An “open procedure” or a “competitive flexible procedure”	a procurement process with competition between suppliers to award a contract to the most advantageous tender
Concession contract	a contract for the supply, for pecuniary interest, of works or services to a contracting authority where— (a) at least part of the consideration for that supply is a right for the supplier to exploit the works or services, and (b) under the contract the supplier is exposed to a real operating risk.	Concession contracts are regulated by the general rules of the Procurement Act with some differences and exceptions.
Conflict of Interest	a personal, professional or financial interest which may be direct or indirect	a person using an official position to further private interests, or the interests of others, misuse information acquired in the course of official duties, or disclose information which is held in confidence.
Conflicts assessments	An assessment that includes details of— (a) conflicts or potential conflicts of interest identified in accordance with section 81 (duty to identify), and	Pre, during and post procurement reviews of the conflicts of interest risks in relation to that procurement.

	(b) any steps the contracting authority has taken or will take for the purposes of section 82 (duty to mitigate).	
Contracting authority	a public authority, or in the case of a utilities contract, a public authority, public undertaking or private utility, other than (in each case) an excluded authority.	All entities that are contracting authorities will be subject to the rules set out in the Procurement Act. There is no change in intended scope of bodies covered in the previous regimes
Convertible contract	A contract that, as a result of a modification, will become a public contract	Contracts that increase to become above threshold in total value.
Covered procurement	The award, entry into and management of a public contract	Public contracts which are subject to the general rules of the Procurement Act
Debarment list	The list kept under section 62.	a published list of excluded (where a mandatory exclusion ground applies) or excludable (where a discretionary exclusion ground applies) suppliers.
Defence and security contract	A contract for the supply of— (a) military equipment; (b) sensitive equipment; (c) goods, services or works necessary for the development, production, maintenance or decommissioning of military equipment or sensitive equipment; (d)	Defence and security contracts are regulated by the Procurement Act with some exemptions.

	<p>logistics services relating to military equipment or sensitive equipment; (e) goods, services or works for wholly military purposes; (f) sensitive services or sensitive works; (g) goods, services or works that are otherwise relevant to the operational capability, effectiveness, readiness for action, safety or security of the armed forces.</p> <p>includes a framework for the future award of contracts for the supply of goods, services or works of a kind described in (a) to (g).</p>	
Defence authority	a contracting authority specified in regulations made by a Minister of the Crown, if the Minister considers that the authority exercises its functions wholly or mainly for the purposes of defence or national security.	The Secretary of State for Defence, the Atomic Weapons Establishment PLC, the Oil and Pipelines Agency and the National Crime Agency satisfy the statutory requirements of the Act and are specified as defence authorities in regulations under the Act.
Defence authority contract	A defence and security contract awarded by a	Contracts reserved for bona fide defence authorities.

	“defence authority”	
Devolved Scottish authority	functions are exercisable only in or as regards Scotland, and none of its functions relate to reserved matters, or some of its functions relate to reserved matters and some do not	The obligations in the Procurement Act do not apply to devolved Scottish authorities except where it is carrying out procurement under a reserved procurement arrangement
Devolved Welsh authorities	<p>A contracting authority which is a devolved Welsh authority within the meaning given by section 157A of the Government of Wales Act 2006 is a devolved Welsh authority for the purposes of this Act.</p> <p>A contracting authority that is a public undertaking or private utility is to be treated as a devolved Welsh authority for the purposes of this Act if— (a) it operates wholly or mainly in relation to Wales, and (b) its activities are wholly or mainly activities that do not relate to reserved matters.</p> <p>Otherwise, a contracting authority is to be treated as a devolved Welsh authority for the purposes of this</p>	<p>A contracting authority which is a devolved Welsh authority within the meaning given by section 157A of the Government of Wales Act 2006 or a contracting authority if the authority’s functions are exercisable wholly or mainly in relation to Wales, and are wholly or mainly functions that do not relate to reserved matters or a public undertaking or private utility that operates wholly or mainly in relation to Wales, and its activities are wholly or mainly activities that do not relate to reserved matters.</p>

