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Igniting Growth: Organic Levers for UK Fire & Security Services

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The UK Fire & Security sector has been a hotspot of interest and investment activity in recent years, with investors drawn to the regulatory underpin and recurring revenue model driven by mandatory inspections and insurance requirements.

In partnership with Fairgrove, a UK-based strategy and M&A consulting firm, we discuss the organic levers igniting growth in the UK Fire & Security Services sector. This article incorporates findings from the recent survey of CEOs in the sector conducted by DC Advisory and Fairgrove – more information can be found in our disclaimer.

Market context

Investors are drawn to the regulated[1] nature of Fire Safety services that drives mandatory repeating inspection, testing, and maintenance cycles, and the insurance-driven requirements of Security services – both of which support recurring revenue and sticky, multi-year customer relationships. Further, planned preventative maintenance (PPM) – for Fire services in particular – tends to drive a high rate of remedial activity, supporting typically higher margins than other compliance-led technical building services.

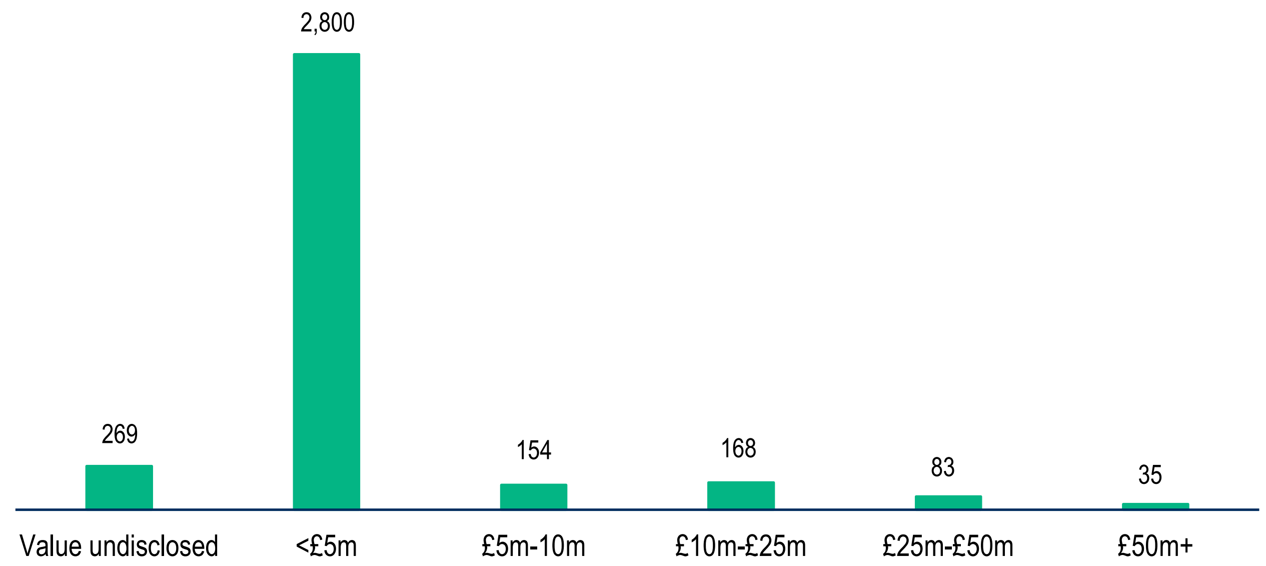
Fairgrove has identified over 3,000 UK-based businesses that are members of one or more of the leading trade associations, professional bodies and third-party certification schemes: BAFE, BAFSA, FIRAS, FIA, IFE, and the LPCB Red Book (Fire), and NSI and SSAIB (Security), after stripping out non-relevant businesses that hold these memberships and accreditations[2]. The sector clearly remains a significantly fragmented and local market.

In such a market, buy-and-build has often proven the fastest route to scale – providing a one-stop-shop service offering, compressing time to national coverage, accessing multi-site accounts, unlocking synergies (route density, shared overhead, procurement leverage, platform-wide certifications and systems) and realizing multiple arbitrage on exit. However, the buy-and-build approach is not without risks – namely a coherent strategic rationale to each acquisition, integration, and synergy actualization.

