

# UK FM Market: Key Growth Opportunities, Transformations, Competition and Innovation

*Technology, Sustainability,  
Workplace Optimization, and  
User Experience as Key FM  
Growth Strategies*

February 2026

*The Growth Pipeline™ Company  
Powering clients to a future shaped by growth*

# Mega Trends Shaping 2026 ... So Many Things to Track!



Sustainability & ESG Urgency



Energy Transition & Decarbonisation



Global Impact of Changing US Policies



Smart & Cognitive Buildings



Supply Chain Optimization



Maximising Public/Social Value



New UK Government, New Priorities



(End) Customer Centricity



Acceleration of M&A



Agile Service Delivery Models & XaaS



Talent Wars



AI, Data & New Digital Offerings



Ongoing Economic Uncertainty



Focus on Health & Wellness



Energy Price Volatility



Persistent Cost of Living Crisis



Evolution of Work



Re-Nationalisation Strategy

Source: Frost & Sullivan

# 2016 - 2026 ... Quite a Decade for FM in the UK => Always Growing; Always out-performing the economy



## Geopolitical and Economic Chaos



## Social Shifts



## FM Market Transformation



Source: Frost & Sullivan

# UK FM Market in Numbers ...

## UK

Total Outsourced FM  
Market Revenue  
(2025)

**£ 36.46  
Billion**

Projected Market  
Growth  
CAGR (2025-2032)

**3.1%**

Outsourced FM Market  
Revenue  
(2032)

**£ 45.1  
Billion**

Competitive Market  
Concentration

**34.3 %**

Market Share of Top 5  
Competitors (2025)

Number of Companies  
(2025)

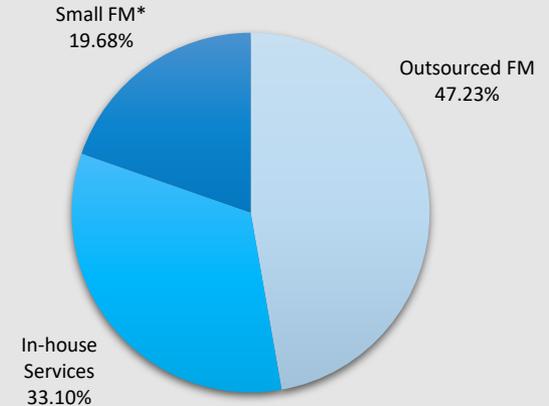
**250+**

With Annual Revenue  
> £ 5 Million

## UK

**Total FM Universe (TAM) = £77.2 Bn**  
**Total Outsourced FM (SAM) = £36.5 Bn**

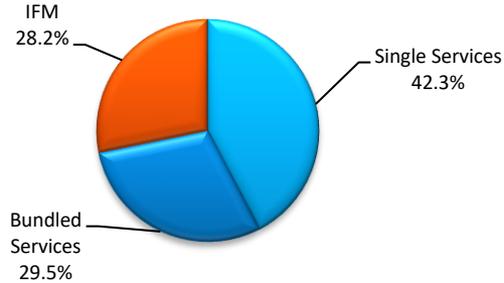
**FM Outsourcing Rate = 47.2%**



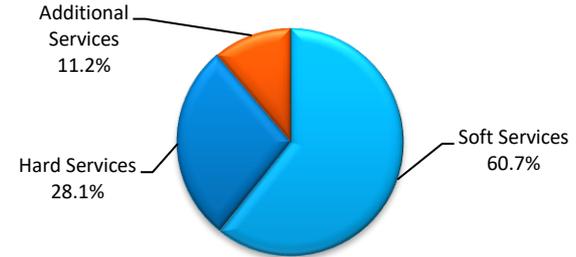
Source: Frost & Sullivan

# Key UK Market Segmentations ...

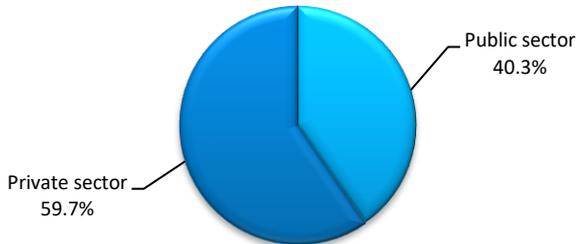
**FM Market: Percent Revenue by Contract Type, United Kingdom, 2025**



