

Ibstock ramps up brick production as UK building market recovers

Brick producer Ibstock has resumed operations at several of its factories, offering a much-needed boost to the UK's building materials supply.

The move is a strategic gamble on the recovery of the construction market, with the Leicestershire group saying the increased production capacity means it is "well placed to benefit from the recovery as it gathers pace."

Ibstock, which commands a 40% stake in the UK brick market, had previously shut down its Lancashire factory in 2023 and its Surrey factory in 2024 due to a slump in the lucrative new-build sector, as reported by [City AM](#).

The firm's CEO has previously cautioned that the UK could face a deficit of 500 million bricks if it aims to meet its target of constructing 300,000 homes annually.

One of the key challenges is that the UK hasn't built 300,000 homes in a year since 1970 and lacks the necessary infrastructure to do so. Last year, it managed to build just over 100,000 homes

Currently, the UK has the capacity to produce approximately 2.2 billion bricks per year, a significant drop from the 7.8 billion in 1970.

Several builders, including L&G and Tophat, have shuttered their factories even in the past two years, responding to a sluggish construction market.

Increasing supply isn't as straightforward as reducing it, as constructing a new brick factory takes at least 18 months.

Escalating production levels pose a challenge, but the real problem lies with spiking costs. A surge in demand and manufacturing expenses coupled with logistical woes have driven up brick prices over the last half-decade. Brickmakers feel “unable” to fully pass these increases onto construction firms.

Affordable housing developers, already contending with extremely tight, sometimes negative, margins, are particularly affected by this issue. Ibstock’s share price fell by 15% this morning amid concerns about costs, as analysts at Peel Hunt cited a “lack of cost recoveries from higher pricing”.

Despite these hurdles, Ibstock CEO Joe Hudson remains positive about the sector’s prospects. He said: “Despite ongoing uncertainty, we are encouraged by signs of recovery in the UK housing market. As such, we remain committed to taking steps to ensure we are well placed to support customers and benefit from the recovery as it gathers pace. Notwithstanding the margin headwinds encountered in 2025, we remain confident that our recent actions alongside our strategic investments leave us well positioned as activity levels continue to pick up.”