

Business Secretary champions flagship investment in UK's largest gigafactory

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Thanks to the UK's Modern Industrial Strategy, 4,200 jobs have been secured following over £700 million of investment in the advanced manufacturing sector.

The government has taken decisive action to ensure battery manufacturers, auto firms and SMEs rooted in communities across Britain benefit from major financial support - keeping the country a leading hub for business, investment, and jobs in a volatile global environment.

Thanks to the UK's Modern Industrial Strategy, 4,200 jobs have been secured following over £700 million of investment in the advanced manufacturing sector - showing that the government is supporting the industries of the future by helping to create a resilient economy that will boost growth and raise living standards for working people.

Business Secretary Peter Kyle announced the measures in a visit to Agratas in Somerset today [9 April], where a £380 million government grant was unveiled to support the firm in building one of the largest gigafactories in Europe - where the newly constructed factory frame was built using 100% British-steel.

Agratas' project will strengthen economy security and reduce Britain's reliance on imports by turbocharging domestic battery production and generating around £43 billion worth of economic growth over a 25-year period when the facility is in full operation.

The site will not only support 4,200 direct jobs but thousands more in the supply chain, as well as unlock 300 apprenticeships - backed by a specialised battery manufacturing training unit to meet the skills needs of Agratas' gigafactory and the wider battery sector.

Business Secretary Peter Kyle said:

This government is backing the industries of the future by investing in auto firms, SMEs and battery manufacturers across the country - helping to boost economic growth and our resilience, secure jobs and put more money in people's pockets.

In an unstable world, our Modern Industrial Strategy is providing investors the stability and confidence they need to plan not just for the next year, but for the next 10 years and beyond. That is what sets us apart from the rest, and will help ensure advanced manufacturing remains a thriving sector in the UK for decades to come.

Earl Wiggins, Vice President of Manufacturing Operations, UK for Agratas said:

We welcome the UK Government's investment as we build a battery manufacturing facility that will play a vital role in delivering net zero and strengthening the UK's position as a global leader in battery manufacturing.

This funding will support the development of our Somerset facility, enabling us to produce battery cells for our anchor customer, JLR (Jaguar Land Rover). Over the next year we will have over 2,200 people working on the site, and that growth will continue over the coming years.

The latest Quarterly Update reveals that since the launch of the Modern Industrial Strategy over £360 billion of private investment has been secured across its key sectors, supporting up to 120,000 jobs. Alongside this, the government is cutting electricity costs for energy-intensive manufacturers, reducing unnecessary planning delays and overhauling regulation that holds back our most ambitious businesses.

Government is injecting £47 million worth of support for key R&D battery projects through the Battery Innovation Programme, helping to create skilled jobs, a stronger supply chain and position the UK as a globally competitive destination for battery manufacturing.

Auto businesses will also benefit from a £190 million boost to ensure the automotive industry remains ahead of the competition on the global stage. Startups and well-established firms including Nissan and Jaguar Land Rover have been awarded £90 million in DRIVE35 funding to ramp up innovative prototype and cutting-edge projects - strengthening firms' technological capabilities and improving the affordability of EVs for customers.

Meanwhile, suppliers in the North East and West Midlands can also capitalise on £100 million worth of DRIVE35 grant funding to help transition towards EV manufacturing, which will strengthen supply chain resilience and put Britain on track to become a clean energy superpower.

Additional support for the advanced manufacturing sector includes:

- Up to £16.44 million from the Made Smarter Innovation Programme for digital technologies like AI and robotics to boost productivity for SMEs.
- Up to £99 million from the Made Smarter Adoption Programme to accelerate the adoption of digital technologies for manufacturing SMEs.
- £1.4 million for projects exploring autonomous freight and self-driving passenger services in key ports and institutions across the UK.
- Implementing £182 million engineering skills package which includes £47 million of Adult Skills Funding to train up the next generation of engineers and inventors; £8 million for clean energy engineering courses delivered by higher education providers and £1.8 million to expand engineering and construction T Level provision.

Over the last two years, UK Export Finance has backed over £6.6 billion of advanced manufacturing investment and in the summer will announce plans to help UK companies tap into the power of international markets further.

More widely, the British Business Bank is deploying £4 billion from the Industrial Strategy Growth Capital into firms across the eight growth sectors, showcasing a step-change in how government backs UK industry - with stronger public finance institutions supporting businesses looking to grow.

Today's investment announcement sets the stage to crowd in future private investment into key growth sectors like advanced manufacturing - building on the £360 billion already secured and 120,000 jobs supported across the country.

Julian Hetherington, Automotive Transformation Director at the APC, said:

This globally significant investment by Agratas reinforces the UK's accelerating position in pursuit of road transport decarbonisation through the production of vital high-performance batteries for electrified vehicles.