Alongside any buy-and-build strategy, organic growth remains a core constituent of ongoing investment into the sector. Organic growth reflects not only the underlying health of the business and a means of risk mitigation, but also acts as a flywheel wherein incremental organic EBITDA can be leveraged to fund further bolt-on activity. If organic growth is low, M&A funding requires investors to inject additional equity, hurting returns.

Figure 1

UK Fire & Security Services Company Counts by Revenue Band



Source: Fairgrove analysis of Fire and Security Services companies according to BAFE, BAFSA, FIRAS, FIA, IFE, LPCB Red Book (Fire), NSI and SSAIB (Security) membership databases. The categorization of included companies includes broader facilities management suppliers and MEP contractors with a fire and security offering. Revenue bands as matched to statutory accounts based on publicly available information from the aforementioned membership databases. Our findings are not dispositive, and others may arrive at different results.

Market growth

As a mature market, growth has been relatively strong over the last 4 to 5 years[3]. Initially, post-pandemic supply chain disruption drove significant price inflation in the sector[4]. This, combined with a volume 'catch-up' effect from maintenance and remedial works that were put on hold during the pandemic, led us to observe the market growing briefly at low double-digit rates.

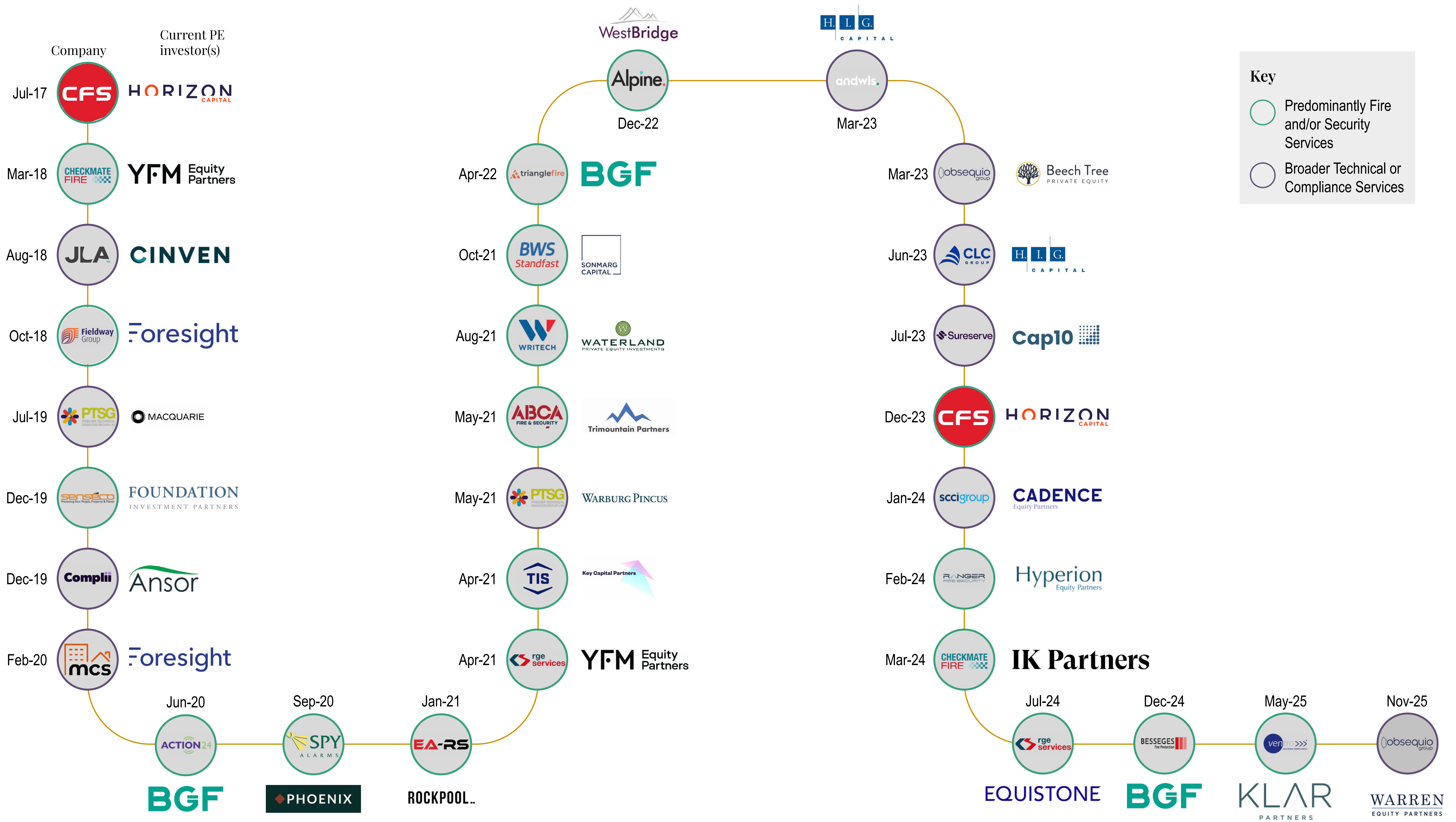
Subsequent growth has been more structural: the wave of legislation and regulation put in place following the Grenfell Tower fire – including the Fire Safety Act (2021)[5]; Fire Safety (England) Regulations (2022)[6], Building Safety Act (2022)[7], introduction of a new regulator[8]; and accompanying refreshes to statutory and industry guidance – have led to a range of new compliance requirements driving major remediation projects and greater repair and maintenance activity. In our view, providers of passive fire maintenance and fire risk assessment offerings have seen especially strong growth, due in part to market creation from the above legislation (e.g. mandated quarterly testing of fire doors in common areas, or fire risk appraisal of external walls).

