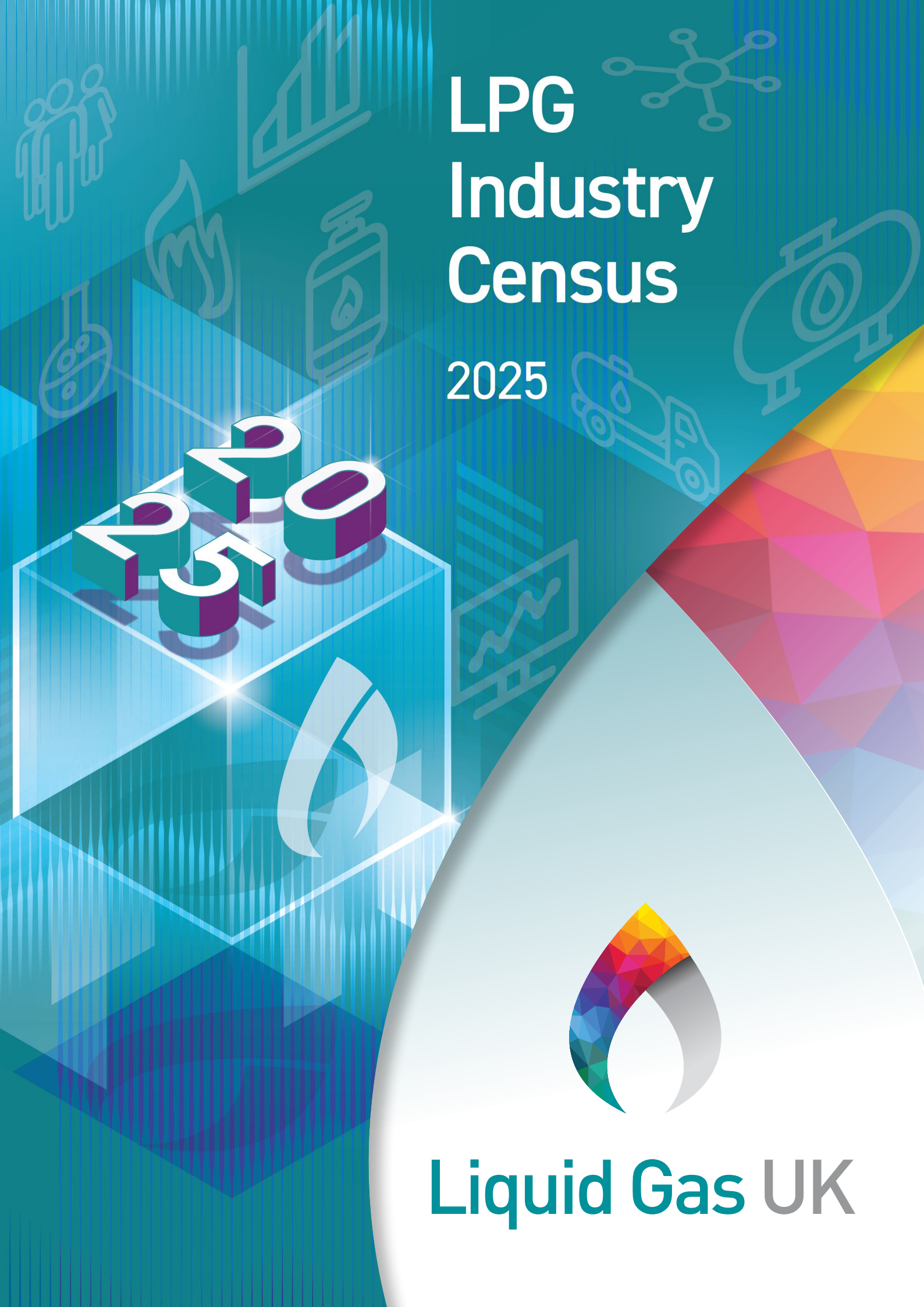
LPG Industry Census

2025



Liquid Gas UK

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Foreword ›

The 2025 Liquid Gas UK Industry Census presents a comprehensive overview of the liquefied petroleum gas (LPG) and renewable liquid gases sector, highlighting both its resilience and its determination to support the UK's decarbonisation journey.