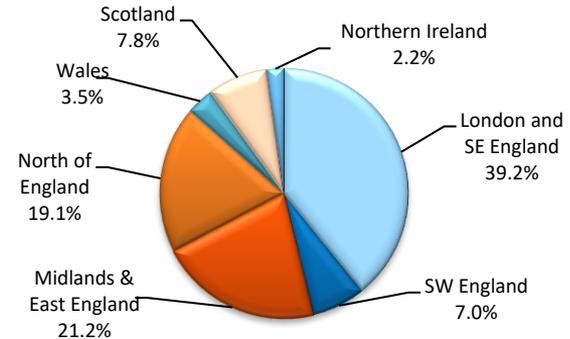
**Market: Percent Revenue by Service Type, United Kingdom, 2025**



**FM Market: Percent Revenue by Customer Type, United Kingdom, 2025**



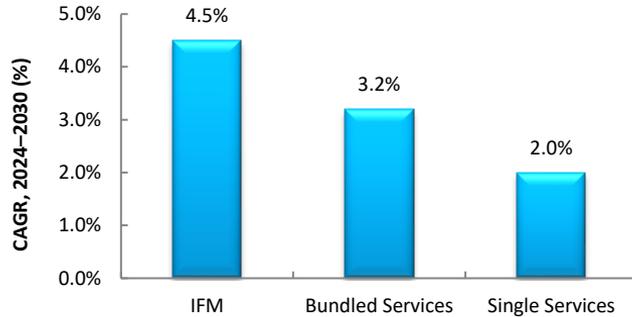
**FM Market: Percent Revenue by Region, United Kingdom, 2025**



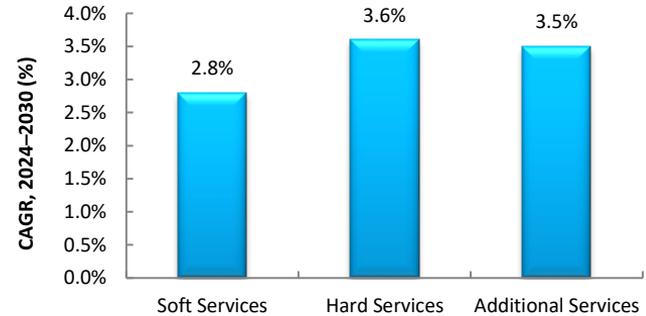
Source: Frost & Sullivan

# Varying UK Market Growth across Segments ...

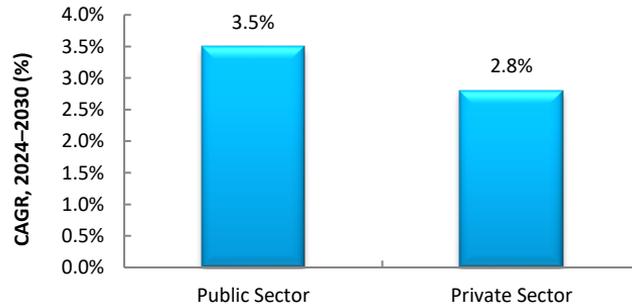
FM Market: CAGR by Contract Type, UK, 2024–2030



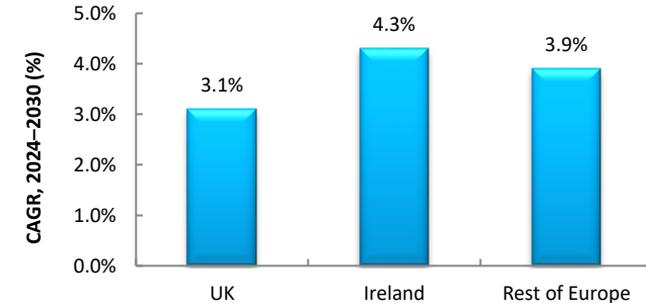
FM Market: CAGR by Service Type, UK, 2024–2030