While the housing sector has been particularly buoyant for fire safety providers, the Building Safety Act has helped to elevate building compliance standards to a board-level responsibility, irrespective of sector. Where responsibility for fire safety previously used to fall to mid-level managers in procurement or site teams, it now lies much higher up in organizations. Compliance levels have risen overall, further driving the growth of the Fire & Security sector, which we anticipate to continue to grow at 6% to 7% per year to 2030[9] – above mere price-inflation market growth that is typical for mature markets.

While this structural uplift is a welcome tailwind, we see investors looking for leading platforms capable of compounding growth well above market averages, delivering organic growth through commercial and operational excellence, not just regulatory momentum. Moreover, it is important to consider that regulatory-driven demand may moderate over time as new compliance levels become the norm. It is therefore vital that management teams are equipped with a proactive, repeatable approach to organic growth that goes beyond relying on tightening regulations.

Figure 2

Timeline of UK Fire & Security Services Private Equity Platform Investments (2017–2025)**



Source: Mergermarket: Transactions announced in the Fire and Security Services subsector in the UK between 01/01/2017 and 31/12/2025. Classifications of subsector are the views of Fairgrove Partners and DC Advisory. Please note that others may differ in how to categorize the subsectors we reviewed, how to define those categories, and the methodologies that we employed to analyze them; accordingly, our findings are not dispositive, and others may arrive at different results.

***Full timeline transaction details can be found in the Appendix*

A practical framework for organic growth

Both DC Advisory and Fairgrove have worked extensively in the UK (and wider European) Fire & Security sector. Our findings in this publication draw on our experience advising on a range of Fire & Security transactions as well as growth strategy support for PE-backed businesses. This has been complemented by a series of recent interviews with CEOs of PE-backed UK Fire & Security companies, many of whom are leading their organizations to double-digit year-on-year organic growth[10]. Thank you to all who shared their insights and joined us at our Fire & Security Dinner in late 2025.

What follows is DC Advisory and Fairgrove's field-tested* framework for organic growth, distilled into four key pillars:

- Commercial engine
- Commercial discipline
- People model
- Operational leverage and productivity