Our industry is pressing forward with a commitment to a renewable future despite an uncertain political landscape. Our contribution includes significant investment, a rising supply of renewable gases and a growing, more diverse workforce.

Headline findings show nearly £415 million in planned UK investment for LPG and renewable liquid gases (RLG's) from 2025-2030, building on the £600 million already committed since 2020 to bring total anticipated investment this decade to over £1 billion.

Appetite for growth and expansion remains strong and the industry is looking ahead with a renewable-ready mindset. In addition to the £260 million already invested in producing and acquiring renewable liquid gases, approximately £75 million is proposed for the next 12 months. This demonstrates a clear commitment to low-carbon solutions and reinforcing the sector's crucial role in the UK's future energy mix.

We've seen solid increases in commercial, domestic and industrial sales and the supply of renewable liquid gases is accelerating, with nearly 25 million litres now reaching customers. This is set to rise to over 35 million litres in bulk supply and close to 1 million litres in cylinders within the coming year. By 2030, the rate for renewable liquid gas supply is forecast to rise to up to 170 million litres, which means over 17% of domestic and commercial supply will be renewable.

The workforce has grown by well over a third since 2020, with the sector now supporting more than 4,600 jobs, with significant increases in diversity across gender, ethnicity, age groups, and new entrants through apprenticeships and graduate schemes. ADR driver shortages, once a pressing challenge, have been addressed and nearly 200 additional drivers are planned to be recruited in the next 12 months, strengthening winter resilience.

However, the single greatest barrier to further investment and industry growth remains the lack of clarity from UK Government policy. Confidence in the sector is evident, but certainty is urgently required if the industry is to deliver on its full potential in the UK's energy transition.

George Webb

Liquid Gas UK, Chief Executive

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Industry snapshot ›

Snapshot of the future: LPG and renewable liquid gases (RLG's) in 2025 and beyond...

£1.5 billion
industry-wide global investment into LPG and renewable liquid gases planned over the next five years

£335 million
investment into LPG and renewable liquid gases planned over the next 12 months

£1 billion
forecast UK investment in LPG & renewable liquid gases this decade

£1.7 billion
industry turnover, up 70% since 2020

25 million litres
of renewable liquid gases currently supplied, rising to

35 million litres
in the next 12 months, approx

170 million litres
planned over the next 5 years

LPG emits **33% less** than coal and **15% less** than oil

£415 million
UK investment into LPG & RLGs planned up to 2030

Over 17%
of UK liquid gas supplied has the potential to be **renewable by 2030**

£80 million
total fleet value

As a 'Drop in solution' bioLPG offers up to **90%** carbon emissions reduction on LPG

More than **4,600**
jobs supported by the industry, up 34% since 2020

AWB

1/200

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Investment ›

£415 million

Planned in the UK for LPG and RLG's up to 2030

£1.5 billion

Global, industry-wide investment in LPG and RLG's over the next 5 years

Area of investment	Committed/ Invested £ million approximately in last 12 months	Proposed Investment £ million approximately in last 12 months	Total Approximate Investment £ million
Strategic storage	£ 30m	£ 19m	£ 49m
Fleets	£ 13m	£ 29m	£ 42m
Telemetry & smart meters	£ 3m	£ 1m	£ 4m
Social media & marketing	£ 3m	£ 3m	£ 6m
Research & development and new technologies	£ 4m	£ 2m	£ 6m
Workforce and customer service	£ 10m	£ 12m	£ 22m
Infrastructure and assets	£ 30m	£ 55m	£ 85m
Cylinders and tanks	£ 25m	£ 40m	£ 65m

The LPG and renewable liquid gas sector is continuing to invest heavily in its future despite short-term caution brought about by policy uncertainty.

Approximately £415 million is planned in the UK for LPG and renewable liquid gases up to 2030.

Of this, around £75 million is being invested in renewable liquid gases over the next 12 months alone, demonstrating the sector's resilience and commitment to decarbonisation.

