Fire Industry Association

Leading Excellence in Fire Since 1916

Market Conditions Review

WAVE 16

Findings of the FIA Market Conditions Survey 2024 – Wave 16

The 2024 Fire Industry Market Conditions Survey Report offers an insightful overview of the current state of the UK fire safety sector, exploring how businesses are navigating a challenging economic landscape characterised by inflation, supply chain disruptions, and increasing regulatory demands. This comprehensive analysis focuses on key areas such as market demand, workforce development, tender opportunities, supplier relations, and export performance, providing a detailed look at how the sector is responding to these pressures while continuing to grow.

Businesses within the fire safety sector have shown notable resilience, particularly with regard to maintaining and increasing both enquiries and orders. There has been a reported 44% increase in enquiries for the fire Industry, with 12% reported substantially more as opposed to 6% in 2023. Geographic distribution, however, remains diverse. Significant orders have been seen in regions such as the Southeast and the Northwest, indicating that companies within the sector are effectively operating on a national scale. However, non-members face more stagnation, with 15% reporting a reduction in enquiries and concentrated activity in regions such as Scotland and the Midlands. This suggests that firms without strategic alignment to industry best practices or without industry-recognised certifications may find it more challenging to sustain or grow in an evolving market.

Tender opportunities have been a critical area of focus, with 41% of businesses reporting increased invitations to tender, and 35% reporting no change. This indicates the growing importance of third-party certification in securing contracts, especially in regulated sectors such as construction and public safety. Engaging with certification schemes has proven advantageous for companies, offering a competitive edge in both public and private sector tenders. In contrast, non-certified businesses have struggled to gain the same level of tender success, with a lower rate of invitation growth.

The report also highlights growing cost pressures within the fire safety industry, with 86% of respondents reporting supplier price increases over the past year, a 30% increase from 2023. These changes are driven largely by inflation and supply chain disruptions, creating a challenging environment for businesses that are balancing the need to remain competitive. Despite these pressures, some companies have been able to maintain stable pricing (13%), showcasing their resilience in managing operational costs effectively without impacting competitiveness.

Supplier delivery times have become a pressing issue for the sector, with 38% of businesses reporting an increase. In particular, delays in delivery times are impacting project timelines and operational efficiency, as businesses face longer lead times due to ongoing supply chain disruptions. These issues are compounded by cash flow challenges, with 42% of companies receiving payments within 61 to 90 days and only 14% in 30 days or less, leading to potential financial strain for many businesses.

International trade remains a mixed area of performance for the fire safety sector. While 62% of businesses reported stable export levels, a further 36% have seen growth in their export activities. This suggests that, for many companies, international markets still offer significant opportunities for expansion, particularly as businesses are increasingly looking abroad to counteract domestic market challenges. However, export growth has not been universally experienced, with 3% of companies seeing substantially less growth in the market. This highlights the difficulties some businesses face in navigating the complexities of international trade, particularly in light of Brexit-related barriers and heightened global competition.

In terms of workforce development, recruitment of skilled labour remains a key focus for the industry. 35% of businesses reported successful recruitment of skilled professionals over the past 12 months. However, apprenticeship recruitment has not been fully embraced across the sector, with only 25% of companies adopting these schemes. This indicates a significant opportunity for businesses to invest further in apprenticeships, which could play a critical role in addressing the skills gap within the fire safety industry.

Training continues to be a strong area of focus for businesses, with 53% of respondents reporting an increase in training investments, an increase of 9% from 2023. This is a positive sign for the sector, particularly given the rising complexity of regulatory demands. The increased investment in training demonstrates a forward-thinking approach to workforce development, as businesses prepare to meet stricter compliance requirements. Looking ahead to 2025, 53% of respondents plan to further increase their investment in training, ensuring that their workforce is well-equipped to handle the evolving regulatory landscape.

The findings from this report illustrate a clear distinction between companies that are equipped to meet the demands of an increasingly regulated and competitive market and those that are struggling to adapt. Businesses with strong compliance frameworks, access to third-party certification, and investment in workforce development are better positioned to thrive in this challenging environment. In contrast, companies that have been slow to adopt these strategies face greater difficulties in sustaining growth, managing costs, and competing on a national and international level.

The fire safety sector, like many other industries, continues to grapple with external pressures such as inflation, material shortages, and the need for regulatory compliance. However, the industry has shown remarkable resilience, with many companies finding innovative ways to maintain competitiveness and grow. The focus on third-party certification is expected to become even more critical as regulatory demands increase, and businesses that invest in compliance and workforce development will be well-placed to secure high-value contracts and tenders.

Looking ahead, the outlook for the fire safety industry remains cautiously optimistic. While cost pressures and supply chain disruptions are likely to persist in the near term, the sector's continued focus on professional development, training, and certification offers a pathway to sustained growth. Those that are able to meet these evolving requirements will be well-positioned to secure contracts and thrive in a competitive market.

In conclusion, the 2024 Fire Industry Market Conditions Survey Report highlights both the challenges and opportunities facing the UK fire safety sector. As the industry continues to navigate economic and regulatory pressures, businesses that invest in compliance, training, and workforce development will remain resilient and competitive. The report underscores the importance of staying ahead of regulatory demands and maintaining a focus on long-term growth, ensuring that the fire safety sector continues to play a vital role in safeguarding lives and property across the UK.