Commercial engine

Cross-sell within Fire and into adjacent areas

Cross-selling is a much-touted, but often context-specific, lever for organic growth in Fire & Security. Its potential varies significantly depending on the provider's service mix, customer type, and market positioning. For example, organizations serving large commercial portfolios or critical national infrastructure may find that large national or international security specialists are already managed in-house or outsourced to national providers, limiting the opportunity for fire-to-security cross-sell. In contrast, businesses in sectors such as housing and education (provided they have a position on the relevant frameworks and dynamic purchasing systems) and multi-site commercial clients may offer more scope and opportunity to broaden service provision across Fire & Security Services. Rather than adopting a rigid formula, successful providers tailor their cross-sell approach to client needs, focusing on where additional services genuinely enhance value and compliance coverage. Providers also need to approach cross-sell with a realistic appreciation of their delivery capabilities. Acquisitions can add new service lines, but if those capabilities sit in specific regions, the technical expertise does not automatically translate into national coverage. Scaling cross-sell beyond the acquired footprint typically requires recruiting and training engineers in other geographies, and taking a measured rollout before promoting the offer across the wider customer base.

The most consistent enabler of cross-sell is culture, starting with the senior leadership team. When management proactively dismantles internal silos and encourages collaboration between service groups, cross-sell becomes easier to embed. Engineers tend to be specialized, particularly on complex or regulated sites, so collaboration often depends on account-level coordination. Some providers choose to incentivize engineers through cross-sell-related bonuses, while others prefer to keep engineer focus entirely on technical delivery. In many cases, the most effective route to cross-sell is simply delivering excellent service. When clients are confident in performance, they are more open to extending scope. Successful examples we encountered[11] have often originated from fire detection and then expanded into sprinklers, suppression, and passive fire maintenance. In these scenarios, the operational overlap supports a logical and value-adding service extension.

Up-sell

Compared to cross-sell, up-sell (remedials and lifecycle upgrades) is typically regarded as 'lower-hanging fruit'. In practice, it comes down to ensuring every engineer's recommendation is converted into a quote and actively followed up. Management teams often set portfolio-level up-sell targets, commonly framed as a ratio of callouts, remedials, and small works per service activity. Depending on sector and how the target is defined, ratios often range from around £1 to £3 for every £1 of PPM[12]. Ultimately, these ratios should be interpreted in the context of the customer's estate and its lifecycle: if assets have been maintained well over time and the site reaches a steady state with lower remedial works (i.e. lower up-sell activity), this can be a positive outcome, reflecting a profitable contract and a satisfied customer.

New wins and sales optimization

In Fire & Security, sales optimization is less about volume selling and more about building long-term customer relationships to generate repeatable, sticky revenue.

In the private sector, new customer wins can be very challenging, as service contracts are often sticky and so the request for a new provider is generally only triggered when performance fails. Increasingly professional procurement by corporates can also drive a very high cost of customer acquisition. Word of mouth driven by consistently high service quality therefore remains a meaningful source of leads, particularly in local and regional markets.

In the public sector, maximizing framework coverage is critical to ensure there is always a compliant procurement pathway to win work, rather than waiting for sporadic open tenders. Bid capability is equally important: high-performing organizations run dedicated bid functions supported by a bid library that is maintained at customer, sector, and regional level, improving speed, consistency, and win rates. AI can assist with first-draft responses and tailoring but should always be quality controlled with judgment overlaid on competitive dynamics, pricing strategy, and strategic fit. Alongside this, core marketing activities, such as exhibitions and webinars, can help fire and security businesses to sustain their visibility in the market.

Some providers try to win long-term service work by first taking on the initial installation job, but that strategy comes with degree of risk. Installation projects usually carry thinner margins and can quickly turn unprofitable if anything slips. And while big installation contracts might make a business look larger on paper, they don't necessarily convert into steady, recurring maintenance revenue. That means companies weighted more heavily toward installation often don't have the same earnings quality or visibility as those with a stronger mix of service and maintenance work. In the case of installation-focused businesses, it is imperative to have the appropriate variation clauses inserted into any project contracts.

