Opening the front door: a startup's experience of HMG procurement, and a practical proposal of a DSIT Concierge

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| *"It was late evening when K. arrived."* - The Castle, Franz Kafka

Executive summary

UK Government procurement reform is moving in the right direction. The Procurement Act 2023, alongside reforms to transparency and digital tooling, is intended to make it easier for new entrants to compete. Yet for many early-stage digital and AI companies, the lived experience still feels fragmented, input-heavy, and difficult to navigate. The result is a system that unintentionally favours incumbents and discourages the very innovation it seeks to attract.

This paper draws on my recent experience attempting to engage the UK procurement system from the perspective of a fast-growing AI startup. It highlights how individually reasonable requirements - when combined across multiple portals, frameworks, and processes - create disproportionate overhead for small firms, particularly at the pilot and discovery stage.

Incremental improvements can help, including reducing duplication, normalising proportionate below-threshold pilots, and improving opportunity discovery. However, these measures lack a clear owner and are difficult for startups to navigate in aggregate.

I therefore make one primary recommendation: **the creation of a small, focused DSIT Startup Concierge**. This would act as a visible front door for digital and AI startups, helping route them into existing, lawful procurement pathways and making it easier for departments to run small, compliant pilots that can scale.

1. The problem: why procurement still feels inaccessible to startups

Cosine is a UK-based AI company building an AI coding agent designed for organisations with complex codebases and high security requirements: conditions common across central government and arm's-length bodies. On paper, this should make government a natural customer. In practice, engaging the procurement system proved far more burdensome than expected.

The first challenge was simply understanding where to start. Public guidance, informal advice, and online research produced a long list of procurement portals and frameworks, many of which appeared essential for visibility or eligibility. Even after prioritisation, the initial onboarding effort was substantial.

Registration itself was demanding. One portal required over 150 questions, covering everything from cybersecurity to our position in the steel supply chain. These checks may not be unreasonable in isolation, but they are often repeated across portals, with limited data reuse and little distinction between small discovery-stage pilots and large, scaled procurements.

Even after registration, opportunity discovery remains uneven. Alerting, categorisation, and search vary by platform, and relevant procurements are still frequently surfaced through informal networks inside departments. As a former civil servant, I benefited from advice and introductions; many startups do not.

The cumulative effect of fragmentation and input-heavy processes **systematically tilts the system toward large incumbents with dedicated bid teams**. For startups, the rational response is often to delay or avoid public-sector engagement altogether, reducing competition and slowing innovation adoption.

2. What would materially improve the experience

There is no single fix, but three themes would make a meaningful difference:

1. **Reduce duplication and early-stage friction.** Startups should be able to provide core supplier information once, with consented reuse across portals and competitions. For small pilots, information requests should focus on material risks, with heavier checks sequenced later.
2. **Make small pilots routine and safe.** Below-threshold procurement routes already allow small pilots to take place. In practice, they are underused due to risk aversion and bias to inaction. Clear central backing and tracking, worked examples, and simple templates would drive up adoption.
3. **Make the market more legible.** Opportunity discovery should not rely on guesswork or personal networks. More consistent alerting, clearer timelines, and basic expectations of responsiveness would lower search costs for startups. Ownership and professionalism matter as much as tech.

These are not particularly radical ideas. But, even if these themes are addressed, the remaining gap is that startups still face a complex web of routes across government, with no single front door to help navigation.

3. Main proposal: the DSIT Startup Concierge

To address this gap, DSIT should pilot a small Startup Concierge function for digital and AI suppliers. The intent is not to create a new procurement route or pick winners, but provide a coherent front door into existing mechanisms. The Concierge would sit across current frameworks, marketplaces, challenge routes, and below-threshold procurement, but critically make that ecosystem navigable from the outside.

Core functions

1. **Provide a clear front door and early triage**. A single, visible entry point for startups, using a lightweight submission covering what the company does, where it is already used, and its baseline security and data posture. Some firms would receive a clear no, while others would be led forward.
2. **Route suppliers into existing, lawful pathways**. Based on maturity and use-case, startups would be directed toward appropriate routes - frameworks, departmental introductions, or centrally supported pilots - reducing the need for founders to navigate the system alone.
3. **Lower the cost of running proportionate pilots.** By offering standardised pilot documentation and guidance, the Concierge would make it easier for departments to run small, compliant trials without reinventing process each time.

Suggested guardrails and accountability

- The Concierge would not award contracts or make funding decisions
- Eligibility criteria and routing logic would be published
- Performance would be measured using simple, aggregate metrics (e.g. number of pilots, time to decision, pilot-to-scale rates)
- The programme should run as a time-limited experiment, with a clear review point

Conclusion

The direction of UK procurement reform is positive, but policy intent will not translate into faster innovation adoption unless the experience becomes workable for startups in practice. Reducing duplication, normalising proportionate pilots, and improving market legibility would all help.

A DSIT Startup Concierge offers a pragmatic next step: small enough to test, clear enough to evaluate, and focused squarely on the missing "front door" problem. If successful, it would increase the rate of safe experimentation and improve the chances that promising pilots become scaled public services.

References

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