

Government to create new lab to keep UK in the fast lane on AI breakthroughs

4.3.2026 - | Her Majesty's Revenue and Customs

A new UK AI research lab will be created to unlock breakthroughs which could transform healthcare, transport, science and everyday technology.

- New government-backed lab will support transformational AI breakthroughs to be made in UK - with the country's AI experts invited to pitch their biggest ideas
- up to £40 million for blue sky AI research that UK researchers are perfectly placed to pursue, plus access to large-scale computing power to drive cutting-edge research
- fundamental research could tackle the basic flaws that still plague AI models, like hallucinations, short memory and unpredictability - and unlock new capabilities for AI

A new UK AI research lab will be created to unlock breakthroughs which could transform healthcare, transport, science and everyday technology.

In a tiny space of time AI has gone from being the staple of science fiction, to an everyday tool used in schools, hospitals and workplaces worldwide. That includes using it to screen patients for cancer and design better batteries.

But we are still only scratching the surface of this technology's potential. Ambitious work that aims to solve longstanding problems in how AI works - such as hallucinations, unreliable memory and unpredictable reasoning - and to develop new approaches that could make future AI systems far more accurate, transparent and trustworthy, could make it possible for AI to do even more.

Bold, high-risk scientific work of this sort is precisely what the lab will support - backed by £40 million in UK government funding being confirmed today (Wednesday 4 March). These are efforts that often have a challenging path to success, but this is a task that the UK's wealth of top-tier researchers are perfectly placed pursue. And with ambitions high, those ideas that do reach fruition could be gamechangers.

By addressing these challenges head on, the lab will lay the foundations for AI that supports earlier medical diagnoses, more resilient infrastructure, faster scientific discovery and better day to day tools for people and public services. The work will rethink how AI tools are built, rather than simply scaling up existing systems and training them on more data, opening the door to new capabilities that don't exist yet.

The UK is uniquely placed to lead this effort, supported by its deep pool of top-tier talent and world-leading academic institutions - as well as a thriving AI sector which has raised over £100 billion in private investment since the government took office.

AI Minister Kanishka Narayan said:

AI is already doing things we could never have imagined just a few years ago, like helping to diagnose cancer. It can and will do even more - but if we want this technology to be a force for good, we need to make sure the next big AI breakthroughs are made in Britain.

This is a long-term investment in the brilliant minds who will keep the UK in the AI fast lane. If we are the ones breaking new ground on what AI can do, we can make sure our values are baked in from the outset. This is a critical part of our mission to make AI work for everyone.

Located in the UK, up to £40 million will be made available over 6 years for the Fundamental AI Research Lab, plus substantial in-kind access to AI Research Resource compute capacity worth tens of millions of pounds. This funding call is open for applications now with the UK government calling on the country's AI experts to bring their boldest and most ambitious proposals forward.

Applications will be assessed by a peer review panel Chaired by Raia Hadsell, who is a Department for Science, Innovation and Technology (DSIT) AI ambassador supporting government to unlock the transformational benefits of AI for society. Raia has worked for Google DeepMind since 2014 and currently leads the company's frontier AI efforts as a Vice President of Research.

Raia Hadsell, VP, Research at Google DeepMind and UK government AI Ambassador said:

AI has the ability to solve humanity's most complex problems, and fundamental research that helps this technology achieve its full potential is key. The UK has the world-class talent and academic ecosystem to drive transformational research, and I am excited to see the proposals that emerge from this call.

Dr Kedar Pandya, Executive Director of EPSRC's Strategy Directorate, said:

Fundamental research enables long-term breakthroughs in AI. The UK's capability rests on exceptional talent and world-leading university excellence, which underpin today's systems and will power the next generation of technologies. By backing ambitious, ground-breaking work, the new Fundamental AI Research Laboratory will unlock fresh capabilities, strengthen trust and reliability, and help the UK remain at the forefront of advancing AI for society and the economy. This investment builds on a global reputation in mathematics, computer science, and engineering, supporting bold, high-reward ideas that can shape the future of AI.

Launching this opportunity is an early first step towards delivery of the UKRI AI Strategy, unveiled less than a fortnight ago. The Strategy is UKRI's first-ever plan to make AI deliver for UK's cutting-edge science and research efforts, backed by a record £1.6 billion over the next 4 years.

The new strategy signals UKRI's intention to make major investments in mathematics, computer science and engineering research which underpin AI expertise. World-class researchers and businesses across the UK will also benefit from better access to the right tools, training and infrastructure to unlock new growth across the UK.

UKRI-backed work on AI is already making a difference across society and the economy - from the world-leading RADAR AI system that detects faults on the railway network in real time, to the IXI Brain Atlas which is supporting more than 40 clinical trials into degenerative diseases like Alzheimer's by helping to analyse brain scans.

<https://www.gov.uk/government/news/government-to-create-new-lab-to-keep-uk-in-the-fast-lane-on-ai>

[-breakthroughs](#)