Commercial discipline

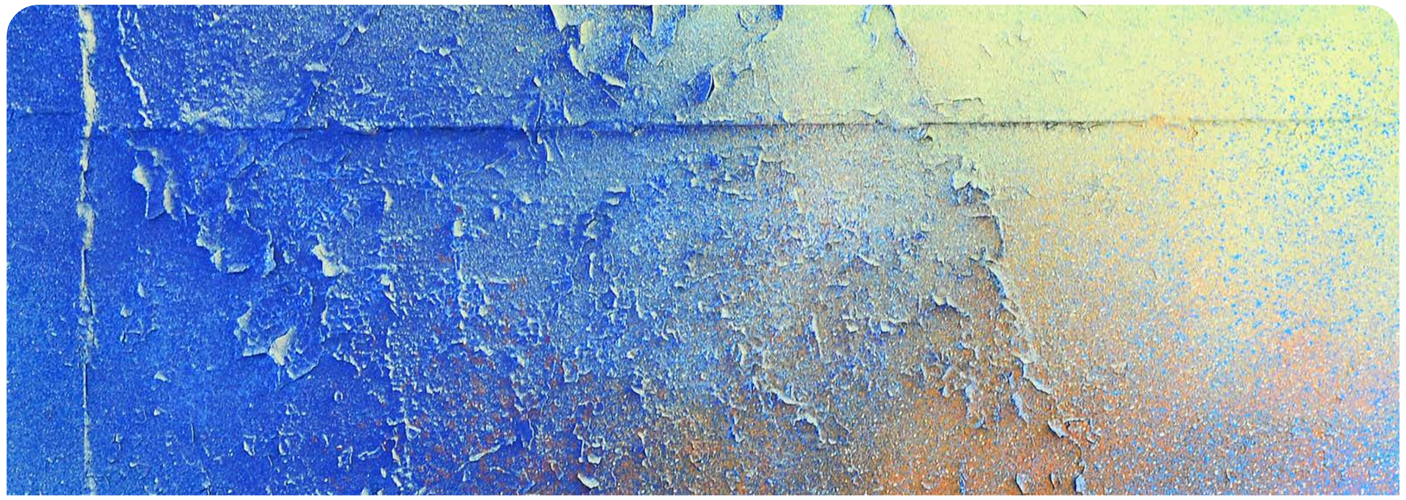
Pricing

While Fire Safety services typically account for a small proportion of a property's overall operating budget, pricing remains a key purchase criterion in a highly competitive industry. As a result, pricing is not always a significant lever for organic growth, but it plays a crucial role in protecting margins and ensuring operational cost inflation is passed through effectively. Multi-year agreements, as opposed to typically shorter-term contracts when subcontracting to a broader facilities management (FM) provider, are a key structural feature of the industry and a source of investor confidence in guaranteeing recurring revenue. CPI-linked uplifts can be built into contract anniversaries – an especially important pricing contingency to consider given ongoing stubborn inflationary pressure in the UK[13] – but there is often a trade-off between locking in long-term revenue visibility and negotiating inflation protection. At the point of renewal, simply retaining a contract at sustainable terms can sometimes be viewed as a win

Beyond headline pricing, commercial discipline is critical to maintaining healthy margins. Labor and parts rate cards are frequently tailored or discounted by the customer, and actively managing this discounting to ensure consistent gross margins across the base is an important lever to avoid silent margin erosion. Good practice contract management also plays a role: clear variation mechanisms, escalation paths, and annual review clauses can support commercial flexibility. Disciplined operators (and supportive PE sponsors) are willing to walk away from structurally unprofitable work, resisting the temptation to chase top-line growth at the expense of contribution.

Churn reduction

Customer churn is unavoidable even in a relatively sticky market. Providers still typically see gross churn of around 5% to 8%[14], with the higher end mostly seen in recently acquired entities. A portion of this is structurally inevitable, for example where an FM customer loses the underlying end-customer contract and so the service provider is displaced regardless of performance. The most effective mitigants to lessen this are consistently high service quality and increasing the number of services delivered per site, which both strengthens customer relationships and raises switching costs. First-time fix performance is particularly important: it minimizes disruption for customers and supports higher satisfaction scores, while also improving provider margins, as many contracts only allow charging for the initial call-out and repeat visits become a direct cost to the business.



People model

Recruiting and retaining engineering talent has become one of the defining challenges in the Fire Safety sector. The labor market is increasingly constrained, and providers often face a revolving door of fire technicians who move between firms for marginal gains, whether in salary, benefits, or even pay frequency (such as switching from monthly to weekly pay). Recruitment agencies can exacerbate churn rather than solving it; providers who rely on external recruiters can find themselves paying high fees for candidates who lack long-term commitment. In this context, competitive pay is just the start and recruitment must be viewed as a strategic, ongoing investment.

