



Top 20 Insights in UK FM Market 2020-23

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Baachu RAIN Sponsors – Market Mining Story

We have been designing **customised solutions** to solve the issues faced by FM Leaders who were responsible for growth of the organisation which led us to **BUILD a database of 11,000+ FM outsourced opportunities** subsequently positioning Baachu Rain as UKs only Workplace & Facilities Strategic Research & Market Development Trusted Advisor

Our Mentors



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Key Insights on UK FM Market Webinar – Private

- Baachu's latest research on outsourced FM in the UK indicates that the market was worth **c.£85 Bn in 2019**
- Market was dominated by **private sector** which exhibited a high level of outsourcing activity, contributing **55% (£47.0 Bn)** to the total FM market
- The **private** sector will offer opportunity worth **c.£1.2 Bn** over the next four years (2020-23) with almost a **100 contracts in the £1 Mn – 5 Mn range**
- Key incumbents in the **private** sector over the next four years (2020-23) include – **Mitie, Interserve, Sodexo, Integreon, Kier and ISS**
- The **Office** sector contributed the highest to the outsourced **private** FM market – accounting for **44%** of the total c.£47 Bn outsourced private FM

Source:

1. Baachu Rain FM
2. Baachu Analysis

Key Insights on UK FM Market Webinar – Public

- The **public** sector will offer opportunity worth **c.£3.5 Bn** over the next four years (2020-23) with **100 contracts in the £1 Mn – 5 Mn range and >100 contracts in the £5 Mn – 50 Mn range**
- **Total 226 contracts** are expected to come up for renewal in the **public** sector in the over the next four years (2020-23)
- The **central government** is the biggest outsourcer of public FM services, followed by the **local government**
- The central and local government together offer the biggest opportunity to private FM providers as they account for **more than half the market (c.53%)** of the outsourced public FM market
- Soft FM services lead in the two largest public sectors – Central government and Local government

Source:

1. Baachu Rain FM
2. Baachu Analysis

Key Insights on UK FM Market Webinar – Services

- In Public sector, **soft FM services** contributed **33.0%** to the public FM market; followed by Integrated FM (25.7%)
- Soft FM and Integrated FM services together account for more than half of the outsourced public FM market in UK
- In private sector, **Integrated FM contributed 45.3%** to the private sector market; followed by soft FM (25.9%)
- **With a share of 69%, Integrated FM services** dominate the **Office** market which is the largest sector in the **total** outsourced UK FM market
- Over the next four years (2020-23), Local government sector is expected to have the highest deal volume (**~ 200 contracts**), more than half of which is expected to be driven by **soft FM services**

Source:

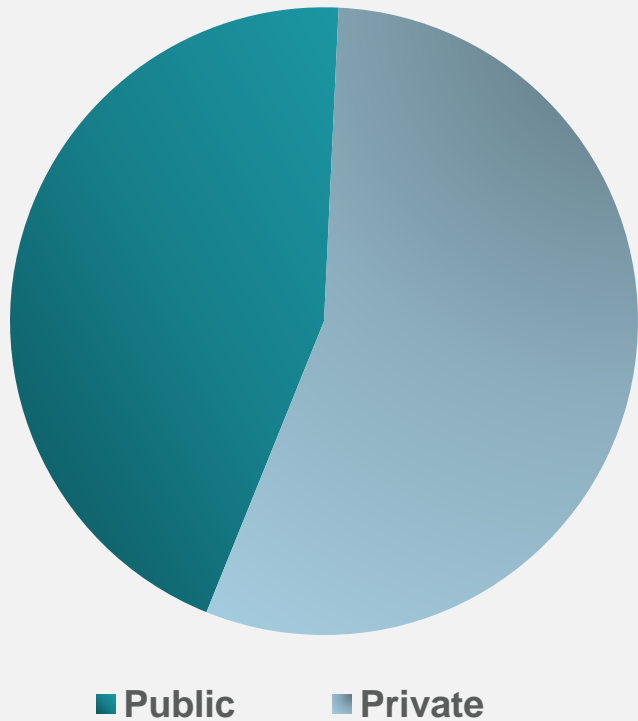
1. Baachu Rain FM
2. Baachu Analysis

Market Overview

Outsourced FM Market in UK

Outsourced FM Market in UK – Public and Private, 2019

Outsourced Market (in £Bn)