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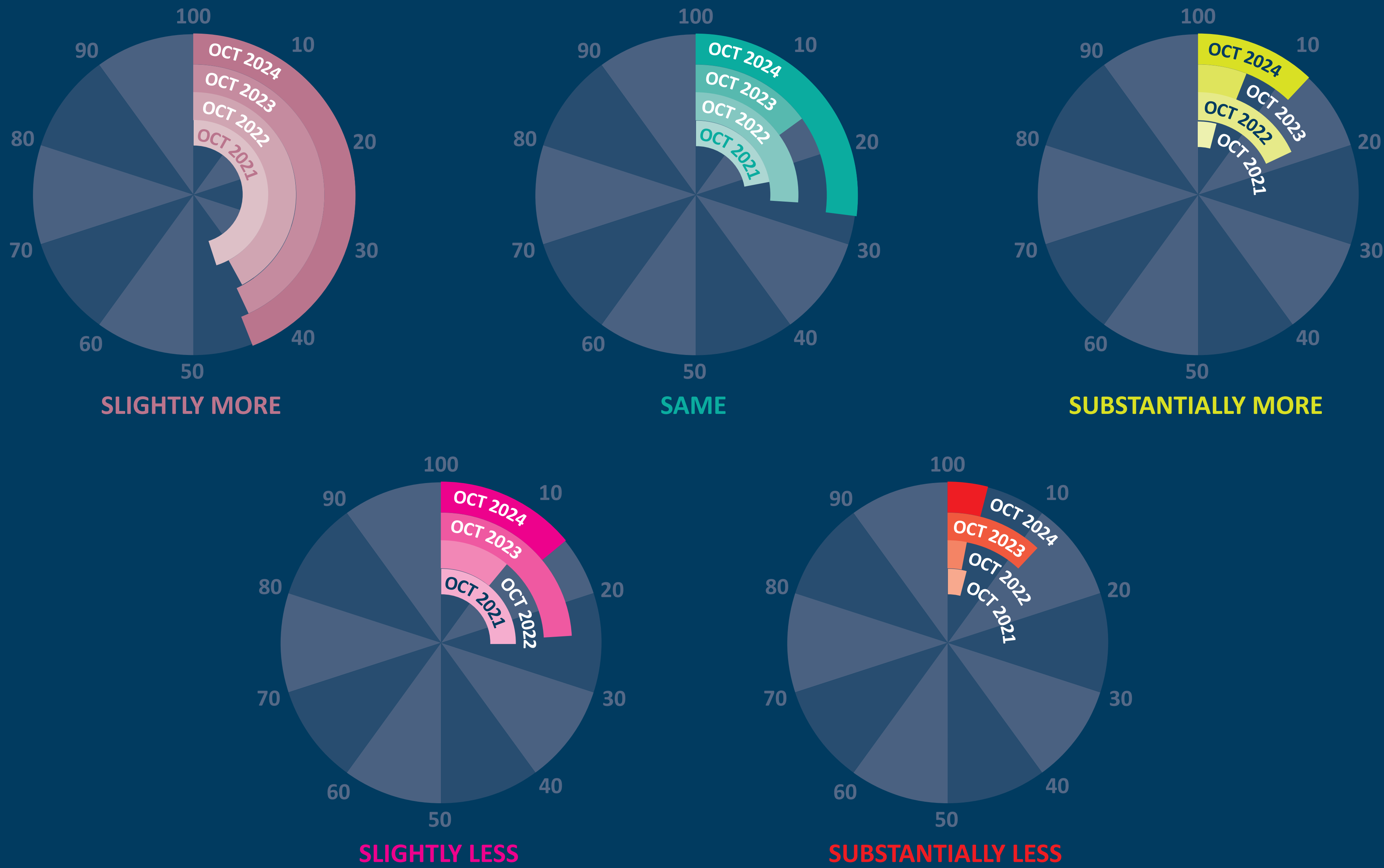
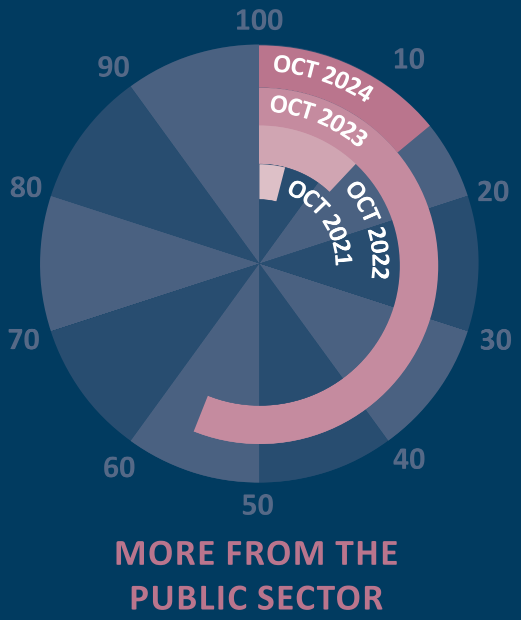
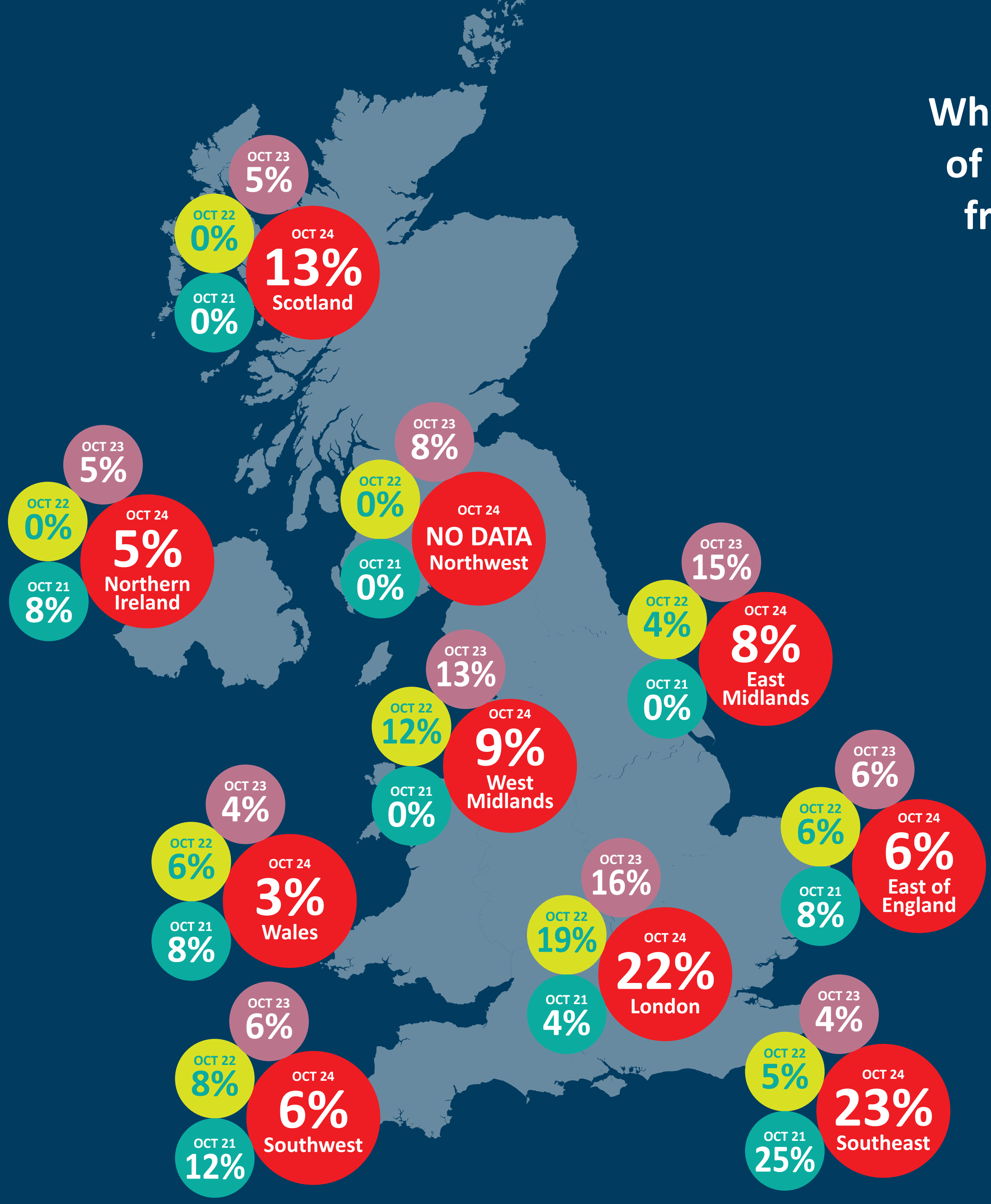
Have you received more enquiries in the last 12 months than in the previous year? (%)



