

Manned Security: Inc Impact of COVID-19 - UK - November 2020

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"Manned security services' essential role in protecting businesses from crime has helped reduce the impact of COVID-19 on market value. However, the pandemic's effect on businesses nonetheless poses a significant barrier to growth, particularly in the cash-in-transit segment."
- Francesco Salau, B2B Analyst, 27 November 2020

This report looks at the following areas:

- The impact of COVID-19 on the manned security market
- Trends in cash usage and what it means for the future of the cash-in-transit segment
- Developments in the UK prison system and what it means for the custodial services segment
- How the emergence of digitally-integrated security systems will shape the sector's future
- Changes in industry structure and their drivers
- Company activity and responses to COVID-19

With 41% of respondents to Mintel's COVID-19 Tracker stating that they were avoiding the use of cash where possible as of mid-November 2020, we expect an acceleration in the declining usage of cash for as long as COVID-19 remains a public concern.

COVID-19 has caused immense disruption to the economy. For the manned security market this impact has been indirect and felt through its effects on other businesses, such as in the retail and leisure sectors that manned security operators serve.

The financial pressures induced by the pandemic will draw clients' focus towards cost, and favour the implementation and integration of digital security system devices to enhance value without introducing significant costs through additional personnel.

With further increases to the minimum wage expected, labour costs (particularly in the cash-in-transit segment) will be a serious drag on the sector's profitability. This will incentivise investment in technological solutions, such as smart safes, that enable more efficient monitoring to accurately determine the number of collections required, and therefore reduce labour costs.

The implementation of similar security devices in tandem with manned guarding activities will also offer opportunities to reduce the impact of labour costs by enhancing the capability of existing personnel. The digital integration of security devices, meanwhile, promises reductions in maintenance costs over the long term, while offering enhanced capabilities such as AI and data analytics.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Table of Contents

Overview

Key issues covered in this Report

COVID-19: Market context

Covered in this Report

Executive Summary

Impact of COVID-19 on manned security

Figure 1: Short-, medium- and long-term impact of COVID-19 on the manned security market, 27 November 2020

The market

Market size and forecast

Figure 2: Manned security market size and forecast, 2015-25, (£ million)

Market segmentation

Figure 3: UK manned security market segmentation, 2016-20, (£ million)

Companies and brands

Issues and Insights

Growing digitisation of cash-in-transit to be amplified by COVID-19

Security system integration will improve the sector's perceived value while reducing operating costs

The Market – Key Takeaways

COVID-19 disruptions drag the manned security market's value below 2016 levels

Cash-in-transit segment hit hardest as store closures compound past trends

Relaxation of COVID-19 restrictions and renewed investment in custodial services to support future manned security activity

Consumer reluctance and store closures accelerate the declining relevance of cash

Digital integration will be instrumental to the manned security market's future appeal

Market Size

Indirect effects of lockdown and reduced economic activity drives market size reversal

Figure 4: Short-, medium- and long-term impact of COVID-19 on the manned security market, 27 November 2020

Figure 5: UK manned security market size, 2016-20, (£ million) [26 November 2020]

Market Segmentation

Custodial services overtake cash-in-transit as consumers eschew cash in 2020

Figure 6: UK manned security market segmentation, 2016-20, (£ million)

Manned guarding

Cash-in-transit

Market Forecast

Return of economic activity and COVID-19 management to support future growth

Figure 7: UK manned security market forecast, 2020-25, (£ million)

Figure 8: UK manned security market forecast by segment, 2020-25, (£ million)

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Market Trends

Card is king as cash payments continue to trend downwards

COVID-19 and cash usage

Figure 9: Volume of cash withdrawn and average withdrawal value, Q1 2017-Q2 2020, (left axis: £ million, right axis: £)

Growth of contactless payment

The data revolution is shaping the future of manned security

Impact of digital transformation security is acknowledged but cost and maturity are still key hurdles for operators to tackle

Developments in security technology

Market Drivers

Suppressed high-street activity induced by COVID-19 shrinks growth opportunities

Figure 10: Average actual weekly hours of work for full-time workers (seasonally adjusted), 2018-20, (hours worked)

Impact of COVID-19 on retail and leisure industries will pass-through to the manned security market

Figure 11: Business trading status by industry, 1 October – 19 November 2020, (% of businesses)

Figure 12: Implemented changes to operating hours due to local or national lockdowns by industry, 1 October – 19 November 2020, (% of businesses that have not permanently ceased trading)

COVID-19 and ATM closures are accelerating a technology-led restructuring of the cash-in-transit market

Figure 13: Monthly number of transactions at LINK ATMs, 2017-20, (number of transactions)

Figure 14: Number of LINK ATMs, 2010-H1 2020, (number of LINK ATMs)

Flurry of investment driven by overcrowding will sustain custodial service market growth

Figure 15: UK prison population projections, 2019-23, (total prison population)

Improving prison service quality and addressing COVID-19 will introduce costs for operators

Figure 16: Annual number of assaults in prison in England and Wales, 2010-20, (assaults per 1,000 prisoners)

Companies and Brands – Key Takeaways

Divergence in growth between activities highlights digitisation as the driver of future growth

COVID-19 pressure on cash-in-transit leads to redundancies

Industry Structure

Changes in industry structure

Figure 17: Analysis of changes in 'private security' activities, 2016-20, (number of outlets and businesses)

Figure 18: Analysis of changes in 'security system service' activities, 2016-20, (number of outlets and businesses)

Structure by employment

Figure 19: Analysis of the employment structure of 'private security' activities, 2019-20, (number of outlets)

Figure 20: Analysis of the employment structure of 'security system service' activities, 2019-20

Structure by turnover

Figure 21: Analysis of the financial structure of 'private security' activities, 2019-20, (number of businesses)

Figure 22: Analysis of the financial structure of 'security system service' activities, 2019-20, (number of businesses)

Company Profiles

GEOAmey PECS

Recent company activity

Financial information

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Figure 23: Financial analysis of GEOAmev PECS, 2014-18

G4S Cash Solutions (UK)

Recent company activity

Financial information

Figure 24: Financial analysis of G4S Cash Solutions (UK), 2015-19

Loomis UK

Recent company activity

Financial information

Figure 25: Financial analysis of Loomis UK, 2014-18

Mitie

Recent company activity

Financial information

Figure 26: Financial analysis of Mitie Group (Security division)*, 2016-20

Securitas Security Services UK

Recent company activity

Financial information

Figure 27: Financial analysis of Securitas Security Services UK, 2015-19

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Further Sources and Contacts

Association of Security Consultants

British Security Industry Association

Skills for Security

International Professional Security Association

Security Industry Authority

FM World

Intersec

Professional Security

IFSEC International

Intersec Expo

International Security Expo 2021

International Security Week

Security and Policing 2021

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