Industry investment remains focused on infrastructure and assets, strategic storage, fleets, cylinders and tanks, all of which are critical for the long-term resilience of the UK's off-grid energy system.

These latest figures show growing confidence in renewable liquid gases as a core part of the nation's future energy mix. Industry has continued to invest strongly despite the absence of clear policy signals. However, businesses are clear that with the right policy framework in place, even greater levels of investment could be unlocked to accelerate the transition and maximise the benefits for consumers and the economy.

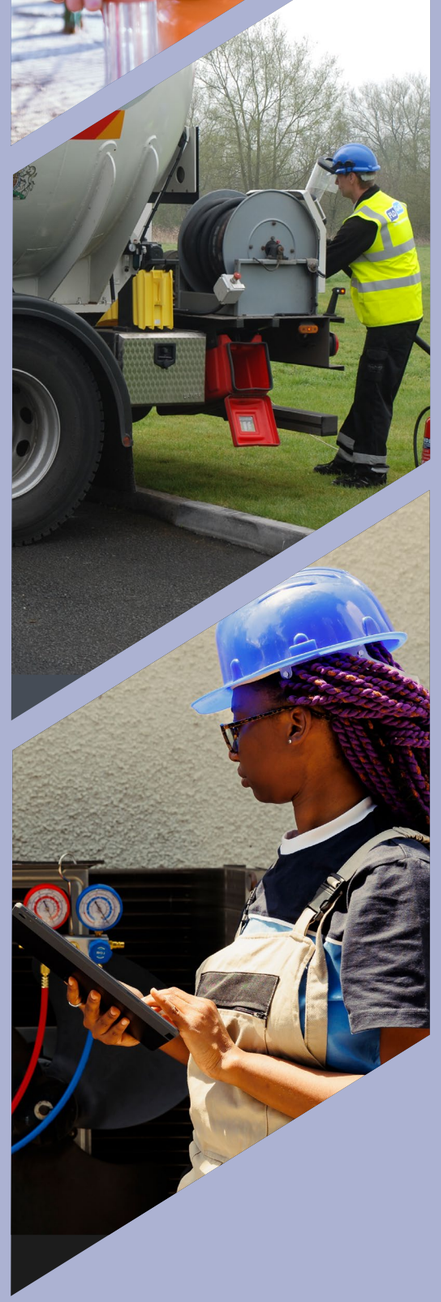
The global picture

In a broader context, global industry-wide investment in LPG and renewable liquid gases is set to reach £1.5 billion over the next five years, with over £335 million allocated for the next 12 months alone.

Nearly £45m earmarked for overseas investment – a missed UK opportunity

This year's Census shows that members intend to invest nearly £45 million into renewable liquid gases overseas, highlighting the risk of UK capital being channelled into more mature international markets. Countries such as the United States benefit from greater natural resources, larger-scale production, and a more established stream of bioLPG, much of it co-produced alongside industries like sustainable aviation fuel. With less policy pressure to decarbonise domestically, US producers often look outward, exporting renewable fuels to meet rising demand in places like the UK. By contrast, the UK has a well-developed LPG infrastructure but is less advanced in domestic renewable liquid gas production, leaving it more reliant on imports and policy-driven momentum to decarbonise.

That said, investment is already underway in key UK infrastructure that will bolster supply and storage resilience while shifting more production inland. At Avonmouth, expanded storage and import capacity is opening the door to global markets, while at Teesside, new agreements are redirecting propane previously destined for export back inland into the UK network, with the groundwork being laid for renewable blending capacity. Together, these sites provide a complementary model, strengthening energy resilience and ensuring future capacity for renewable fuels.



