

UK government delays 'could threaten' AstraZeneca's new £450m vaccine facility in Liverpool

A £450m investment in a major new vaccine facility in Liverpool could be at risk due to Government delays, reports have suggested. The Times said delays in securing government funding meant AstraZeneca, the pharmaceutical giant behind one of the Covid-19 vaccines, missed an important internal deadline for its plans to build the new site in Speke.

AstraZeneca already operates a facility on Renaissance Way, Speke. In the spring budget in March 2024, then-Chancellor Jeremy Hunt confirmed AstraZeneca's intention to establish a new vaccine manufacturing hub at this location, as part of a wider £650m investment by the company.

However, the Financial Times reported last August that discussions between AstraZeneca and the government had reached a "deadlock", amid indications that the new administration was considering reducing its financial support for the project from £90m to £40m. This led to speculation, echoed [by various media outlets](#), that AstraZeneca might relocate the manufacturing to another country, with the US or India being potential destinations.

A Freedom of Information request by The Times uncovered a letter from Shaun Grady, AstraZeneca's UK chairman, to the Secretary of State for Business and Trade Jonathan Reynolds shortly after Labour's victory in the July general election.

He requested assurance that the government's advanced manufacturing plan would proceed as scheduled under a Labour administration. Mr Grady penned: "This is an urgent issue as

we need to begin work on the project in August in order to meet our business case timelines. I would be happy to fully brief you on this proposed investment and the requirements we had discussed with the previous government”, reports [the Liverpool Echo](#).

According to The Times, AstraZeneca did not receive those assurances following Labour’s assumption of office.

Chancellor Rachel Reeves announced funding of up to £520m for a new life sciences innovative manufacturing fund in her autumn budget last year, and The Times stated that this was when AstraZeneca “received only a final grant offer of support.”

The Times reported that this delay resulted in the Speke project not starting in line with its planned timeline, leading to the project’s revision to meet new launch projections.

In response, a government spokesperson told the ECHO: “We are committed to making the UK one of the best places in the world to develop and manufacture new and innovative medicines, and we are in active discussions with AstraZeneca to support the delivery of this planned investment in Speke”. AstraZeneca, when approached by the ECHO for a statement, declined to comment.

[Speaking to BusinessLive last September](#), a spokesperson from the pharmaceutical giant said: “We are committed to pursuing the opportunity at Speke and are in constructive discussions with the UK government. There are no discussions ongoing in the US or India.”

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