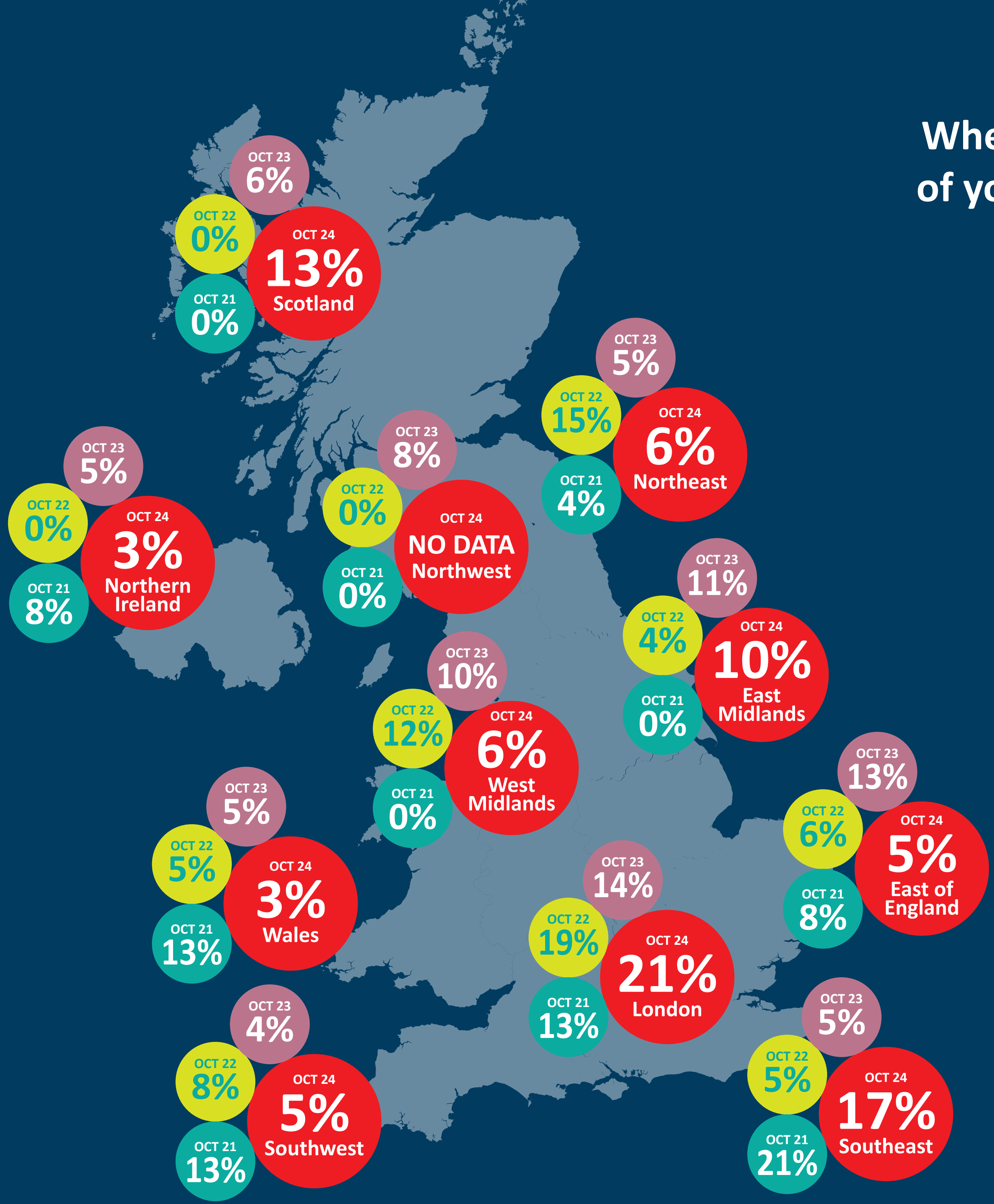
Have you had more enquiries from the Public or Private Sector? (%)

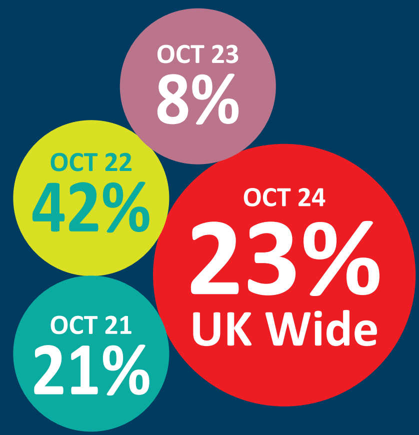


Where have the majority of your enquiries come from geographically?

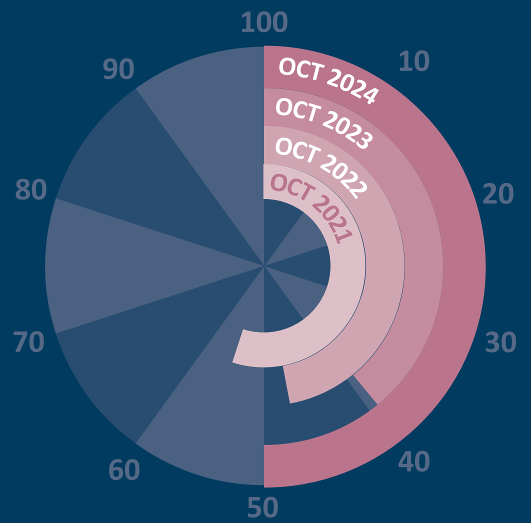


Where have the majority of your orders come from geographically?

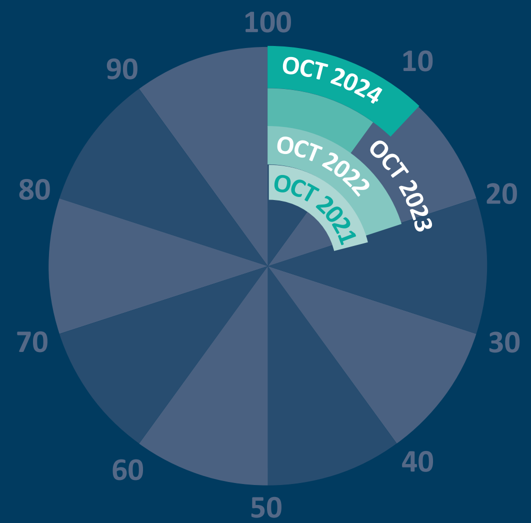




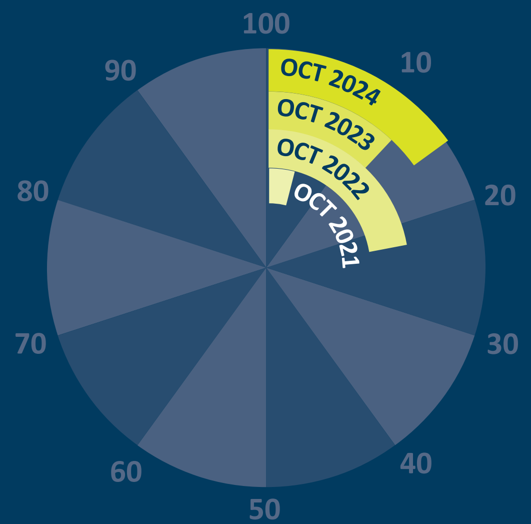
Have you received more orders in the last 12 months than in the previous year? (%)



