

More than £47 million Government funding invested in UK's automotive future

10th August 2026

The funding will support the development and commercialisation of next-generation automotive technologies while strengthening UK manufacturing, innovation and supply chains.

33 pioneering automotive projects have been selected to receive more than £47 million in government funding. This is as part of the UK Government's £4 billion [DRIVE35 programme](#), delivered by the Department for Business, Innovation, Science and Trade (BIST) in partnership with the Advanced Propulsion Centre UK (APC) and Innovate UK.

DRIVE35 forms a core part of the UK Government's Advanced Manufacturing Sector Plan and Industrial Strategy, supporting the transition to zero-emission vehicle technologies. The programme supports businesses through targeted funding from early-stage innovation to commercialisation and manufacturing scale-up.

It aims to help businesses bring innovative technologies to market, creating skilled jobs, attracting private investment, strengthening domestic supply chains and reinforcing the UK's position as a global leader in automotive innovation.

The latest funding allocation will leverage over £90 million of total project investment, supporting technologies across electrification, battery innovation, advanced manufacturing, digitalisation, circular economy solutions and zero-emission mobility, combining UK Government grant funding with significant private sector co-investment.

The successful projects span multiple DRIVE35 funding streams, demonstrating how the programme supports businesses at every stage of the innovation journey.

[Mobilise](#): Early-stage start-ups, university spinouts and SMEs supporting breakthrough automotive innovation. Sixteen innovative businesses awarded over £2.7 million.

[Collaborate](#): Enabling collaborative R&D projects to accelerate innovation. Two collaborative R&D projects awarded over £8 million.

[Demonstrate](#): Supporting real-world demonstration of innovative technologies. Ten projects awarded £9 million.

[Scale-up Fund](#): Helping businesses bridge the gap between innovation and manufacturing at scale. Five projects awarded £26.9 million.

Industry Minister Blair McDougall said:

"Britain invented the modern motor industry and we're determined to ensure the next generation of vehicles are designed and built here too. This investment will secure skilled

jobs, strengthen our manufacturing heartlands and help drive the reindustrialisation of Britain."

"Through our Modern Industrial Strategy we're backing working people and British businesses to deliver growth in every part of the country."

Ian Constance, Chief Executive at the Advanced Propulsion Centre UK, said:

"The projects announced today demonstrate the depth of innovation and engineering excellence that exists across the UK automotive sector. Through DRIVE35, we are supporting businesses to move promising technologies to commercial deployment and manufacturing at scale."

This investment is about far more than individual projects. It is about strengthening the UK's capability to design, develop and build the technologies that will define the vehicles of the future. By bringing together industry, government and academia, DRIVE35 is helping create the conditions for long-term growth, increasing investor confidence and reinforcing the UK's position as one of the world's leading destinations for automotive innovation."

Alongside today's DRIVE35 announcement, the [UK Government has also confirmed the latest projects to receive support through the CAM Pathfinder programme](#), which is accelerating the deployment of Connected and Automated Mobility (CAM) technologies across the UK. Together, DRIVE35 and CAM Pathfinder demonstrate the breadth of the UK's investment in automotive innovation, supporting technologies from zero-emission powertrains and manufacturing through to connected and automated vehicle deployment.

Ends

About the Advanced Propulsion Centre UK

The Advanced Propulsion Centre UK (APC) collaborates with the 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 Department for Business, Innovation, Science and Trade (BIST) and the automotive industry, the APC accelerates the development and industrialisation of technologies that enable the transition to zero-emission vehicle manufacturing and a net-zero automotive supply chain in the UK.

Launched in July 2025 and delivered by BIST in partnership with the APC and Innovate UK, the DRIVE35 (Driving Research & Investment in Vehicle Electrification) programme forms a core part of the UK Government's Advanced Manufacturing Sector Plan. It underpins the UK's commitment to a zero-emission future, backed by £4 billion in grant funding to 2035 for automotive R&D, scale-up, and transformation.

Focus across three funding pillars - Innovation, Scale-up, and Transformation - is helping to build a globally competitive zero-emission vehicle supply chain and deliver safer, smarter, more sustainable, and affordable mobility.

Innovation

Supporting product and process innovation in strategic and disruptive zero-emission vehicle technologies, including digital tools, Software Defined Vehicles, and AI-driven processes.

Scale-up

Accelerating manufacturing by catalysing investment in advanced technologies for zero-emission vehicles, scaling up sustainable production processes.

Through the Innovation and Scale-up funding pillars of DRIVE35, APC currently supports a portfolio of 128 zero-emission projects involving 184 partners. This portfolio represents over £220 million of funding. Collectively, these projects are projected to save more than 42 million tonnes of CO₂e, while strengthening the UK's long-term automotive capability through collaboration, knowledge sharing and innovation.

Transformation

Driving capital investment to strengthen an internationally competitive EV supply chain, including upgrading existing plants and establishing new facilities to secure future zero-emission vehicle assembly in the UK.