	<p>Act if the authority's functions— (a) are exercisable wholly or mainly in relation to Wales, and (b) are wholly or mainly functions that do not relate to reserved matters.</p>	
<p>Devolved Welsh procurement arrangement</p>	<p>A procurement arrangement is a devolved Welsh procurement arrangement if, as part of it, the contract is awarded—(a) in accordance with a framework awarded by a devolved Welsh authority, (b) by reference to a dynamic market established by a devolved Welsh authority, (c) following a procedure carried out by a centralised procurement authority which is a devolved Welsh authority, or (d) following a procedure in which a devolved Welsh authority is designated the lead authority in the tender or transparency notice.</p>	<p>a procurement arrangement awarded in accordance with a framework awarded by a devolved Welsh authority, by reference to a dynamic market established by a devolved Welsh authority,) following a procedure carried out by a centralised procurement authority which is a devolved Welsh authority, or following a procedure in which a devolved Welsh authority is designated the lead authority in the tender or transparency notice.</p>

Dynamic market	arrangements for the purpose of a contracting authority awarding public contracts by reference to suppliers' participation in the arrangements.	A market made of members who meet the conditions for membership.
eSender	An electronic procurement portal	Generic term for e-procurement system providers
Estimated value	Contract value estimated in accordance with Schedule 3	Total estimated value, for the time being, of a contract including all available options (e.g.extensions) including VAT
Excludable supplier	where a discretionary exclusion ground applies to the supplier or an associated person, and the circumstances giving rise to the application of the exclusion ground are continuing or likely to occur again, or the supplier or an associated person is on the debarment list by virtue of a discretionary exclusion ground. <i>Most of the exclusion grounds will also apply to a supplier if they apply to a connected person.</i>	where a discretionary exclusion ground applies contracting authorities have the discretion on whether to exclude an excludable supplier from a procurement procedure or contract award
Excluded authority	(a) a devolved Scottish authority,	The obligations in the Procurement Act do not apply to excluded authorities as they do not

	<p>other than where it carries out procurement falling within section 115A of the Act; (b) the Security Service, the Secret Intelligence Service and the Government Communications Headquarters; (c) the Advanced Research and Invention Agency; (d) any person that is subject to public authority oversight— (i) only by reference to a devolved Scottish authority, or (ii) by reference to an authority mentioned in paragraph (b) or (c).</p>	<p>fall within the definition of a contracting authority</p>
<p>Excluded supplier</p>	<p>where a mandatory exclusion ground applies to the supplier or an associated person, and the circumstances giving rise to the application of the exclusion ground are continuing or likely to occur again, or the supplier or an associated person is on the debarment list by virtue of a mandatory exclusion ground. <i>Most of the</i></p>	<p>where a mandatory exclusion ground applies contracting authorities have to exclude the supplier from a procurement procedure or contract award (some exemptions apply)</p>

	<i>exclusion grounds will also apply to a supplier if they apply to a connected person.</i>	
Exempted contract	An exempted contract is a type of contract listed in Schedule 2 to which the Procurement Act generally does not apply.	Generally exempt from the Procurement Act. "Covered procurement" does not include exempted contracts; "procurement" does include exempted contracts
Framework	A "framework" is a contract between a contracting authority and one or more suppliers that provides for the future award of contracts by a contracting authority to the supplier or suppliers.	A contract with suppliers that provides for the award of future contracts (known as call-off contracts). The framework must set out certain information relating to the call-off contracts, such as the price payable under call-off contracts or the mechanism for determining this
Light touch contract	a contract wholly or mainly for the supply of services of a kind specified in the Procurement Regulations 2024 schedule 1	Broadly remaining the same scope of contract as previous regs. The subject matter must be one listed in the CPV codes within Schedule 1 of the Procurement Regs 2024.
Mixed procurements	Where certain of the goods, services or works to be supplied under the contract could reasonably be supplied under a separate contract, and that contract would have an estimated value of not less than the threshold amount	Prevention against disaggregation of contracts and directs when the value of separate contracts are to be treated as one combined total or above threshold.