FM Market: CAGR by Customer Type, UK, 2024–2030



FM Market: CAGR by Region, Europe, 2024–2030



# Customer Sector Alignment – Sub-Sector Growth

## Examples of High Growth Sub-sectors in the UK

FM Market: CAGR % by Customer Sector & Sub-Sector, UK, 2025-32



Source: Frost & Sullivan

# What do we Expect to See in 2026?

## Intensification of the AI Buzz



Time for real value-adding use cases to drive adoption forward

## Tech Innovation & Smart FM



Time to monetize tech investments and drive real value from data insights

## Customer Alignment will Win



Fully aligned customer and sector strategies will deliver user-centric solutions

## M&A Driving Consolidation



Fully aligned customer and sector strategies will deliver user-centric solutions

## Human-centric Workplaces



Increased focus on user experience and human touch to optimize performance

## Decarbonization & ESG Urgency



Urgent need to accelerate from vision to action, BUT threat of de-prioritization of Net Zero

## Budget Pressure & Cost Efficiency



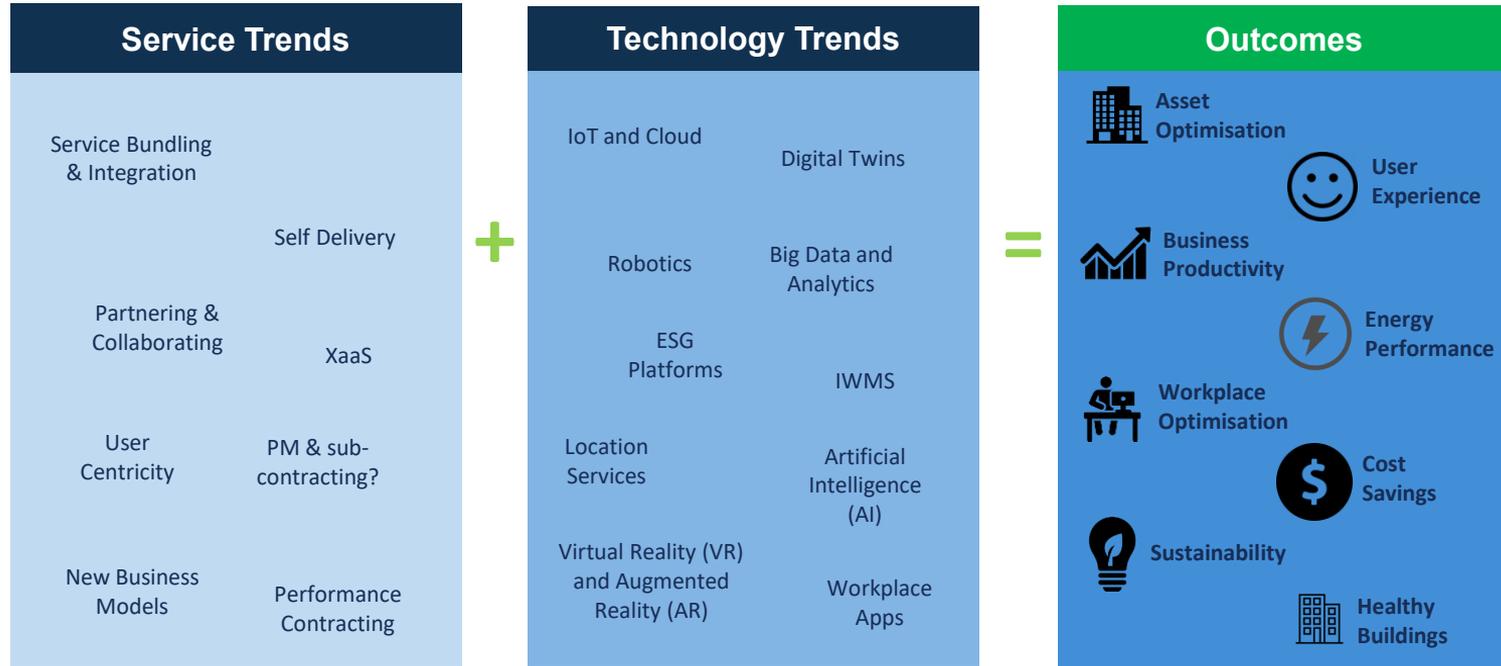
Relentless focus on cost and value must fully align with quality and innovation

