Summary

Growth in the fire sector continues with more survey respondents continuing to report increases in invitations to tender and enquiries. Over the last six months, tender prices in general have stayed at the same level as before, whereas supplier prices have continued to rise, thus gross profit margins are continuing to fall.

In particular

- 53% of respondents reported an increase in orders over the preceding six months, with only 24% indicating that order levels had decreased
- The private sector is primarily responsible for the increase in orders with 53% of replies to the survey showing it as the source
- 33% of the companies who replied reported that they had recruited skilled labour within the past six months, only 6% reported that they had shed people
- 37% of respondents indicated that there has been an increase in tenders requiring Third Party Certification, while 59% reported no change
- 49% of replies indicated that supplier prices continue to rise overall, with only 2% of replies indicating a decrease
- Payment times are shortening with 75% of respondents indicating times of 31 to 60 days compared with 54% in the last report
- In the six months FIA member companies received nearly 40% more orders than non-members

The FIA Market Conditions Survey is open to both FIA members and non-members and is carried out at six month intervals. To take part contact us at fia-team@fia.uk.com.
Have you received more enquiries in the last six months than in the previous half year? (%)

- Substantially more: 20%
- Slightly more: 39%
- Same: 20%
- Slightly less: 17%
- Substantially less: 4%

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

- More from the Private Sector: 48%
- About the same: 34%
- More from the Public Sector: 13%
- Don’t know: 5%
Where have the majority of your enquiries come from geographically?

- **Scotland**: 9%
- **UK Wide**: 21%
- **Northern Ireland**: 4%
- **Northwest**: 3%
- **Northeast**: 5%
- **East Midlands**: 1%
- **West Midlands**: 4%
- **Southeast**: 21%
- **Southwest**: 12%
- **London**: 14%
- **Wales**: 9%
- **East of England**: 2%
- **APR14**: 5
- **APR14**: 12
- **APR14**: 4
- **APR14**: 1
- **APR14**: 6
- **APR14**: 7
- **APR14**: 26
- **APR14**: 23
Have you received more orders in the last six months than in the previous half year? (%)

- Substantially more: 16%
- Same: 23%
- Substantially less: 4%
- Slightly more: 49%
- Slightly less: 37%

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

- More from the Private Sector: 60%
- More from the Public Sector: 25%
- About the same: 20%
- Don’t know: 7%
Where have the majority of your orders come from geographically?

- 23% UK Wide
- 9% Scotland
- 22% Southeast
- 15% London
- 4% Wales
- 4% West Midlands
- 5% Northeast
- 1% East Midlands
- 1% East of England
- 3% Northern Ireland
- 1% East of England
Have you recruited skilled labour in the last six months or have you shed skilled labour in the last half year? (%)

- Recruited skilled labour: 33%
- No change: 61%
- Shed skilled labour: 6%

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

- No: 79%
- Yes: 24%
Have you increased or decreased the amount of training for your workforce in the last six months? (%)

- Increase: 41 (April 53)
- Keep the same: 49 (April 43)
- Decrease: 10 (April 4)

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

- Increase: 44 (April 63)
- Keep the same: 53 (April 40)
- Decrease: 3 (April 2)

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

- Slightly more invitations: 40 (April 44)
- No Change: 33 (April 29)
- Slightly less invitations: 12 (April 7)
- A lot less invitations: 15 (April 5)
Have tender prices increased in the last six months when compared to the previous half year? (%)

- Decreased substantially: 6%
- Decreased slightly: 15%
- Stayed the same: 56%
- Increased slightly: 23%
- Increased substantially: 2%

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

- A lot more: 12%
- Slightly more: 25%
- No change: 33%
- Slightly less: 5%
- A lot less: 6%

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

- Increased: 49%
- Stayed the same: 52%
- Decreased slightly: 37%
- Decreased substantially: 2%
- A lot less: 1%
Have suppliers delivery times in general increased, stayed the same or decreased in the last six months when compared to the previous half year? (%)

- Increased: 21%
- Stayed the same: 75%
- Decreased: 4%

Are you generally receiving payment in (%)

- 30 days or less: 12%
- 31-60 days: 56%
- 61-90 days: 75%
- 91 days or more: 12%
- 6 days or more: 1%
General Comments

The following are some of the comments received from responding companies:

From our perspective, business is continuing to increase

• Pricing for works involving the larger construction companies has become much more competitive

• The majority of work still appears to be in London and prices are still the same as during the downturn

• We do not expect any price increases in our tendering for the foreseeable future

• Too much competition: even the banks are offering Fire Risk Assessments!

• Although it is very competitive, people are choosing 3rd party accredited companies whose staff are trained, competitive and educated

• The trade is moving more towards supply and commission with electrical contractors doing the first fix, probably due to lack of work

• Internet sales of extinguishers have made it harder for us to supply our customers

• It’s just the large companies who are benefitting from the so-called recovery

• Most of our work is either in the care or construction related sectors, which seem to be the most active