	for a contract of its type. Under threshold contracts that, when increased in value or joined with others or extended, would become within value scope of above threshold contracts.	
National Procurement Policy Statement (NPPS)	a statement setting out the Government's strategic priorities in relation to procurement	The Ministerial statement setting out the Government's strategic priorities in relation to procurement that a contracting authority must have regard to during their procurement activities.
National Security Unit for Procurement (NSUP)	National Security Unit for Procurement	A unit in the Cabinet Office to support coordination of national security assessments for exclusion and debarment decisions
Open framework	a scheme of frameworks that provides for the award of successive frameworks on substantially the same terms.	A contract with suppliers that provides for the award of future contracts (known as call-off contracts).
Preliminary market engagement	engagement with suppliers and other persons for the purpose of: (a) developing the authority's requirements and approach to the procurement; (b) designing a procedure, conditions of participation or award criteria;	engagement with suppliers before a tender notice is published

	<p>(c) preparing the tender notice and associated tender documents;</p> <p>(d) identifying suppliers that may be able to supply the goods, services or works required;</p> <p>(e) identifying likely contractual terms; (f) building capacity among suppliers in relation to the contract being awarded.</p>	
Private utility	a person that— (a) is not a public authority or public undertaking, and (b) carries out a utility activity.	Entities that carry out utility activities under a “special or exclusive right” in the relevant energy, water and transport sectors.
Procurement	the award, entry into and management of a contract	Procurement (as opposed to covered procurement) refers to contracts (as opposed to public contracts) which are not subject to the general rules of the Procurement Act, but may have some obligations that must be met to comply with certain treaties.
Procurement Regulations 2024	Secondary Legislation laid-down by Parliament through a Statutory Instrument.	The companion legislation and schedules that add further detail to the Procurement Act 2023.
Procurement Review Unit (PRU)	Procurement Review Unit	A new team established in the Cabinet Office to exercise procurement oversight.
Public authority	A person that is— (a) wholly or mainly funded out of public funds, or (b) subject to public authority oversight and (in each case) does	Public authorities are funded wholly or mainly out of public funds or subject to public authority oversight, and in each case do not operate on a commercial basis.

	not operate on a commercial basis (public oversight means subject to the management or control of— (i) one or more public authorities, or (ii) a board more than half of the members of which are appointed by one or more public authorities)	
Public contract	Any contract for the supply, for pecuniary interest, of goods, services and works to a contracting authority, or any framework or concession contract, in each case which has an estimated value above an applicable threshold and is not an exempt contract.	An above threshold contract for goods, services or works that is not an exempted contract
Public undertaking	A person that is subject to public authority oversight, and operates on a commercial basis	Whilst public undertakings are subject to public authority oversight, unlike public authorities, they may operate commercially
Refining award criteria	Making an amendment to award criteria in a competitive flexible procure subject to section 24 where provision of tender and associated tender	Only used in competitive flexible procedure to make refinements to the award criteria, where permitted and included for in the tender notice or associated tender documents.

	documents allows.	
Regulated below-threshold contract	A below-threshold contract which is not an exempted contract, a concession contract, or a utilities contract.	Subject to obligations in Part 6 of the Procurement Act
Small and Medium-sized Enterprises (SME)	Suppliers that have fewer than 250 staff, and have a turnover of an amount less than or equal to £44 million, or a balance sheet total of an amount less than or equal to £38 million.	Definitions subject to change from time to time
Special regime contract	a concession contract, a defence and security contract, a light touch contract or a utilities contract,	Each is eligible for certain exemptions from particular parts of the Act. Each may fall within normal above threshold scope if joined with other procurements
Threshold	The threshold amount for a contract of a type in accordance with schedule 1	Contracts with an estimated value of not less than the threshold amount for the type of contract is a public contract and subject to the main rules in the Procurement Act
Transferred Northern Ireland authorities	An authority is a “transferred Northern Ireland authority” if its functions— (a) are exercisable only in or as regards Northern Ireland, and (b) are wholly or mainly functions that do not relate to reserved or excepted matters (within the meaning given by the	An authority where its functions are exercisable only in or as regards Northern Ireland, and are wholly or mainly functions that do not relate to reserved or excepted matters