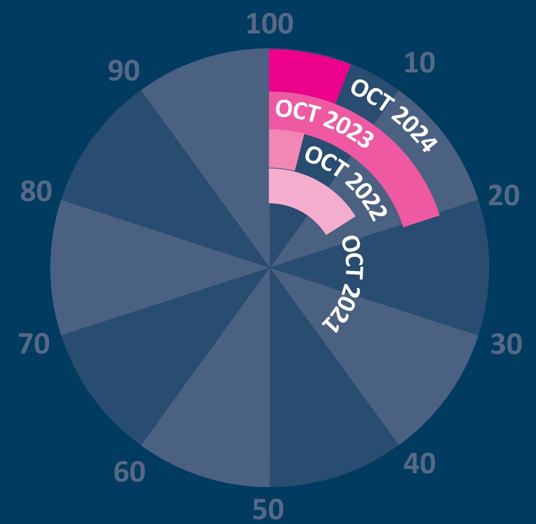
SLIGHTLY MORE



SAME

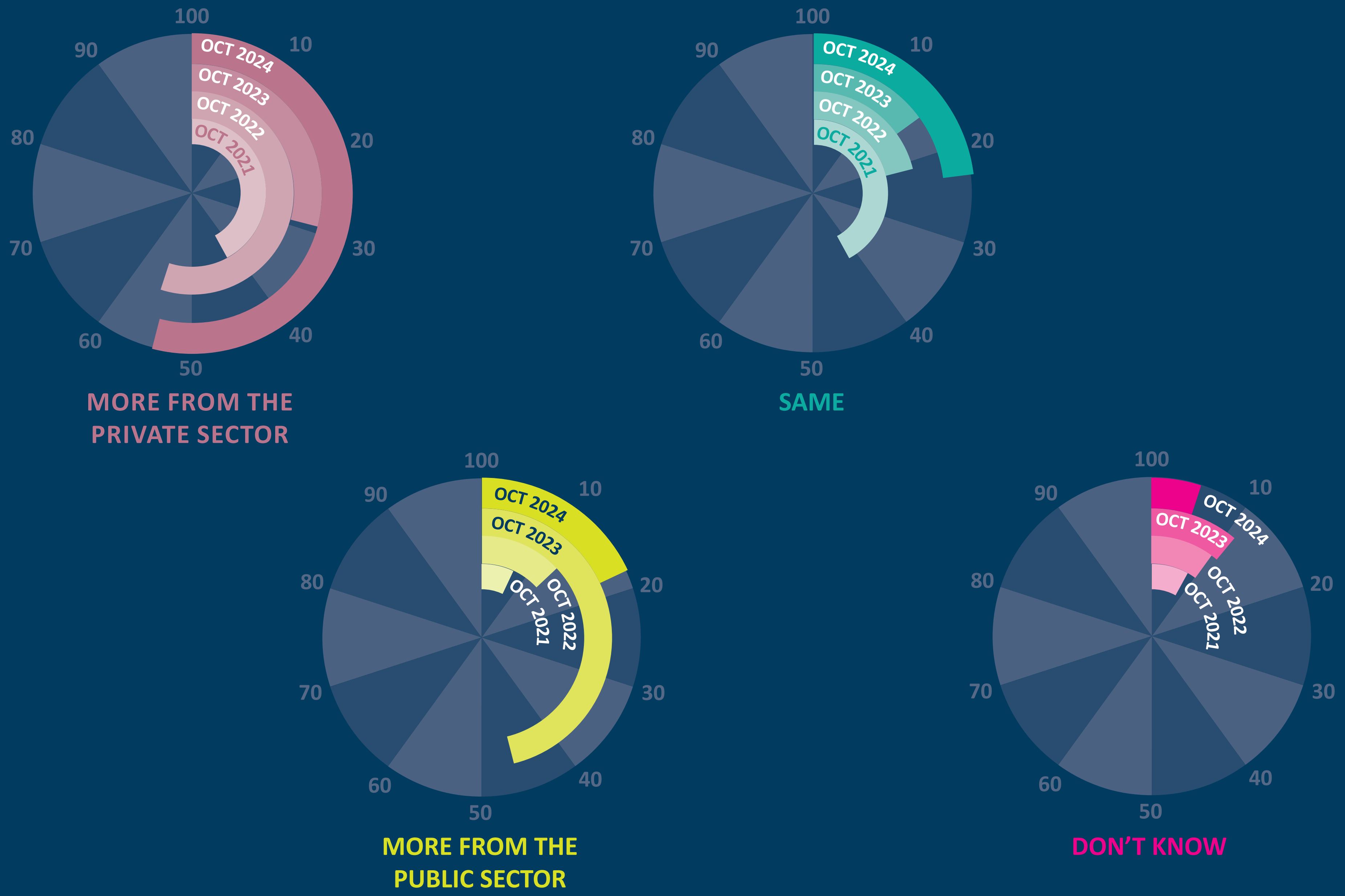


SUBSTANTIALLY MORE

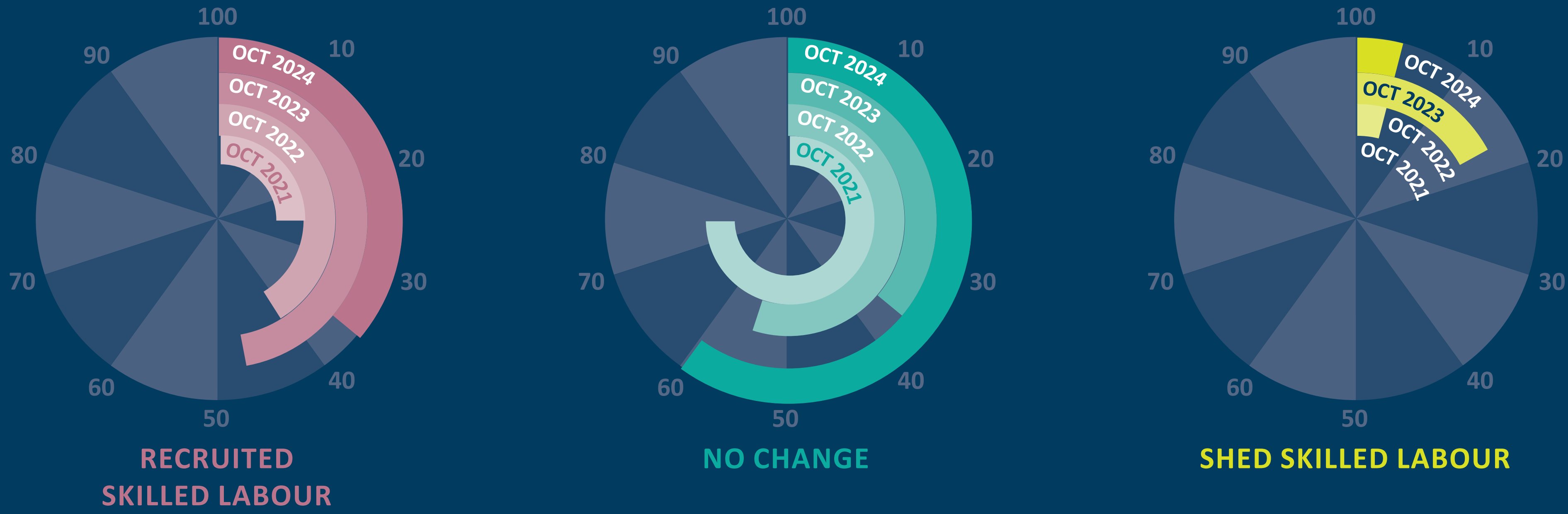


SLIGHTLY LESS

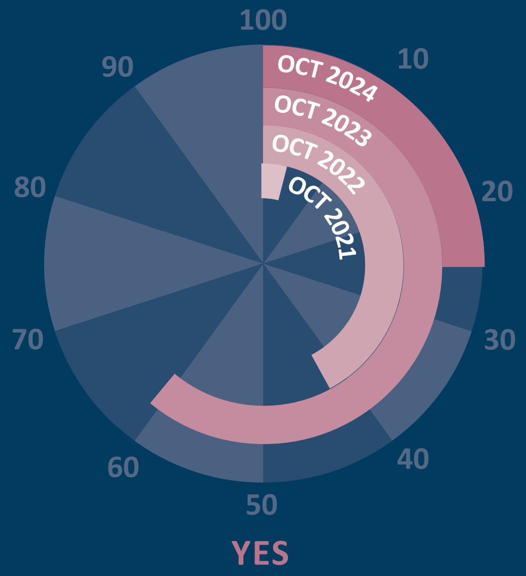
Have you had more orders from the Public or Private Sector? (%)