## PE Investment Acceleration



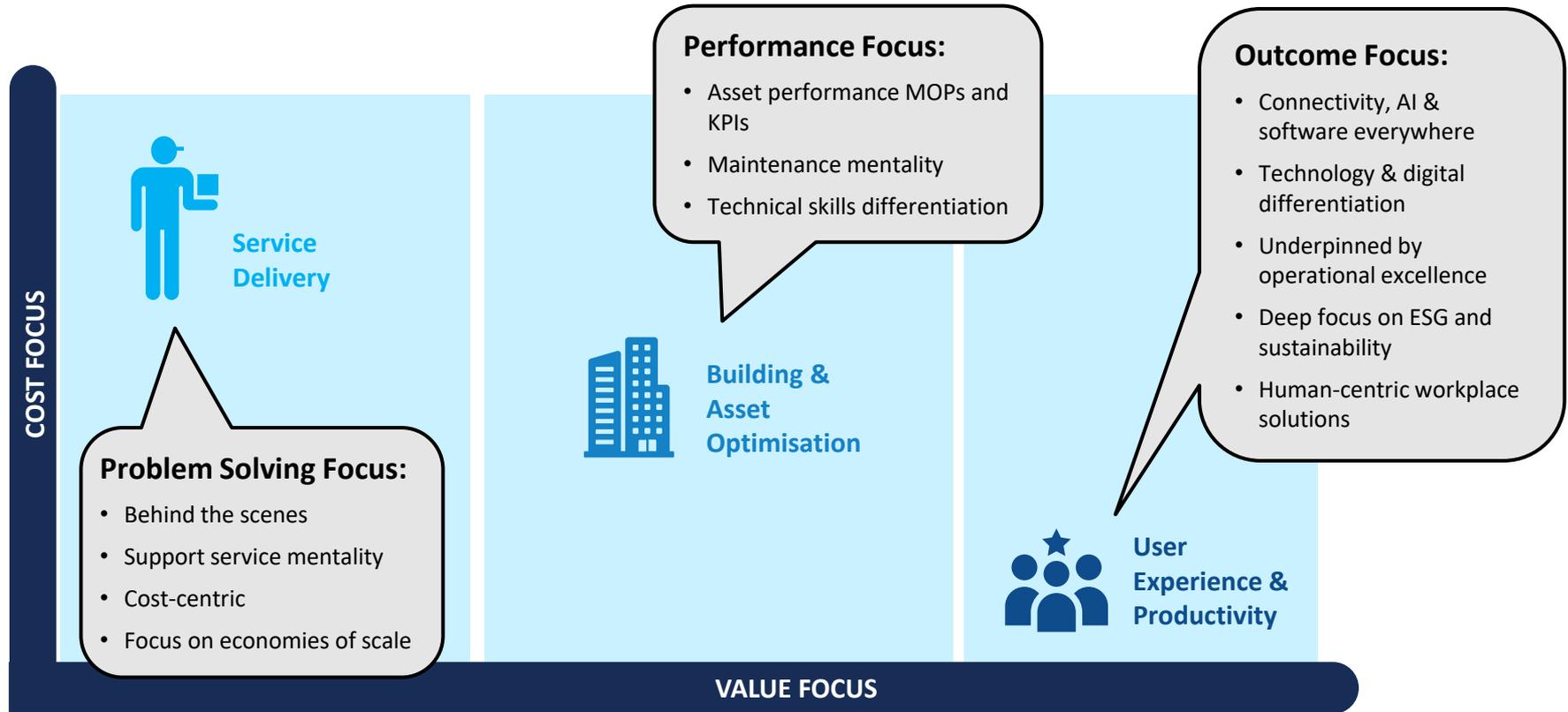
Interest from Private Equity (PE) will continue to accelerate in the FM sector