To expand the pool of available talent, many providers build structured entry routes into the industry. Apprenticeships remain a critical long-term solution, and there is a growing recognition of the value in hiring adult trainees, particularly from adjacent sectors such as mechanics, engineering, logistics, or the armed forces. These individuals often bring greater maturity, discipline, and productivity from day one, particularly when compared to younger school-leaver apprentices. The most effective programs are underpinned by in-house training academies, which ensure consistent standards and accelerate time-to-productivity. These academies can also be used as part of interview processes to test engineer skills before hiring.

Retaining skilled engineers is just as important as hiring them. High churn is not just a cultural issue, it is a material financial drag that can translate into foregone EBITDA for mid-sized providers through rework, retraining, and unfilled jobs. Solving it requires more than HR-led intervention; it demands strong leadership from operations leads who build team cohesion and drive accountability. A compelling employee value proposition is also essential. This can include core benefits like private medical insurance and death-in-service cover for mid-tier roles and above, alongside engagement mechanisms such as eNPS-based rewards and long-term incentive plans for high performers. In-house recruitment and referral schemes can outperform agency sourcing by a significant margin[15]. Some providers in the sector offer engineers referral bonuses of £1,000 to £3,000[16] for successful hires. Alignment of terms and conditions across acquired businesses is another important retention lever, ensuring fairness and consistency across the workforce.