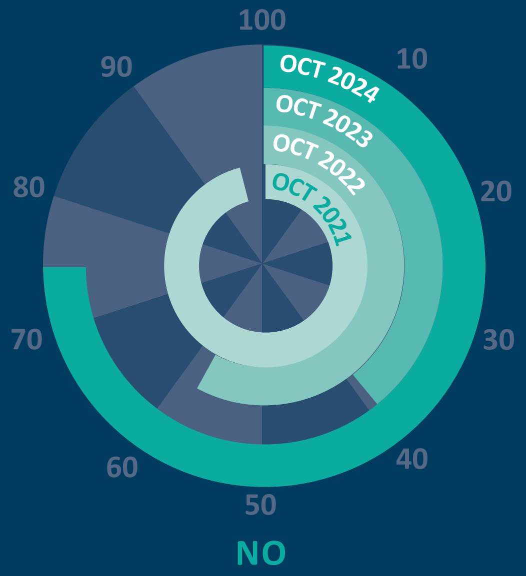


Have you recruited skilled labour in the last 12 months or have you shed skilled labour in the last year? (%)

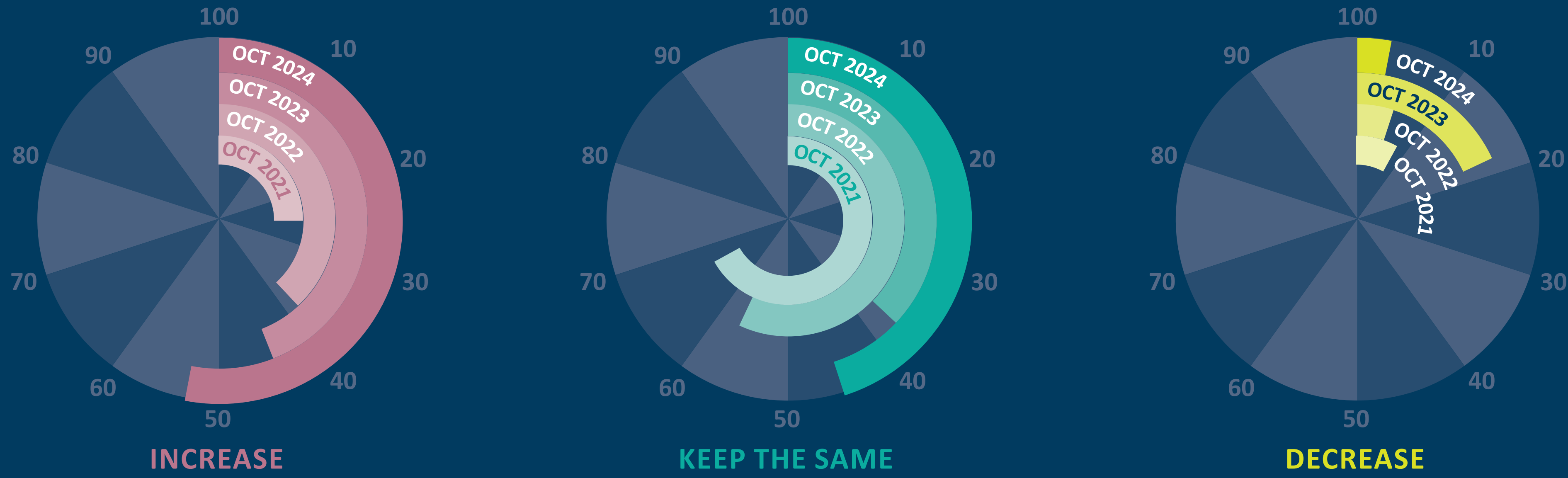


Have you recruited apprentices in the last 12 months? (%)

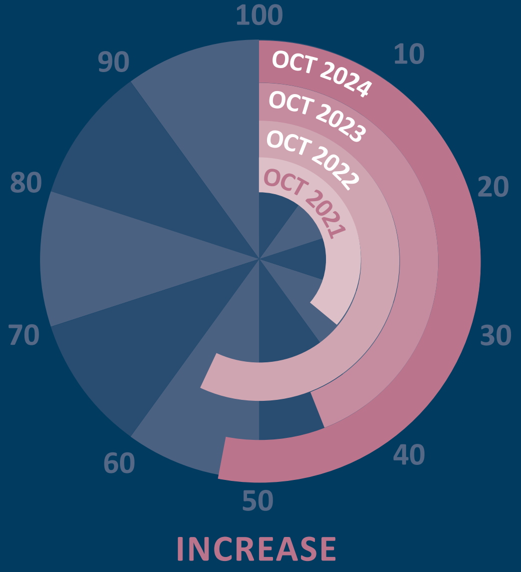


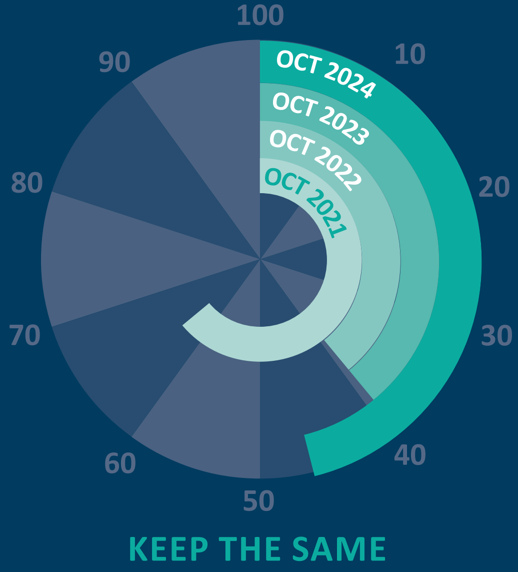


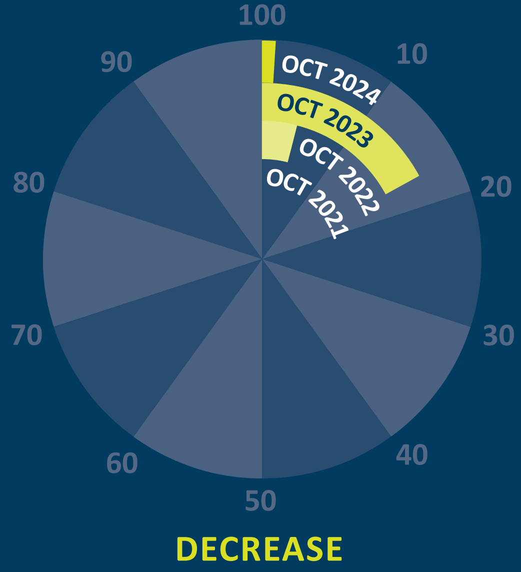
Have you increased or decreased the amount of training for your workforce in the last 12 months? (%)



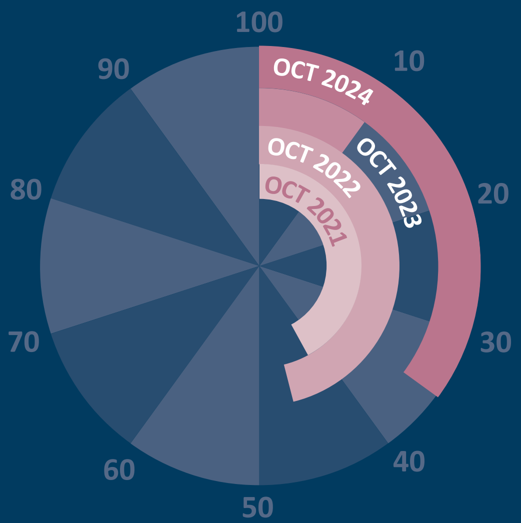
Do you intend to increase or decrease the amount of training for your workforce in the next 12 months? (%)