# Technology Innovation Driving a Focus on Workplace Outcomes ...

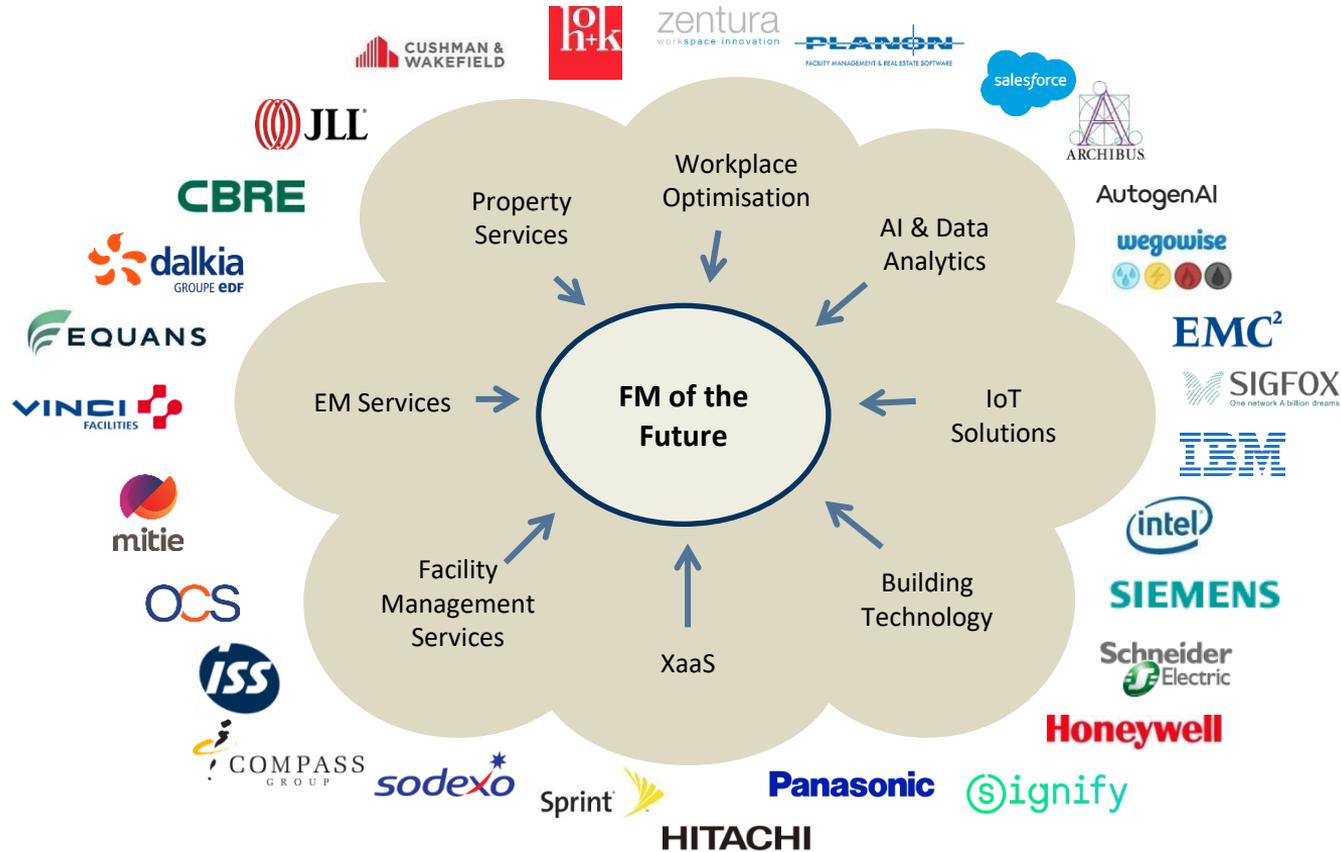


“ Shift away from *problem solving* to *delivering positive outcomes*”