- Outsourced FM market in the UK was c.£85 Bn in total contract value (TCV) in 2019
- Market was dominated by **private sector** which exhibited a high level of outsourcing activity

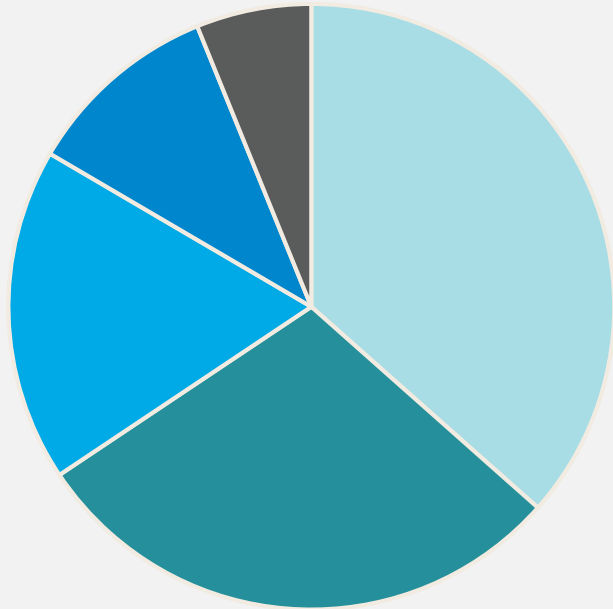
Source:

1. Rain FM Database
2. Baachu Analysis

Outsourced FM Market in UK: By Service Type

Outsourced FM Market – By Service (2019)

Total FM Market = £84.8 Bn



■ Intergrated FM ■ Soft FM ■ Hard FM ■ Other Support Services ■ Uncategorised

- In Public sector, **soft FM** contributed **33.0%** to the public FM market
- Whereas in private sector, **Integrated FM** contributed **45.3%** to the private sector market

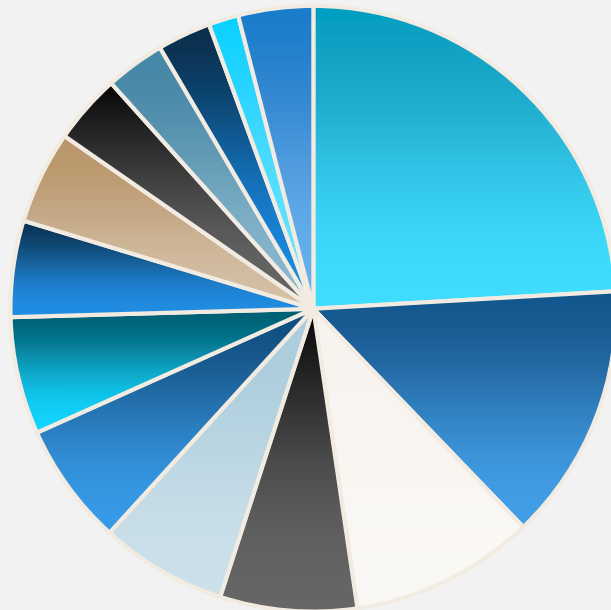
Source:

1. Rain FM Database
2. Baachu Analysis

Outsourced FM Market in UK: By Sector

Outsourced FM Market – By Sector (2019)

Total FM Market = £84.8 Bn



- Office
- Central Government
- Local Government
- Manufacturing & Industrial
- Leisure
- Residential and Housing
- Energy and Utilities
- Health Care
- Transport
- Defence
- Retail
- Education
- Property Management
- Others

- In Public sector, **Central Government** contributed **30.8%** to the public FM market
- Whereas in private sector, **Office** sector contributed **43.5%** to the private sector market

Source:

1. Rain FM Database
2. Baachu Analysis

Note:

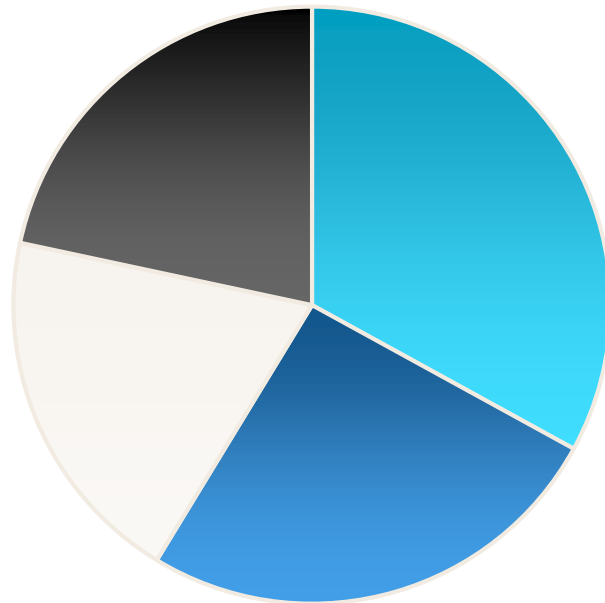
- A. Media sector has been included in Others as part of the analysis

Outsourced FM Market - Public

Outsourced FM Market: Public Sector

Outsourced Public FM Market in UK – By Service (2019)

Total Public FM Market = £37.9 Bn



■ Soft FM ■ Integrated FM ■ Hard FM ■ Other Support Services

- Soft FM services account for nearly one third of the outsourced public FM market in UK
- Soft FM and Integrated FM services together account for more than half of the outsourced public FM market in UK

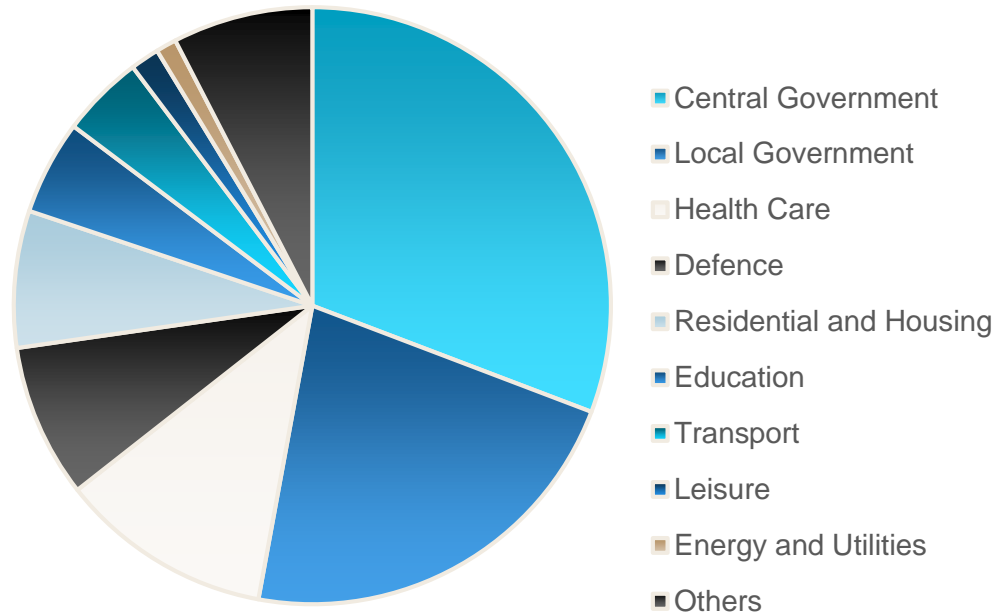
Source:

1. Baachu Rain FM
2. Baachu Analysis

Outsourced FM Market: Public Sector

Outsourced Public FM Market in UK – By Sector (2019)