	<p>Northern Ireland Act 1998).</p> <p>A contracting authority that is a public undertaking or private utility is to be treated as a transferred Northern Ireland authority for the purposes of this Act if— (a) it operates only in or as regards Northern Ireland, and (b) its activities are wholly or mainly activities that do not relate to reserved or excepted matters</p>	
<p>Transferred Northern Ireland procurement arrangement.</p>	<p>A procurement arrangement is a transferred Northern Ireland procurement arrangement if, as part of it, a contract is awarded — (a) in accordance with a framework was awarded by a transferred Northern Ireland authority, (b) by reference to a dynamic market established by a transferred Northern Ireland authority, (c) following a procedure carried out by a centralised procurement authority which is</p>	<p>a procurement arrangement awarded in accordance with a framework awarded by a transferred Northern Ireland authority, by reference to a dynamic market established by a transferred Northern Ireland authority, following a procedure carried out by a centralised procurement authority which is a transferred Northern Ireland authority, or following a procedure in which a transferred Northern Ireland authority is designated the lead authority in the tender or transparency notice.</p>

	a transferred Northern Ireland authority, or (d) following a procedure in which a transferred Northern Ireland authority is designated the lead authority in the tender or transparency notice.	
Treaty state	a state, territory or organisation of states or territories that is party to an international agreement specified in Schedule 9, other than the United Kingdom.	a state, territory or organisation of states or territories that is party to an international agreement specified in Schedule 9, other than the United Kingdom.
Treaty state supplier	a supplier that is entitled to the benefits of an international agreement specified in Schedule 9.	a supplier that is entitled to the benefits of an international agreement specified in Schedule 9.
United Kingdom supplier	a supplier that is— (a) established in, or controlled or mainly funded from, the United Kingdom, a British Overseas Territory or a Crown Dependency, and (b) is not a treaty state supplier.	Generally a UK registered company or charity that pays taxes to the UK exchequer.
Utilities contract	a contract for the supply of goods, services or works	Utilities contracts are regulated by the procurement Act with some exemptions. Utility

	wholly or mainly for the purpose of a utility activity.	activities are set out in Part 1 of Schedule 4, subject to certain exceptions
Utility activity	an activity that— (a) is specified in Part 1 of Schedule 4 (b) is not specified in Part 2 of Schedule 4, (c) is not carried out wholly outside the United Kingdom, and (d) in the case of an activity carried out by a person that is not a public authority or public undertaking, is carried out pursuant to a special or exclusive right.	utility activities which generally relate to activities for the purpose of: <ul style="list-style-type: none"> • gas and heat networks and supply; • electricity networks and supply; • drinking water networks and supply; • public transport services; • ports and airports; • extraction of oil and gas and exploration for, or extraction of, coal or other solid fuels.
VAT	value added tax	the tax added to to goods and services which may change from time to time
Working day	a day other than— (a) a Saturday or Sunday, or (b) a day which is a bank holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971.	a day other than a Saturday, Sunday or UK a bank holiday
Works	any of the activities coming within a CPV code listed in Schedule 3 of the Procurement Regulations 2024.	Generally construction, M&E and infrastructure related projects or programmes.

Works contract	A contract where its main purpose is— (a) the carrying out of works under the contract (whether or not resulting in a complete work), or (b) to facilitate the carrying out of works otherwise than under the contract, where those works are intended to result in a complete work that complies with specifications set out in, or determined under, the contract.	A contract for works covered by CPV codes listed in Schedule 3 of the Procurement Regulations 2024.
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