



# WeldingWorld

## Hitachi Rail plan major investment in Newton Aycliffe factory

Hitachi Rail's factory at Newton Aycliffe, Co. Durham, which opened in 2015, will this year complete one of the UK's largest train manufacturing orders of recent times – the £5.7bn, government-backed Inter City Express Programme (IEP).

As the final train for the East Coast Mainline fleet will be delivered in the coming months, preparations are beginning for the next phase of manufacturing at Newton Aycliffe. The factory is embarking on the transition to a new core workforce model, including a 45-day consultation process with employees at the factory.

Additionally, Hitachi Rail will make its single largest investment, of around £8.5m, since the factory was built to introduce brand new manufacturing capabilities which will benefit its customers.

These changes will put Hitachi Rail's successful UK operation on a long-term, sustainable footing. By making its UK factory more flexible, agile and globally competitive, these changes will enable Hitachi to continue to win new train orders. They will also ensure the continuation of high-quality jobs and the investment in a British supply chain, in which over £1.6bn has been spent since 2013.

As part of the changes being made at the factory, Hitachi Rail is investing for the future. Around £8.5m will be spent on creating new carriage welding and painting facilities, taking Hitachi's total investment in the factory in the past five years to around £110m. The increase in capability will be significant, allowing Newton Aycliffe to become a full-scope manufacturing facility, from welding panels through to building fully rail-ready trains. With new welding and painting facilities, similar to those at Hitachi sister factories in Japan and Italy, Newton Aycliffe will be even better placed to compete globally. The investment means it can deliver from start to finish a wider range of products, from trams and metros to commuter and high-speed trains, as well as multiple projects at the same time.

Around 40 existing staff are being trained in welding or painting as part of a significant upskilling programme. The factory layout will be redesigned within the footprint of the existing buildings, with the new on-site facilities expected to be completed in autumn 2020.

As the last of the 122 IEP trains nears completion, Newton Aycliffe's workforce will be resized to a team of skilled, core full-time employees. This will allow key train building projects to be delivered, but also provides the flexibility to be scaled-up with staff on fixed-term contracts according to order demand.

This will ensure Hitachi is able to deliver its existing order book on time, as well as be ready to work on new manufacturing contracts. Currently, Newton Aycliffe has orders that include 61 new intercity trains for East Coast Open Access, East Midlands Railways and Avanti West Coast, with the first work due to begin in the second half of 2020.

As part of this process, they also began a 45-day consultation with employees at the factory, as well as the union Unite, about reducing the number of permanent staff which could see up to 250 employees leave the company. Hitachi say these changes to the factory workforce do not call into question Hitachi Rail's long-term commitment to the UK and are entirely unrelated to Brexit.