Operational leverage & productivity

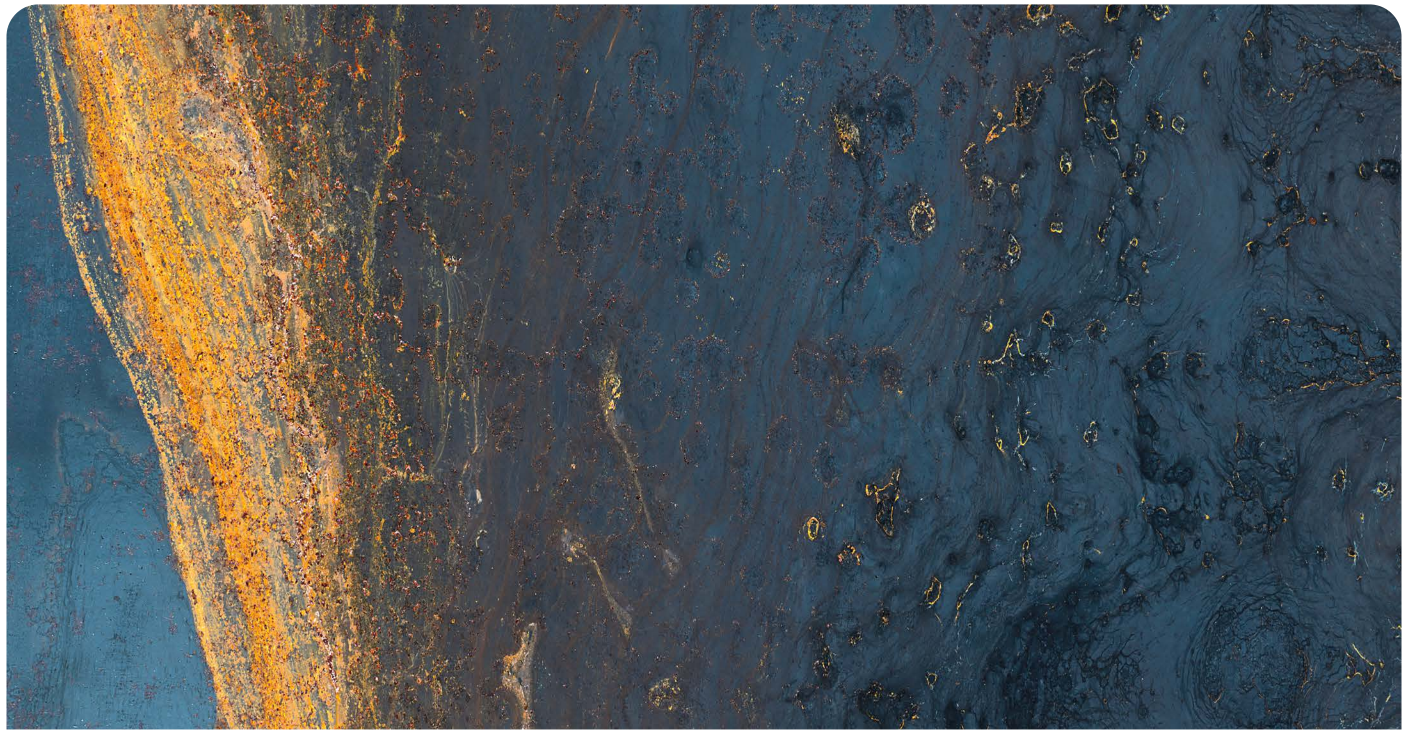
Technology and data

The sector remains relatively behind the curve on technology and automation at the device level, and a large proportion of the installed base still relies on basic fire detection systems. That said, we are seeing gradual adoption in self-testing and more automated equipment in higher-spec new builds and through lifecycle upgrades, which may reduce traditional maintenance revenues over time. Leading providers are leaning into this change, accepting some revenue pressure in exchange for higher margins as engineers spend less time on routine testing and more time on higher-value work. Electronic security is further along this curve, with remote maintenance already more commonplace[17].

Field service technology is having a far more significant impact than device-level automation, and field service management (FSM) platforms are increasingly a cornerstone of operational efficiency. In a people- and travel-intensive model, margins are largely determined by travel time, technician utilization and first-time fix rates, so digitizing scheduling, workflows, parts management, and job reporting can drive rapid benefits. Tools such as simPRO (including recently acquired BigChange[18]) and Joblogic[19] are widely used for this purpose, alongside Fire & Security-focused vertical platforms such as Uptick[20]. Adoption of these tools typically improves overall visibility, dispatch efficiency, and job outcomes. Pulling that data into simple dashboards (for example via Power BI-style tools) helps management focus attention on the few operational metrics that most directly drive performance.

Operations and process discipline

Operational discipline is a key driver of top and bottom-line improvement in Fire & Security Services. Much of this depends on eliminating avoidable inefficiencies in the field to drive up the average number of jobs per engineer per day (and hence average revenue per engineer per day). Ensuring technicians have the right parts at the right time is essential to reduce nonproductive time, so, van stock needs to be optimized, and access to components, whether direct-to-engineer (e.g. to lockers or engineer homes) or via streamlined stores processes, should be efficiently structured.



First-time fix performance is especially critical. Most failures occur not because of technical difficulty but because technicians arrive onsite without the specific component required. In practice, this means spending time upfront to correctly diagnose which part needs replacement and dispatching a technician who has exactly what is needed, rather than relying on partially stocked vans that may or may not contain the right component. Better overall stock management within engineer vans is an important enabler of this.

Group level purchasing leverage is also an important bottom line organic growth driver for buy-and-build platforms. Standardization of parts and accompanying parts discounts and rebates, alongside group-wide van fleet deals, are two common synergy target areas. Providers that take full advantage of their scale in this way can reduce direct costs while improving consistency and reliability across their networks. Over time, the combination of smarter parts management, strong process discipline, and scale-driven procurement capabilities creates a positive cycle; fewer wasted miles, higher technician productivity, and ultimately a better customer experience.

Conclusion

The Fire & Security sector continues to see very high levels of investment relative to other Business Services sub-sectors, both in the UK and internationally, driven by the sector's regulatory underpin and continued buy-and-build potential in a fragmented market. However, investment focus and scrutiny is becoming increasingly focused on organic growth and other steady-state business fundamentals. The ability to identify, activate and enhance organic growth levers such as improved engineer recruitment and retention, a greater proportion of first-time fix rates, optimal route-based scheduling, cross-sell and up-sell, and better use of technology will differentiate sector participants between good businesses and great businesses.

About DC Advisory and Fairgrove

DC Advisory has advised corporates and financial sponsors on buy- and sell-side transactions across UK and European Fire & Security platforms, including national and international consolidators.

Fairgrove has supported sponsors and management teams across the Fire and Security value chain – M&A search-and-screen, commercial due diligence and growth strategy – spanning active fire, passive fire, and electronic security services.

