

Minister Naryan

Parliamentary Under-Secretary of State for AI and Online Safety

Department for Science, Innovation and Technology

22-26 Whitehall

London SW1A 2EG

21 November 2025

The Lord Mair CBE

The Science and Technology Committee

House of Lords

SW1A 0PW

Dear Lord Mair,

# New Measures Harnessing AI to Deliver National Renewal and Boost Jobs, Growth and Innovation Across the UK

I am writing to inform the Committee of a series of steps the Government is taking to harness the opportunities presented by artificial intelligence and to drive growth, investment, and national renewal across the United Kingdom.

This Government is committed to making the UK a world leading destination for developing and deploying AI as part of our number one mission to grow the UK economy. Our ambition is to harness the power of AI to deliver for British people: creating great jobs and growth right across the country, improving our public services, giving people skills and putting money in people's pockets.

These measures build on the Government's AI Opportunities Action Plan and are central to ensuring that the benefits of AI are felt by communities across the country—creating thousands more jobs, securing billions of pounds of investment in AI, supporting innovation, and strengthening the UK's position as a global AI maker.

There is no path to growth without tech and AI front and centre. This major package of reforms and investment puts AI at the heart of the Government's mission to drive growth, create jobs and spread prosperity across the country.

# New AI Growth Zone in South Wales

Joining forces with companies like Vantage Data centres and Microsoft, the Government is establishing a new AI Growth Zone in South Wales spanning eight sites along the M4 corridor from Newport to Bridgend, including the repurposing of the former Ford Bridgend

Engine Plant, and revitalising the area through approximately £10 billion in private investment.

The South Wales Growth Zone is expected to deliver over 5,000 jobs over the next decade. These Zones will help transform local economies and ensure no community is left behind, with  $\mathfrak{L}5$  million of UK Government support committed to give local people skills required for new high-quality jobs and ensure our children and young people have the best possible future.

This is the second AI Growth Zone announced in Wales in as many weeks – with the UK Government and Welsh Government working together for national economic renewal and driving UK growth. This has the potential to be truly transformative for communities across South Wales – meaning an area that led the industrial revolution will now be leading the technological revolution.

## New investment commitments from industry

International companies are also hosting new centres in the UK and British companies are increasing investment – with £24.25 billion in private investment committed in this last month alone.

Seven major AI companies are announcing new investments in the UK, totalling over £350 million in fresh investment and around a thousand jobs, demonstrating the UK's growing strength as a location for AI innovation and a preferred destination for global technology companies. This includes a new AI Development Lab in Filton.

Alongside this, we are ensuring that British businesses and researchers stay at the forefront of the AI revolution, backing firms and scientists with the right tools to succeed and to seize the opportunity for British workers and growth.

## 'Advance market commitment' on novel compute

To help promising UK AI hardware companies to secure early customers and scale globally, the Government will act as a "first customer" by committing up to £100 million, subject to due diligence, to purchase high-performance AI chips for public supercomputers, once companies reach a high-performance performance benchmark. This new "advance market commitment" gives UK start-ups the opportunity to secure a competitive edge and to win customers in a multibillion-dollar global market. AI Growth Zone data centres will house billions of pounds of hardware. Our goal is to see British chips deployed alongside established vendors.

#### Sovereign Al Unit Leadership

Alongside this, venture capitalist James Wise will chair the Sovereign AI Unit, backed by almost £500m in investment to help build and scale AI capabilities on British shores. The

unit will bring together Government, industry and investors, to become the go-to fund for high potential start-ups and scale-ups in the UK.

## Al Ambassadors

New AI Ambassadors will help maximise the benefits of AI for Britain. Monzo Co-founder and Y Combinator General Partner Tom Blomfield will champion British start-ups to scale up and attracting talent and investment. Nobel prize winning British MIT economist and former Chief Economist of the IMF Simon Johnson will act as a standard bearer with public services and businesses to help them take up this brilliant technology to boost productivity. And Google DeepMind VP of Research Raia Hadsell will champion the UK's place at the forefront of AI innovation and security.

## Expanding supercomputing through the Al Research Resource (AIRR)

To support the work of British researchers and British start-ups, the Government will also offer more free compute by expanding access to the AI Research Resource (AIRR). The process to spend up to £250m on compute is being launched today. This infrastructure will enable UK researchers to process vast datasets more quickly and train sophisticated AI models—supporting research across fields including healthcare, climate, energy systems, and advanced manufacturing.

## Al for Science Strategy and first Al for Science mission

We are also unveiling today a new "Al for Science Strategy", to make sure Al supercharges scientific discovery, backed by up to £137 million in Government support. This will support British researchers and start-ups to drive new innovations and discoveries, making sure the UK remains at the forefront of scientific discovery. Its first mission will be focused on harnessing Al to speed up the research of new drugs and treatments - giving patients a new lease of life and fresh hope that their conditions can be better managed.

I will place a copy of this letter and the AI for Science Strategy in the Libraries of both Houses.

Yours sincerely,

Kanishka Narayan MP

Parliamentary Under Secretary of State at the Department for Science, Innovation & Technology