



LEADING THE UK EWI INDUSTRY

EWI Industry Report 2025

Annual INCA UK EWI Industry Report 2025:

Detailing the size and split of the external wall insulation (EWI) industry in the UK.



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Size of the UK external wall insulation market revealed in new industry report

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INCA, the recognised trade association for the external wall insulation (EWI) industry in the UK, have published findings of their industry survey which reveals the size and split of the market for the calendar year 2025.

Key Findings:

- 3.9 million square metres of EWI was installed onto buildings across the UK in 2025 – down from 4.4 million square metres in 2024
- 67% of this went into the refurbishment of homes and buildings
- 23% into new build construction
- 10% into the cladding remediation market
- Mineral fibre insulation was, at 53%, the main insulant used with expanded polystyrene (EPS) making up 43% of the market (low rise only) and other insulants accounting for the remaining 4%
- Various types of specialist render proved by far the most popular finish and were incorporated within 77% of systems. Brick slips (and similar) decorative finishes accounted for the remaining 23%

The EWI Market In 2025:

External wall insulation systems are widely used throughout the UK construction industry both in the highly effective thermal upgrade of existing buildings (especially solid wall, hard to treat and non-traditional buildings) and as a method of constructing thermally efficient new buildings across all sectors of the market.

The industry commissioned survey was again undertaken by NEMS Market Research on behalf of INCA and targeted all main EWI system manufacturers with a near 100% participation rate reported. The survey followed the same format as that undertaken twelve months previously to ensure accurate comparison.

In 2025 the sector was affected by a number of market influencing factors – notably:

- Two significant mergers / acquisitions towards the end of 2024
- The unexpected demise of Sto Ltd in December 2024
- Ongoing Building Safety Regulator Gateway 2 delays
- Negative press surrounding Eco 4 EWI works and subsequent withdrawal of the scheme
- Delays in the publication of the Warm Homes Plan

Perhaps unexpectedly therefore the industry witnessed a decline across all sectors with overall numbers showing a drop from the 4.4 million square metres of EWI installed in 2024 to 3.9 million square metres in 2025.

Summary And Sectors:

Considering significant variations in the cost of the different systems and finishes along with the various types and thicknesses of insulation incorporated within these systems, the findings revealed a total of 3,885,600 square metres of EWI was installed in the UK during 2025 on projects across all sectors of the market. This represents a decline of 11.5% from the 4,396,661 square metres reported in 2024.

Retrofit:

The refurbishment (retrofit) sector (predominantly supported by government funding measures) accounted for 2,583,210 square meters (66.5%) of this total – a decline of 11% when compared to the 2,912,216 square metres that was reported in 2024. The forecast sector growth for 2025 didn't materialise with negative news stories, reported EWI failures under Government's flagship ECO scheme, a switch away from a fabric first approach to retrofit in favour of clean heat and renewable energy and uncertainty about future direction in respect of funding streams and measures being cited as the causes.

Outlook for the retrofit sector remains uncertain as we move into and through 2026.

New Build:

New build construction totalled 895,480 square metres (23%) of the total. This was down by 5.5% from the 947,402 square metres reported in 2024. Building Safety Regulator (BSR) compliance (high rise) was reported as the main challenge in 2025 and the reason for the slight decline. A situation which is predicted to cause further delays in H1 2026.

Outlook for the new build sector remains positive with growth predicted as we go through 2026 but this is subject to the BSR approval process gaining momentum.

Cladding Remediation:

The cladding remediation sector accounted for the balance of 406,910 square metres (10.5%) a significant decline of nearly 25% from the 537,042 square metres reported last year. Being focussed on high rise buildings this sector was significantly impacted by BSR compliance gateway delays.

The cladding remediation sector was highlighted as one of the main areas of opportunity for 2026 but, in reverse, it was also singled out as the main areas of challenge with continued BSR gateway delays reported as the main area of concern.

Summary By Insulant:

Unsurprisingly mineral fibre further cemented its position as the number one choice of insulant in 2025. Regulations mandate its use on high rise buildings and in the installation of fire breaks / fire barriers. Some 2,068,120 square metres was installed in 2025 representing 53.2% of the EWI market – a percentage that would have been significantly higher had the remediation sector (all mineral fibre) not been impacted by such a decline.

EPS sales remained strong however and proved a popular choice of insulant for low rise being the insulant of choice in 43.4% of all system installs in 2025 and accounting for 1,686,336 square metres.

The split is predicted to widen further in 2026 with mineral fibre becoming the sole specified insulant of certain key industry players and as BSR delayed high rise works (mandating the use of mineral fibre) start to filter through – particularly across the new build and cladding remediation sectors.

Other insulations (extruded polystyrene, PIR, wood fibre, cork etc) lost share marginally and accounted for the remaining 131,144 square metres, 3.4% of the over-all market.

Summary By Finish:

Specialist renders remain the main decorative finish of choice, being incorporated within 77.1% of systems and representing a total of 2,995,010 square metres in 2025. These come in a wide variety of different materials, thicknesses, colours and textures and the number includes those which incorporate an additional dash aggregate within the overall finish and those projects where render is used to create the effect of stone / brickwork.

Brick slips (clay or lightweight brick effect systems), stonework and tiles accounted for the remaining 22.9% of the market – some 890,590 square metres.

Comments:

John Sparrow, Chief Executive Officer at INCA said:

“The reported numbers reflect the challenging times the EWI industry is facing right now with all sectors of the market being affected by several key factors including Gateway 2 delays in approvals for Higher Risk Buildings (HRBs), the reported external wall insulation failures under ECO and GBIS schemes, a shift in Government focus away from insulation in favour of clean heat and renewable energy and the uncertainty of future funding streams.

We expect that BSR reforms will begin to make a positive impact and the substantial backlog of approvals start to improve as we move through the latter part of 2026 thus particularly benefitting the cladding remediation and new build sectors.

When it comes to the reported EWI failures under ECO and GBIS, INCA continue to push for the data behind the figures to enable the industry to respond appropriately but, at the same time, it is important to note that the failures are NOT because EWI doesn't work but are a result of a failure in the design and delivery mechanism.

Latest data from DESNZ show there are 7.6 million uninsulated solid wall homes and their recent Demonstration of Energy Efficiency Potential (DEEP) research project concluded that "Solid Wall Insulation is therefore the most impactful measure and saves more energy than all other measures combined" which is why INCA continue to work with all parties and push hard to ensure that insulating UK homes remains high on the agenda and insulating the fabric of a building is prioritised over or alongside other energy efficiency measures.

We would like to thank the INCA system designer membership and close industry partners for their input, support and contribution to the report again this year."

ENDS

For more information contact John Sparrow, Chief Executive Officer for INCA at: john@inca-ltd.org.uk

- **INCA Website:** <https://www.inca-ltd.org.uk/>
- **INCA Media Centre:** <https://www.inca-ltd.org.uk/about-inca/inca-media-centre/>

Notes to Editor

About INCA

- INCA is the recognised trade association for the External Wall Insulation (EWI) industry representing system designers, specialist installers and key component suppliers
- INCA has proven longevity as a trade body dating back 40 years. Current membership is 88, please refer to the INCA website for a current breakdown of our membership types: contractors, manufacturers, and associates
- INCA's vision: The delivery of growth in sustainable fabric performance solutions as the primary focus in combating fuel poverty and protecting the environment
- INCA's mission: To represent and support members of the External Wall Insulation industry through technical excellence, education, effective collaboration, strong communications, and member benefits