

Yorkshire company wins £40m Siemens Mobility contract to build the UK's newest train factory

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- Yorkshire-based GMI Construction Group PLC beats competition to secure main contract to build rail manufacturing facility in Goole, East Riding of Yorkshire
- Additional £10m in contracts awarded to other local and UK suppliers
- Part of £200m UK investment; majority of first phase spend contracted with Yorkshire businesses

As part of its commitment to UK jobs and growth and supporting the Government's levelling up agenda, Siemens Mobility has awarded the £40m contract to build its new rail manufacturing site at Goole to Yorkshire-based GMI Construction Group PLC.

In addition to the main facility, GMI will construct the four and a half kilometres of rail track needed for connection to the main railway line. GMI's commitment to using local suppliers, emphasis on employment skills and education, as well as its outstanding record of project delivery was key to the Leeds-based firm securing the contract.

It is part of the first phase of investment in Siemens Mobility's new £200m train manufacturing plant and rail supply chain village, which has seen contracts worth £50m let to UK companies – the majority of which are based locally in Yorkshire.

Prime Minister, Boris Johnson said: "I am delighted to see the huge strides that have been made by Siemens Mobility since I visited their site in Goole last summer.

"As they develop the state-of-the-art rail facility, their commitment to invest in local suppliers – boosting jobs and unlocking growth in Yorkshire – is a fantastic example of how we can level up across the country and build back better from the pandemic."

Secretary of State for Transport and Northern Powerhouse Minister Grant Shapps said: "The North is the birthplace of our railways, with a rich history of manufacturing excellence, so it is fitting that the £40 million contract to build the UK's newest train factory has been awarded to a Yorkshire company.

"This will create new skilled jobs in Goole, boost local supply chains and generate long-term investment – welcome news as we work to level up communities across the North and build back better from the pandemic."

Sambit Banerjee, Managing Director of Siemens Mobility Rolling Stock & Customer Services, added: "Our goal is to really put Goole on the map. We want to create more than just a rail manufacturing factory, this is about generating long-term investment, skills and jobs."

He continued: "We are actively looking for as many UK suppliers as possible to contribute to Goole's success. The appointment of GMI as main contractor, with shared values and growth ambitions for the local area, is a clear step in the right direction. Together we will make this an important and sustainable rail centre of excellence for the future."

Lee Powell, Divisional Managing Director at GMI Construction Group, said: "We are delighted to be working on the Goole project. We are fully committed to the local area, just as Siemens Mobility are. We have a very strong local supply chain and everyone who is involved in this project from GMI Construction lives within a 25-mile radius of the site. We have an Employment and Skills Plan including creating apprenticeships and employing those who have previously been unemployed and we will be engaging with local educational establishments and charities."

The first trains to be manufactured in Goole will be new Tube trains for London's Piccadilly line. Transport for London is committed to supporting the wider UK through its supply chain, showing how investing in the London transport network bolsters the nation economically. Siemens Mobility has also contracted a further £10m to other UK suppliers. Local suppliers supporting the construction include: C R Reynolds (enablement works), Clay 10 (site visuals) and Premier Modular (temporary offices).

The UK supply chain involvement extends to train components. The latest appointments include Yorkshire-based LPA Lighting for the interior train lighting, Midlands-based suppliers Baker Bellfield to supply cab partition walls and I M Kelly for driver seats.

In total, Siemens Mobility works with around 3,000 suppliers, 47% of which are UK-based SMEs. Around 90% of Siemens Mobility Limited's spend is with UK-based suppliers.

Siemens Mobility's Goole development will create up to 700 direct jobs, with a further 250 roles created during the construction phase and an additional 1,700 indirect supply chain opportunities. It is scheduled to open in 2023. The company plans to create an associated rail supplier village and innovation centre with co-located suppliers making Goole a rail centre of excellence for the UK.

For more information please visit: www.siemens.co.uk/goole

Photo credit: Siemens Mobility