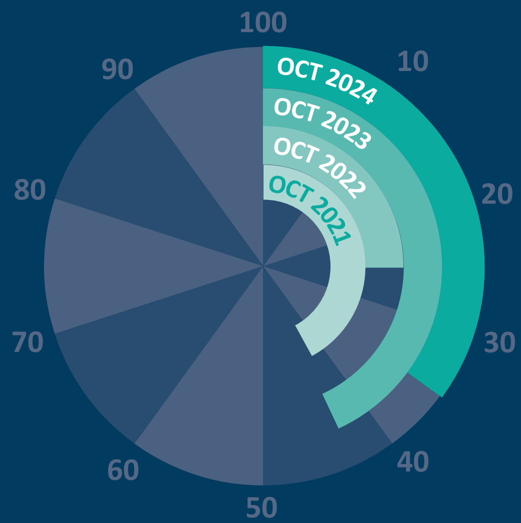




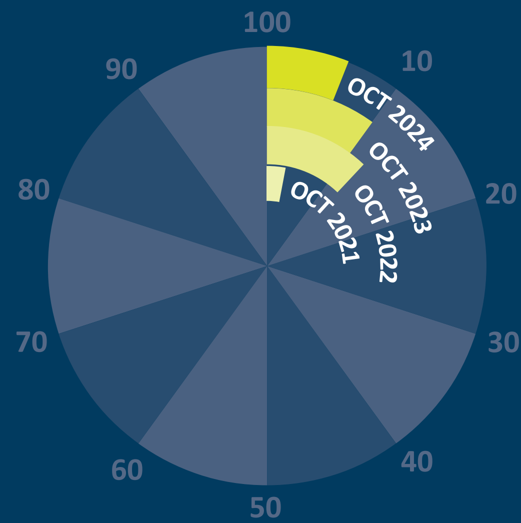
Have you received more or less invitations to tender for work in the last 12 months when compared to the previous year? (%)



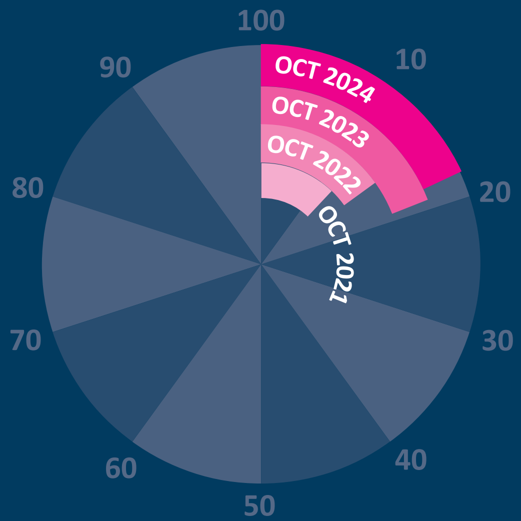
NO CHANGE



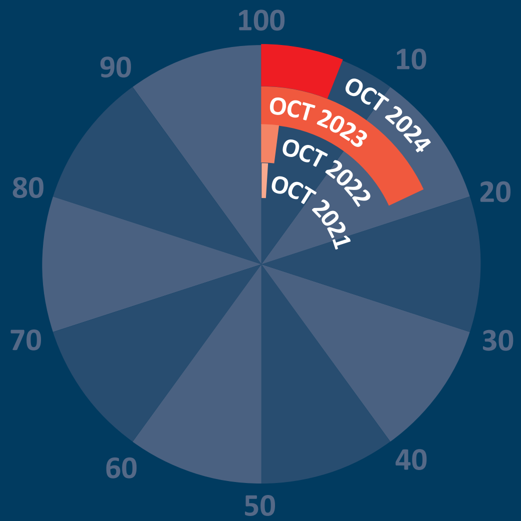
SLIGHTLY MORE INVITATIONS



A LOT MORE INVITATIONS

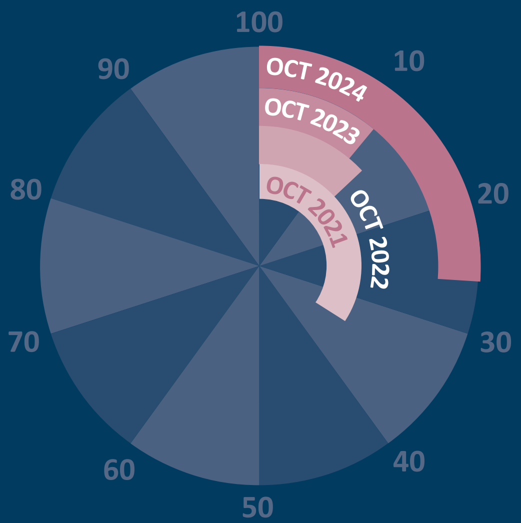


SLIGHTLY LESS INVITATIONS

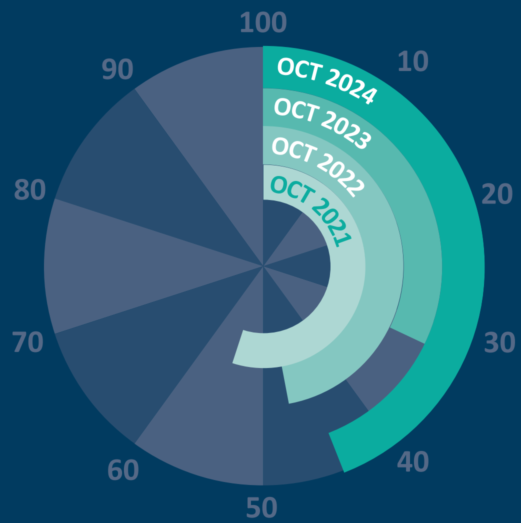


A LOT LESS INVITATIONS

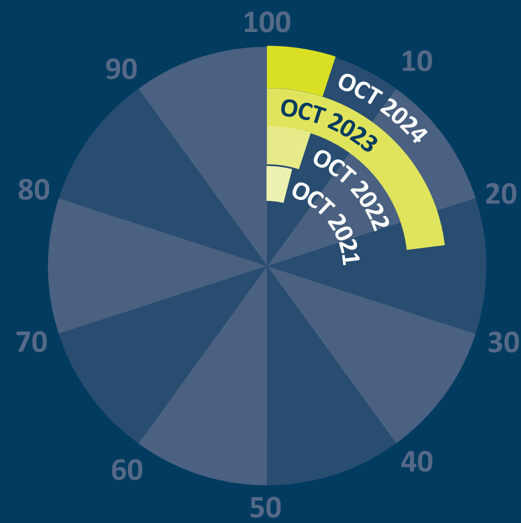
Have tender prices increased in the last 12 months when compared to the previous year? (%)