Make-up of the LPG and renewable liquid gases workforce

Separate measures of workforce composition, 2025
(2022 figures for comparison)

Under 30:
19% (2022 = 15.7%)

Between 30 & 55:
62%

Over 55:
42% (2022 = 22%)

Female:
27% (2022 = 21.9%)

BAME:
6% (2022 = 2.5%)

LGBTQ+:
5%

Apprentices:
4% (2022 = 1.4%)

Graduated
in the last 2 years/
On a Graduate Scheme:
7% (2022 = 0.46%)

A three-fold increase in jobs is expected, reaching
12,500 jobs in 2045

Resulting in an estimated Gross Value Added (GVA) of **£1.3 billion by 2050**

The skills and labour market ›

Employment in the LPG and renewable liquid gases sector has risen to more than 4,600 jobs, which is an increase of just over a third over the past five years. In 2022, members had planned £2 million in workforce investment to 2024, and we are seeing this investment come to fruition, not only with the expansion of the sector, but also through its increasing diversity.

In 2025, the proportion of under-30s in the workforce has risen, as has the proportion of over-55s, demonstrating both new entrants and retained experience as key contributors for the industry's transition to a renewable future.

A diverse workforce and a focus on new entrants
Female representation has increased, alongside gains for BAME and LGBTQ employees. The number of apprentices and graduates has also risen, highlighting the industry's commitment to developing the next generation of skilled workers.

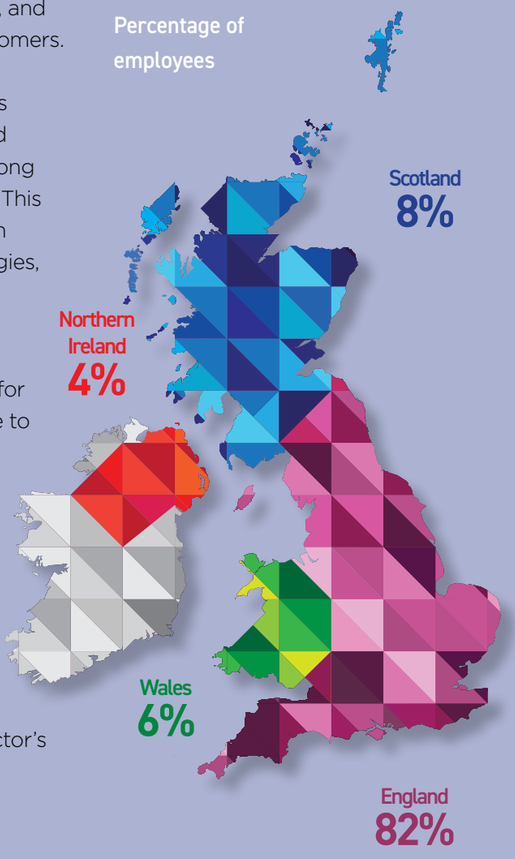
Concerns around ADR driver shortages, prominent in 2022, have been addressed. The number of drivers certified to transport hazardous goods under EU regulations has increased significantly, and members now plan to recruit nearly 200 more in the coming year. With a combined fleet value of £81 million, this strengthens delivery resilience, particularly in winter months, and provides reassurance to customers.

However, new skills shortages are emerging in technical and scientific roles, as well as among LPG installers and plumbers. This reflects the sector's transition towards renewable technologies, which requires specialised expertise.

As an industry gearing itself for growth, it is vital we continue to support the next generation. The Young Person in LPG Awards, now celebrating its fifth year, plays a vital role in recognising the achievements of talented professionals under 35 who are making a real impact, spotlighting the future leaders driving the sector's transition to Net Zero.

Individuals employed in the LPG industry across the UK – 2025

Percentage of employees



Markets and supply trends ›

For the first time, this year's Census captures supply data in greater detail, offering an important insight into the industry's trajectory. Within the next 12 months, the current renewable liquid gas supply rate is expected to rise to over 35 million litres in bulk supply and nearly 1 million litres in cylinders – a combined market share of well over 3%.

Looking further ahead to 2030, industry anticipates supplying approximately 170 million litres in bulk and cylinders, driving the average renewable liquid gas supply rate for commercial and domestic customers to an ambitious 17%.

These figures are significant milestones for an industry that is actively scaling up renewable solutions. They illustrate both the momentum of early adopters and the headroom available for wider growth.

Key growth sectors

Gas suppliers identified domestic heating, agriculture, leisure and recreation, and industrial sectors as their biggest areas of growth over the past year, with these predicted to continue into next year.