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Appendix

Timeline of UK Fire & Security Services Private Equity Platform Investments (2017–2025)**

#	Logo	Company name	Description	Current PE investor(s)	Investment date
1		Churches	Active fire safety and electronic security	HORIZON CAPITAL	Jul-17
2		Checkmate Fire	Passive fire protection	YFM Equity Partners	Mar-18
3		JLA	FM provider with a core focus in laundry solutions but a growing fire safety offering	CINVEN	Aug-18
4		Fieldway	Active fire safety and electrical services	Foresight	Oct-18
5		PTSG	Construction and FM services, with a large fire solutions division formed through the acquisition of Trinity Fire in 2019	MACQUARIE	Jul-19
6		Senseco	Fire safety and electronic security	FOUNDATION INVESTMENT PARTNERS	Dec-19
7		Complii	Fire safety, water hygiene and electrical testing	Ansor	Dec-19
8		McIntyre Compliance Services	Electrical and fire safety testing	Foresight	Feb-20
9		Action24	Monitored intruder alarms, CCTV and access control	BGF	Jun-20
10		Spy Alarms	Electronic security and fire services	PHOENIX	Sep-20
11		EA-RS	Active fire safety and electronic security	ROCKPOOL	Jan-21
12		RGE Services	Electrical and fire safety compliance	YFM Equity Partners	Apr-21
13		TIS	Active fire safety and electronic security	Key Capital Partners	Apr-21
14		PTSG	Construction and FM services, with a large fire solutions division formed through the acquisition of Trinity Fire in 2019	Warburg Pincus	May-21
15		ABCA	Active fire safety and electronic security	Trimountain Partners	May-21
16		Writech	Fire systems protection specialist	WATERLAND PRIVATE EQUITY INVESTMENTS	Aug-21
17		BWS Security	Active fire safety and electronic security	SONMARG CAPITAL	Oct-21
18		Triangle Fire	Sprinkler specialist	BGF	Apr-22
19		Alpine Fire	Sprinkler/suppression specialist	WestBridge	Dec-22
20		Andwis Group	Platform of technical services providers, formed through the combination of Synecore, Meesons, CPS, and Classic Lifts	HIG CAPITAL	Mar-23
21		Obsequio	Compliance and safety solutions provider	Beech Tree Private Equity	Mar-23
22		CLC Group (followed by Axis)	Property and asset refurbishment provider with a large fire offering	HIG CAPITAL	Jun-23
23		Sureserve	Fibre network, fire and life safety services	Cap10	Jul-23
24		Churches	Active fire safety and electronic security	HORIZON CAPITAL	Dec-23
25		SCCI Group	Fibre network, fire and life safety services	CADENCE	Jan-24
26		Ranger Fire & Security	Full-service fire safety provider	Hyperion Equity Partners	Feb-24
27		Checkmate Fire	Passive fire protection	IK Partners	Mar-24
28		RGE Services	Electrical and fire safety compliance	EQUISTONE	Jul-24
29		Besseges	Active fire protection and FM business with a sprinkler specialism	BGF	Dec-24
30		Obsequio	Passive fire and broader building safety services provider	KLAR PARTNERS	May-25
31		Ventro	Compliance and safety solutions provider	WARREN EQUITY PARTNERS	Nov-25

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DC Advisory and Fairgrove Partners' January 2026 CEO interview series*

DC Advisory and Fairgrove Partners conducted a series of interviews with CEOs of PE-backed UK fire and security companies, following a hosted Fire & Security Dinner in late 2025. The interviews took place from October 2025 – January 2026.

Any data sourced from this interview series is limited to the data provided by the participants and is not meant to constitute definitive market data. We approached CEOs for this survey who we believe are most active in the market and with whom DC Advisory and Fairgrove Partners interact the most. Accordingly, these participants do not constitute an exhaustive list of CEOs or companies who may have been active in this area during the period addressed by the survey.

Details of the CEOs and their companies have been anonymized, with insights generalized to reflect survey responses from participating companies.

Informational purposes only

Predicting future activity is an art and not a science and this analysis is not scientific. It is informed judgement – much like the best M&A advice.

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