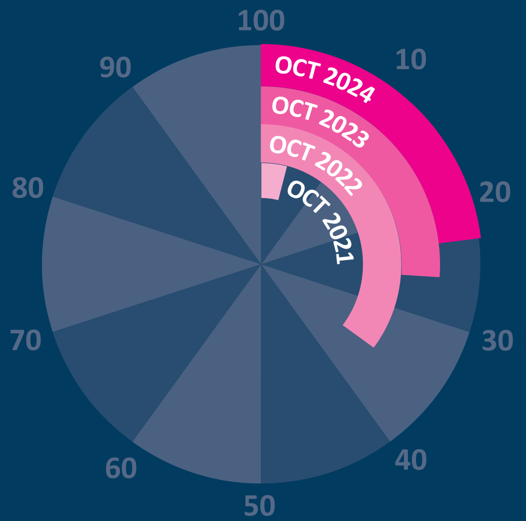
STAYED THE SAME



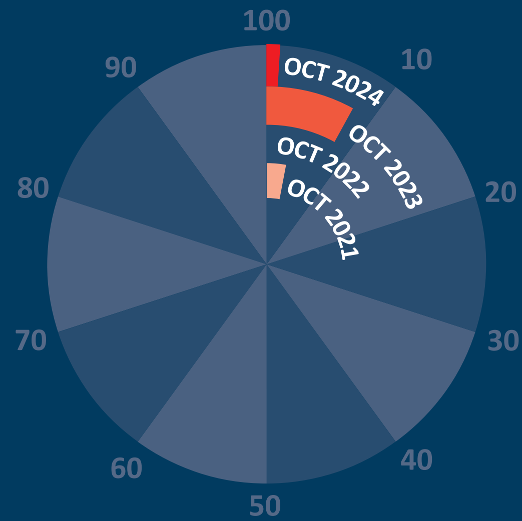
INCREASED SLIGHTLY



DECREASED SLIGHTLY

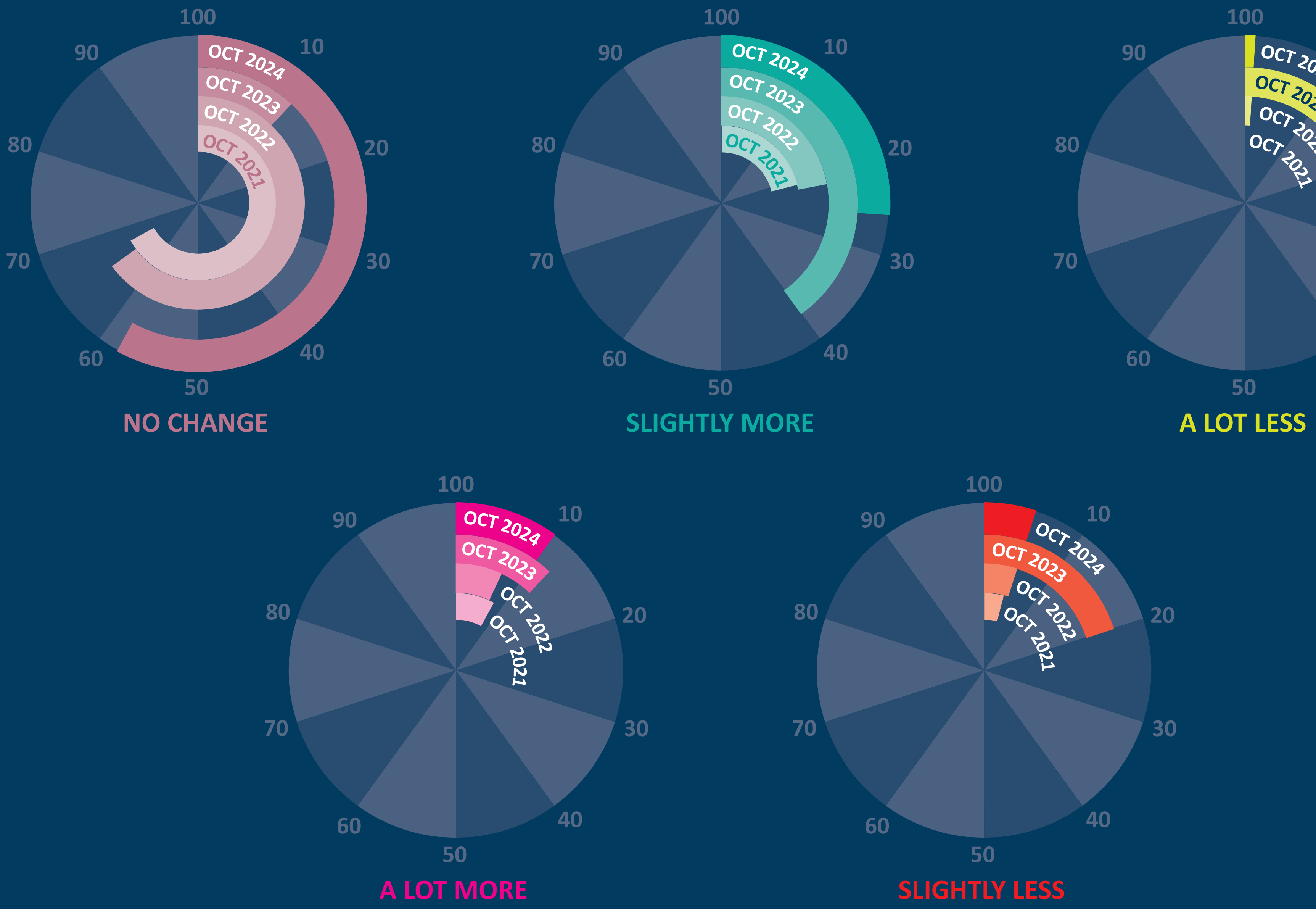


INCREASED SUBSTANTIALLY

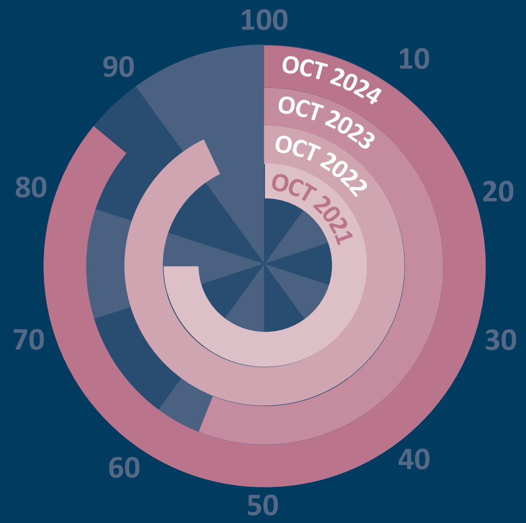


DECREASED SUBSTANTIALLY

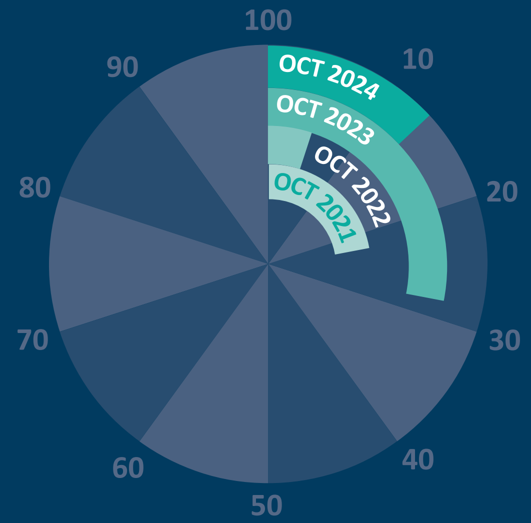
Have you seen more or less tenders in the last 12 months that require Third Party Certification when compared to the previous year? (%)