I'm delighted that the ATF has been able to support Agratas in their investment in new facilities, creating secure and highly skilled jobs in this area and across the supply chain.

Mike Hawes, SMMT Chief Executive said:

Recent global events have highlighted the need for resilient supply chains, making this new investment in the sector both timely and important. The UK has a highly skilled and innovative automotive industry, but long-term competitiveness depends on a policy framework that encourages investment.

The modern Industrial Strategy provides that forward-looking support, and today's announcement demonstrates strong government backing for one of the UK's most vital industries.

Notes to editors

- The Industrial Strategy Third Quarterly Update will be published on Thursday at 6pm on GOV.UK.
- The government can confirm that Clare Barclay will continue to chair the Industrial Strategy Advisory Council for a further term.
- DRIVE35 is built to anchor future vehicle production, scale up battery manufacturing, grow the UK's most innovative tech companies and onshore the supply chain capabilities that make British automotive genuinely resilient. It is designed to deliver over 50,000 direct jobs, cut millions of tonnes of CO2 emissions and unlock up to £7.46 billion in private investment by 2035. The funding award from the Department for Business and Trade is facilitated via the Advanced Propulsion Centre UK (APC) in partnership with Innovate UK.
- The APC collaborates with UK Government, the automotive industry, and academia to facilitate driving research and investment in zero-emission vehicle manufacturing. Established in 2013 and jointly funded by the DBT and the automotive industry, the APC accelerates the technologies that support the transition to zero-emission vehicle manufacturing.

- The Battery Innovation Programme is the UK's largest single commitment to research, innovation and skills to deliver a globally competitive, high tech, high-value battery supply chain in the UK.

Project winners of the DRIVE35 R&D competitions are as follows:

Collaborate: Grants fund projects where companies, and academic institutions, form a consortium to take a product or process to commercial readiness. Please note, these are the lead partners only – there are several partners in each consortium.

- HyProMag Limited
- Maeving Limited
- Jaguar Land Rover Limited
- Elm Mobility Limited
- Nissan Motor Manufacturing (UK) Limited

Demonstrate: Grants are for companies that are earlier in their product or process development or need a short, sharp sprint to get where they want to be. Please note that these are the lead partners.

- FluoRok Limited
- Cummins Electrified Power Europe Limited
- Innervated Vehicle Engineering Limited
- Jaguar Land Rover Limited
- Electrified Automation Limited
- Breathe Battery Technologies Limited
- Domin Limited
- Orbia Fluor & Energy Materials
- Cummins Limited

- Vector Photonics Limited
- KleanDrive Limited
- Riversimple Movement Limited
- RAM Innovations Limited
- Cellmine Limited
- SMR Automotive Mirrors UK limited
- Altilium Metals Limited
- TaiSan Motors Limited
- HiSpeed Limited

Feasibility: Grants are to support detailed feasibility studies into the deployment of UK based manufacturing facilities for zero emission vehicle technologies. Please note, these are the lead partners only.

- Ford Motor Company Limited
- Botanic Energy Limited
- FluoRok Limited
- Integrals Power Limited
- Weardale Lithium Limited
- Avocet Battery Materials Limited
- Brim Chargers Limited
- Anaphite Limited
- Sunswap Limited

- Gaussion Limited
- Nyobolt Limited
- RAM Innovations Limited
- Tribol Braking Limited
- Ionetic Limited
- Sention Technologies Limited
- Northern Lithium Limited
- API Capacitors Limited
- CNC Robotics Limited
- iCOMAT
- Sarginsons Industries Limited
- Ryse 3D Limited
- Volklec Limited
- Zircotec Limited
- Geothermal Engineering Limited
- Electric Aviation Group Limited
- Pareta Innovations Limited
- Altilium Metals Limited
- Covailent Limited

- HyProMag Limited

Scale up fund: R&D funding to fast-track the commercialisation of innovative zero-emission vehicle technologies.

- Altilium Metals Limited
- Surface Transforms Public Limited Company

CAM Pathfinder awards: Supporting companies in R&D and the supply chain development of self-driving vehicles, commercial services, and enabling technologies.

- International Centre for Digital Trade and Innovation C.I.C
- Wellcome Genome Campus Property Limited
- The North East Automotive Alliance Limited
- Fusion Processing Limited
- Moonbility Limited
- Odysse Limited
- BCA Automotive Limited
- Bamford Bus Company Limited

Battery Innovation Programme awards:

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- Denchi Power Limited
- Altilium Metals Limited
- Inition Energy Ltd

- Watercycle Technologies Limited
- Gelion Europe Limited
- European Metal Recycling Limited
- Williams Grand Prix Technologies Limited
- Hixal Limited
- Ricardo UK Limited
- About:Energy
- McMurtry Automotive Limited

<https://www.gov.uk/government/news/business-secretary-champions-flagship-investment-in-uks-largest-gigafactory>