The emergence of industrial demand as a significant growth driver marks a notable shift, replacing hospitality and street food as an emerging market after the plateau of post-Covid trends in mobile and pop-up catering. This reflects the growing role of LPG and renewable alternatives in supporting British manufacturing and processing industries, which rely on high-temperature heat sources.

LPG's role as a transitional fuel becomes increasingly vital

In the UK, LPG remains the lowest carbon conventional fuel for off-grid homes and businesses, emitting 33% less CO_2 than coal, 90% less carbon monoxide, and 50% less smog than mains natural gas. As the cleanest conventional fuel, LPG plays a crucial role as a transitional solution for off-grid households, supporting decarbonisation efforts without requiring costly infrastructure changes. With the ongoing push for renewable liquid gases, LPG's position as a lower-carbon choice is pivotal for rural communities and businesses seeking to reduce their carbon footprints while retaining the option to transition to more sustainable energy sources as the market for renewable liquid gases continues to grow - helping to bridge the gap as the UK progresses towards its net-zero targets.

Looking to market applications among equipment providers, this demand and domestic heating as the strongest areas of growth in the year ahead, alongside opportunities in non-food processing and leisure and recreation, mirroring LPG and renewable liquid gases as enablers of both decarbonisation and UK manufacturing resilience.

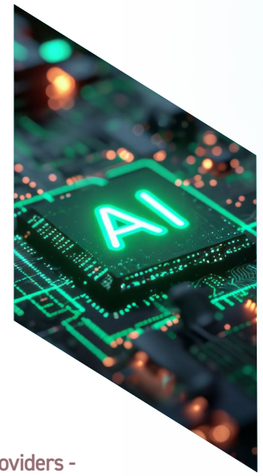
Turnover

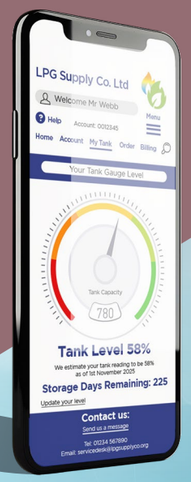
Industry turnover has increased from £1 billion in 2020, to £1.7 billion, with commercial, domestic and industrial demand in England rising steadily. Meanwhile, other parts of the UK show a more static picture - raw material prices and refinery challenges may be contributing factors. This regional variation demonstrates the importance of tailored approaches to decarbonisation policy and the importance of adopting a mixed technology approach that reflects local energy needs.

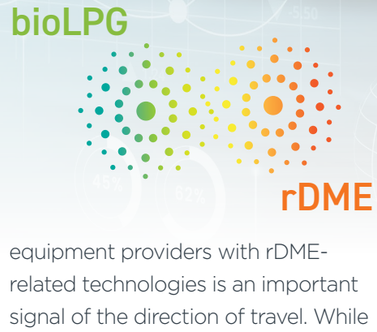
25
million litres
of renewable liquid gases are currently being supplied...

representing around
2.6%
of total volume

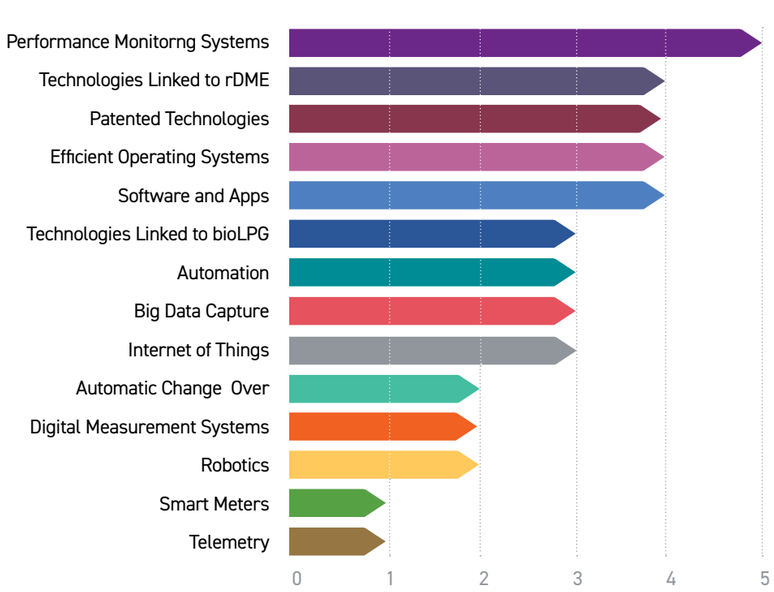
Technology and equipment ›







LPG equipment providers - key technology investment areas over the next five years