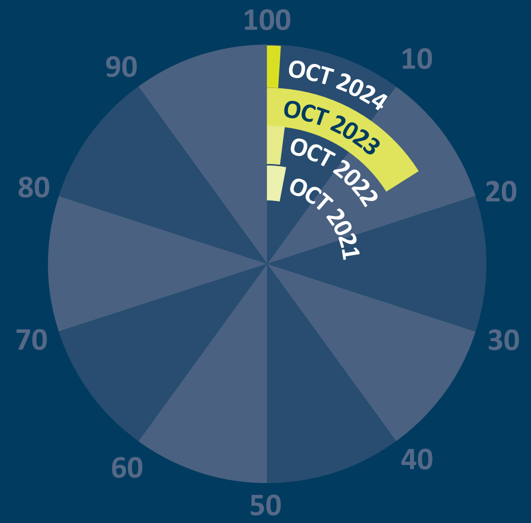
Have suppliers prices in general increased, stayed the same or decreased in the last 12 months when compared to the previous year? (%)



INCREASE

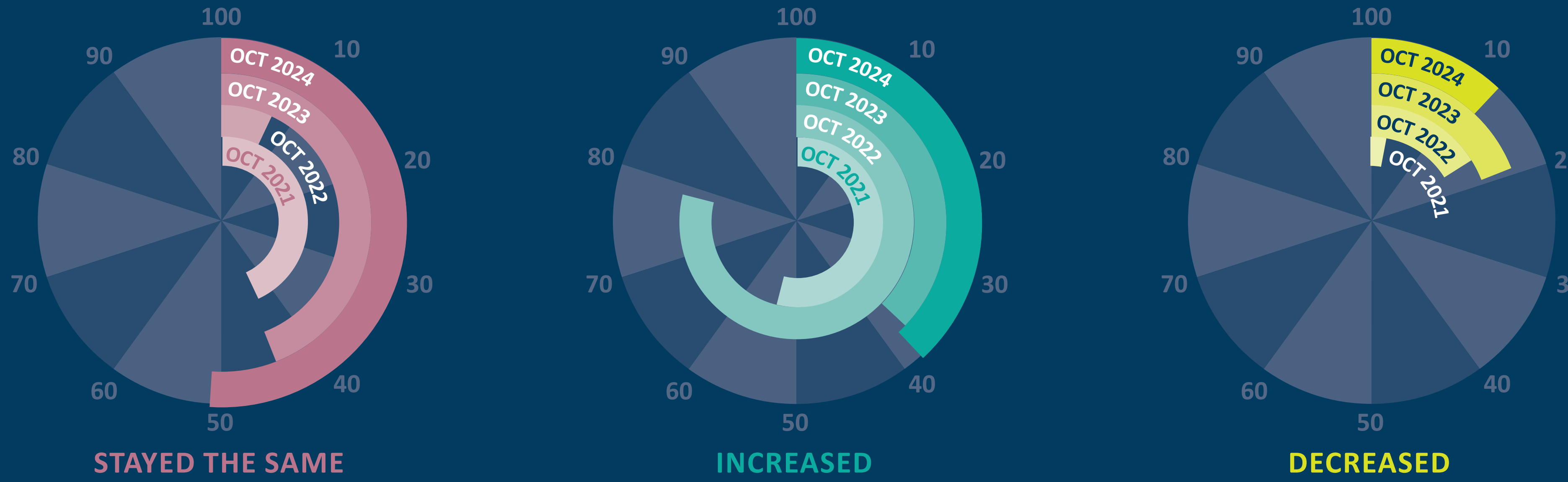


STAYED THE SAME

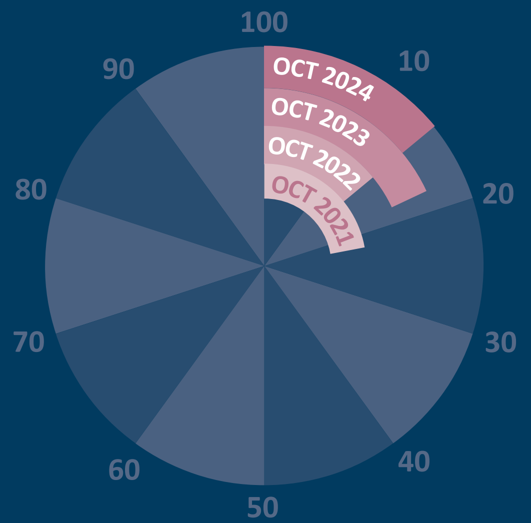


DECREASE

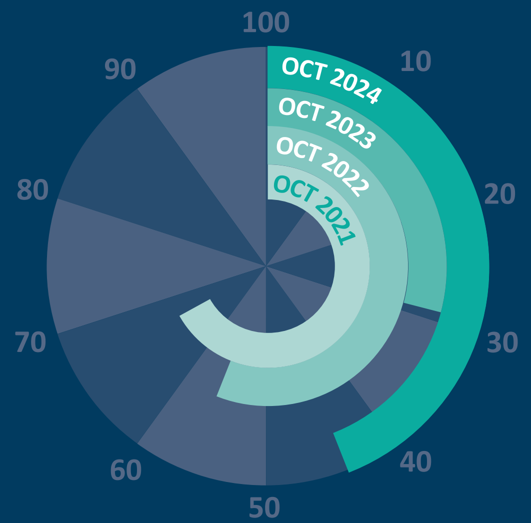
Have suppliers delivery times in general increased, stayed the same or decreased in the last 12 months when compared to the previous year? (%)



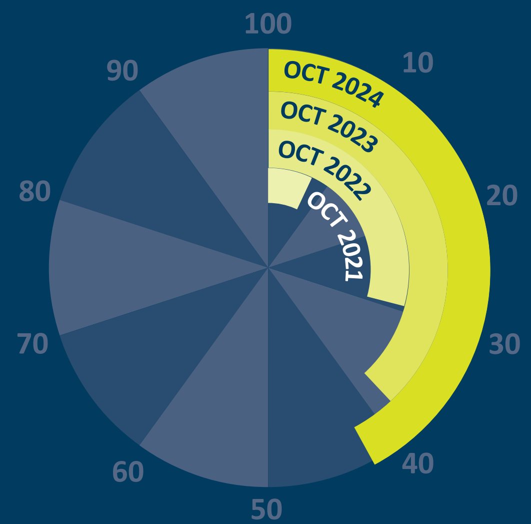
What timeframe are you generally receiving payment in? (%)



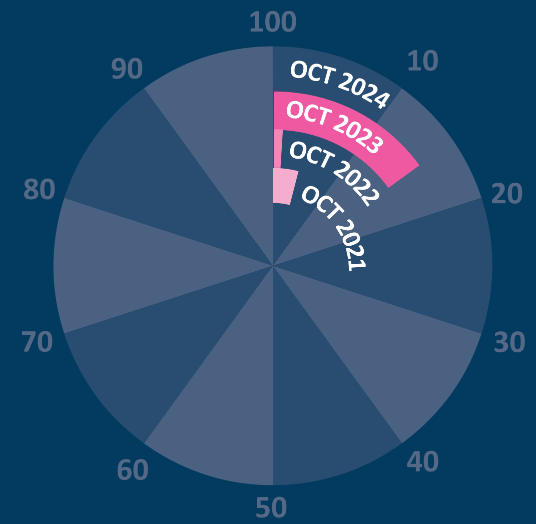
30 DAYS OR LESS



31 TO 60 DAYS



61 TO 90 DAYS



91 DAYS OR MORE

If you are an exporter, has your export business grown in the last 12 months when compared to the previous year?(%)