Total Public FM Market = £37.9 Bn



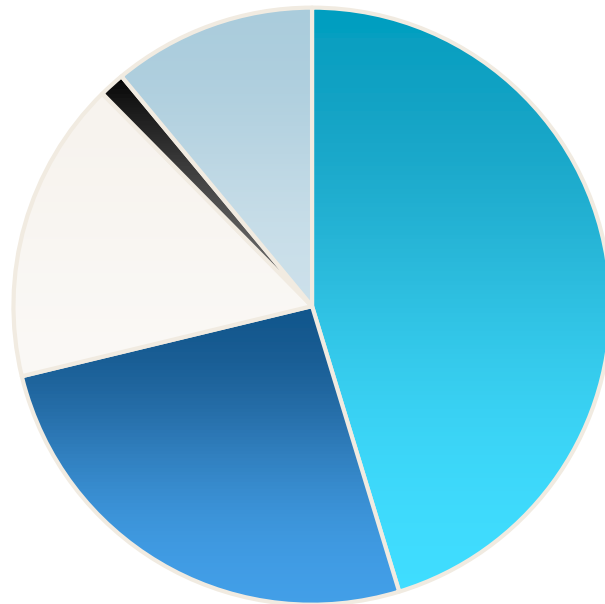
- The central government is the biggest outsourcer of public FM services, followed by the local government
- The central and local government together offer the biggest opportunity to private FM providers as they account for more than half the market of the outsourced public FM market

Outsourced FM Market - Private

Outsourced FM Market: Private Sector

Outsourced Private FM Market in UK – By Service (2019)

Total Private FM Market = £46.9 Bn



■ Integrated FM ■ Soft FM ■ Hard FM ■ Other Support Services ■ Uncategorised

- Integrated FM services account for 45% of the outsourced private FM market in UK

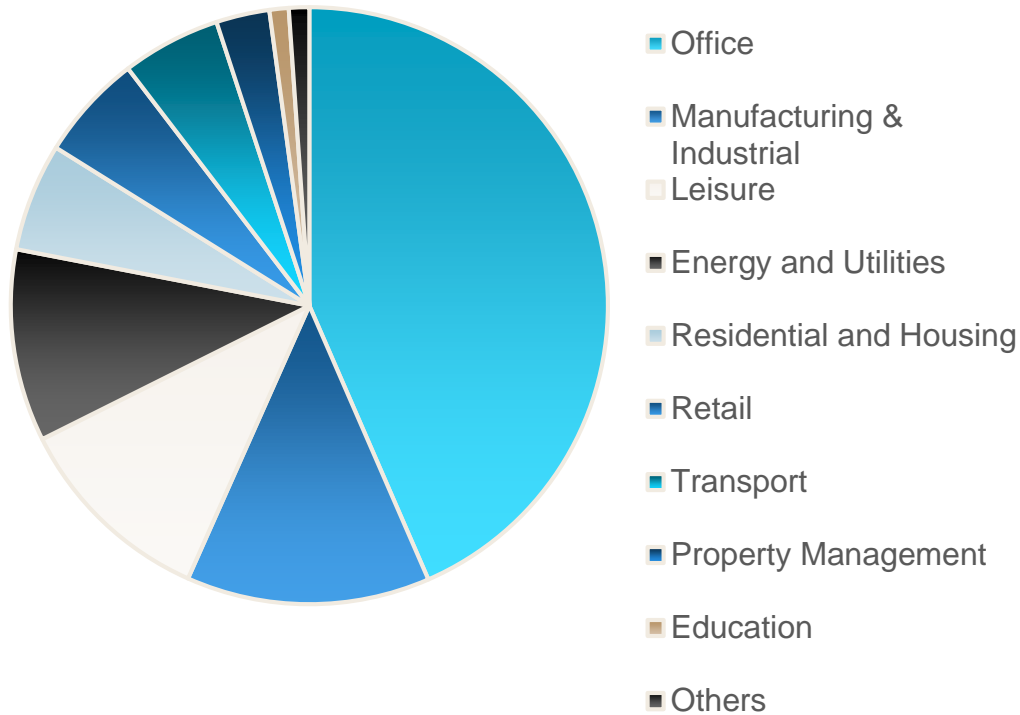
Source:

1. Baachu Rain FM
2. Baachu Analysis

Outsourced FM Market: Private Sector

Outsourced Private FM Market in UK – By Sector (2019)

Total Private FM Market = £46.9 Bn



- The Office sector contributed the highest to the outsourced private FM market – accounting for 44% of the total outsourced private FM market

Source:

1. Baachu Rain FM
2. Baachu Analysis

Note:

- A. Media sector has been included in Others as part of the analysis

TO YOUR NEW BEGINNING....

WISH YOU ALL THE SUCCESS IN THE NEW DECADE

BASKAR SUNDARAM

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PLEA

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