# The FM Transformation ... Trends Driving Future Value Propositions



# Technology Drives Ecosystem Convergence in FM & Smart Buildings



Source: Frost & Sullivan

# AI Use Cases in FM

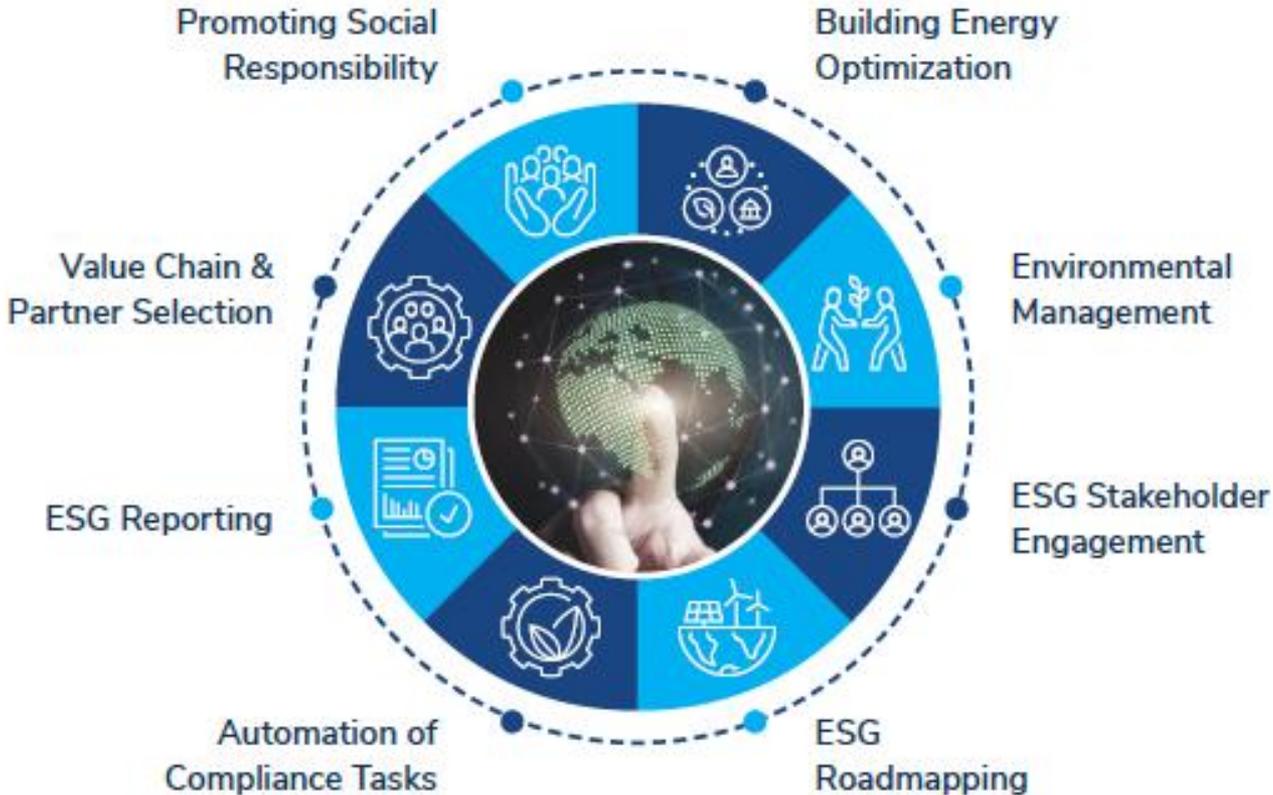
## Maturity & Impact of AI Growth Opportunities & FM Use Cases to 2030



Other use cases include automated helpdesk, predictive building management, workforce management, indoor air quality (IAQ) etc.

Source: Frost & Sullivan

# Convergence of Technology, Energy and ESG



# Pain Points for FM Managers ...



# In Conclusion ...

1

*Technical services and IFM are the highest growth service segments of the UK FM market and will continue to deliver strong margins. However, competition is intensifying and historical assumptions around integration are being challenged.*

2

*Innovation must focus on the digitalisation of buildings, workplace optimisation, providing healthy and safe buildings, new customer-centric business models, user experience, and holistic productivity solutions.*

3

*FM is moving beyond TCO and building efficiency. Future FM will demand the convergence of digital technology and services to deliver total business productivity and user experience with sustainability at the heart.*

4

*Sustainability and decarbonisation have become critical service elements and will be key pillars of growth for the foreseeable future.*

5

*Partnership, collaboration, and co-creation of services will be key to meeting the growth objectives, technology and sustainability visions of customers.*