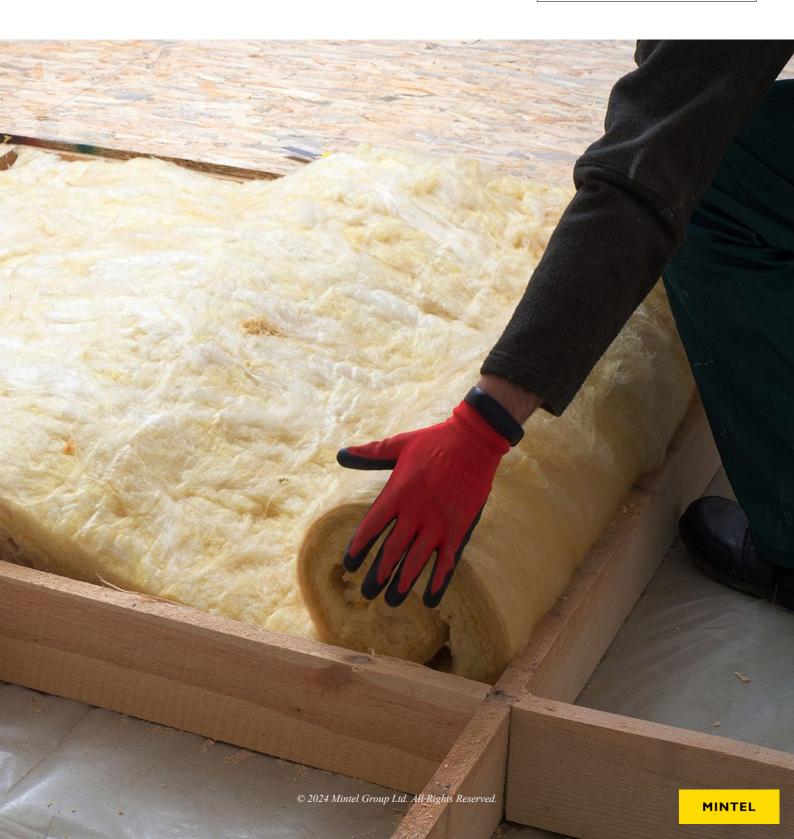
THERMAL INSULATION – UK – 2023

Despite current market challenges, the decarbonisation drive will support sustained growth in the thermal insulation market.



Claudia Preedy, Senior B2B Analyst





Thermal Insulation – UK – 2023

This report looks at the following areas:

- Analysis of the size of the market and forecast for the next five years
- How government policies and initiatives are shaping demand for thermal insulation
- How the sustainability drive is shaping innovation and product development
- Current insulation levels of UK housing stock and remaining potential
- Key market drivers in the new build and retro-fit sectors

Overview

The recent buoyancy in thermal insulation demand in the private housing RMI sector is now strongly challenged by the fuel cost inflation pressure. However, soaring energy costs also provide a positive impetus for thermal insulation demand, especially more affordable measures, as homeowners look for ways to reduce their heating costs.

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Despite current market challenges, the decarbonisation drive will support sustained growth in the thermal insulation market.

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Report Content

Key issues covered in this Report

Overview

EXECUTIVE SUMMARY

Opportunities for the thermal insulation market

- Future Homes Standard to boost demand for building thermal insulation
- Well-insulated homes increase heat pump efficiency
- Decarbonisation drive requires significant scale-up of retrofit activity
- · Contractors can offer more personalised, multi-measure advice on home energy efficiency improvement

Market dynamics and outlook

- The five-year outlook for thermal insulation
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MARKET DYNAMICS

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- Mineral wool commands largest share of industrial thermal insulation market
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- · Long-term government support and incentives required

Market trends

- Sustainability drive
- Focus on Whole Life Carbon
- Efforts by manufacturers to reduce the carbon footprint of products
- Efforts by manufacturers to reduce the carbon footprint of products
- UK market for natural insulation materials still in its infancy
- Innovative, tech-based solutions enable more efficient and less disruptive insulation installation
- Q-Bot robotic underfloor insulation
- Increased focus on fire safety issues
- More customised advice on home energy efficiency

Supply sources

- UK production of thermal insulation materials
- Rock wool, slag wool and similar mineral wools show the strongest growth in UK output
- Rock wool, slag wool and similar mineral wools, as well as glass fibre dominate UK thermal insulation production
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- A diverse distribution network
- Rise in omnichannel services
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- Insulation specialists are main distribution channel for industrial thermal insulation

Macroeconomic factors

- Inflation expected to ease in 2023
- Interest rate increases hit mortgage-holders
- Rising interest rates are hitting the property market
- · High inflation and rising interest rates compound the impact of the slowing economic recovery
- Consumer spending power will be curbed
- Low unemployment is helping underpin consumers' financial wellbeing
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REGULATORY AND LEGISLATIVE ENVIRONMENT

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- Thermal insulation mainly affected by Part L of Building Regulations
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- Ban on combustible material on high-rise homes

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- Current insulation levels and remaining potential
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- 45 firms involved in the manufacture of glass fibres
- Contracting industry remains highly fragmented
- · Larger installers adopt a multi-measure approach
- Significant investment in jobs and skills required
- National Home Decarbonisation Group launched to help scale up retro-fit activity

Company profiles

- Encon Insulation
- Recent performance
- BEWI Insulation & Construction (formerly Jablite)
- Acquisional activity
- Recent performance
- Kingspan Insulation

- Innovation focus
- Response to issues arising from the UK's Grenfell Tower Inquiry
- Group strategy
- Recent performance
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APPENDIX

Report scope and definitions

- Market definition
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