

BCIA Market Information Service summary for 2023

2 years ago



The Building Management Systems industry has seen growth in 2023 as the full year summary results are published by the [BCIA](#).

The BCIA Market Information Service (MIS) has estimated the total value of Products, Installed Systems, and Service & Maintenance supplied into the UK Market during the 2023 calendar year at £840.3M. This total represents an increase of £4.5M/0.5% on the previous rolling year high of £835.8M/annum in 2022.

However, when adjusted for the 7.3% annual rise in the Output Price Index for All New Construction the £840.3M indicates a 6.1% decrease in real terms. Construction Output data, which provides insight into the GB construction market, was down 4.5% in Quarter 4 compared to Quarter 3. However, the rolling year was up 12.4% compared to 2022.

The MIS Product analysis examines the key routes to market; Product used by Manufacturers in systems delivered by their own engineering teams as well as the sale of their products to System Installer partners and Distributor and OEM channels. The total value of Product supplied into the market saw an increase of 7.4% to £41.6m in the final quarter of 2023, compared to Q3, representing an 18-month high. Interestingly figures for Manufacturers' own systems have been historically consistent, and while there was a drop in Q2 and Q3 2023 there was a significant increase in Q4 returning to the normal levels expected.

Revenues generated from new installations increased by 1.3% in Q4 2023 over Q3 but the full year position resulted in being slightly down compared to 2022 by 1.9% to £465.8M. Primary systems revenue via Manufacturers increased to £19.9M in Q4 up 8.1% on last quarter. From Systems Installers the Primary Systems revenue reached £105.6M, an increase of 7.2%, and this is an area that has been steadily

increasing since Q4 2022.

In addition to construction related business the revenues derived from Service & Maintenance activity illustrates the increasing awareness of the benefit good building control brings to end users and occupiers. In this segment, Q4 2023 revenue reached £53.0M an increase of 1.6% on the previous quarter and up 13.4% for the rolling year. Service and maintenance by System Installers has been seeing a steady increase since Q2 2022, with an industry high reached in Q2 2023. Despite a couple of slight dips in Q3 and Q4 the rolling year figure has been showing an increase consistently for the last three years.

BCIA President Graeme Rees said: "The MIS annual figures for 2023 show the sector continues to grow, albeit more steadily than 2022, there are many encouraging points for the industry. None more so perhaps than the continuing increase in revenues generated from service and maintenance activity. Without doubt a sign of the increased awareness of the crucial role building controls play in reaching the UK's net-zero targets and the significant benefits end users realise from good controls."