The 2025 Census shows a continuation of trends in digitisation and efficiency, with software, apps and performance monitoring systems remaining widely adopted. Equipment providers are also prioritising patented technologies, efficient operating systems and automation, with longer-term plans highlighting greater investment in data-driven solutions such as IoT and big data capture.

However, a more notable shift is the preference of equipment providers and manufacturers towards technologies linked to renewable dimethyl-ether (rDME) over bioLPG. The alignment of equipment providers with rDME-related technologies is an important signal of the direction of travel. While marginal, the increase in members prioritising rDME-linked technologies from 2022 to 2025 reflects a growing perception that rDME represents a more transformative technological shift, requiring new systems and adaptations, while bioLPG remains a drop-in replacement that demands little change to existing infrastructure.

The focus on rDME-linked technologies likely stems from the fact that it offers greater opportunities for novel innovation and differentiation, with the necessary technologies not yet widely in place – making it a clear growth area. This is particularly important given that rDME can also be blended with LPG or bioLPG, enabling the use of existing infrastructure while supporting deeper carbon reductions.

The majority of respondents are using telemetry systems for real-time monitoring of customer supply levels, with the highest percentage of industrial customers (80%) using the devices for automated ordering and delivery, followed by commercial (66%) and domestic (40%). This reflects steady rollout of smart technologies that provide a seamless, hassle-free experience for end users, building on the £5 million invested in telemetry and smart meters between 2021-2023.

Amid the interest in new technology, the drop-in nature of bioLPG continues to provide a major advantage for the sector as a viable future-proof fuel – given that no expensive infrastructure changes are required in order to switch across from LPG.

This saves both time and money for consumers, as well as negating the need for structural changes to properties, heating systems or appliances.

Challenges ›

While there are many positive developments, there are clear challenges facing the industry. The dominant concern among respondents is UK Government policy, which significantly outweighs other issues.

Businesses stress that without recognition of renewable liquid gases within the UK government's decarbonisation plans, future investment will be constrained. This uncertainty affects decisions on infrastructure and technology deployment, as companies hesitate to commit without a clear policy direction.

A clear, long-term policy framework will be essential to enable the further commercialisation of renewable liquid gases - to give industry confidence, attract investment, and scale up production. Supportive government measures and a clear recognition among policymakers that the industry can support the wider Net Zero agenda as part of a mixed-technology approach, not just as a niche alternative, need to be in place.

Other concerns include rising staffing costs, National Insurance contributions, pensions and raw material prices, all of which add pressure to business models.

Refinery challenges

Refinery challenges were also raised more frequently than in 2022, reflecting broader global energy market dynamics and their impact on industry confidence. Recent closures of major UK refineries, such as Lindsey Oil Refinery and Grangemouth Refinery, are cross-sector examples of the pressures facing the UK energy sector.

These closures create a paradox: while the long-term trajectory points toward decarbonisation, the immediate and medium-term reality is that LPG remains essential for heating, industrial processes, and as a cleaner transitional fuel during the shift away from higher-carbon alternatives.

Without policy certainty, investment in energy production, regardless of sector, naturally slows. This uncertainty affects both the maintenance of existing infrastructure and investment in efficiency improvements that could extend facility lifespans during the transition period. For the LPG sector, dwindling refining capacity in the UK and the shifting global energy landscape raises concerns about supply chain stability and long-term investment viability. The result is a potential 'transition trap' where reduced domestic capacity increases import dependency, potentially undermining energy security objectives even as the UK pursues its net-zero goals.

These closures also highlight the risks associated with competition for feedstock availability and broader market competition.

Which factors are more of a concern than 12 months ago

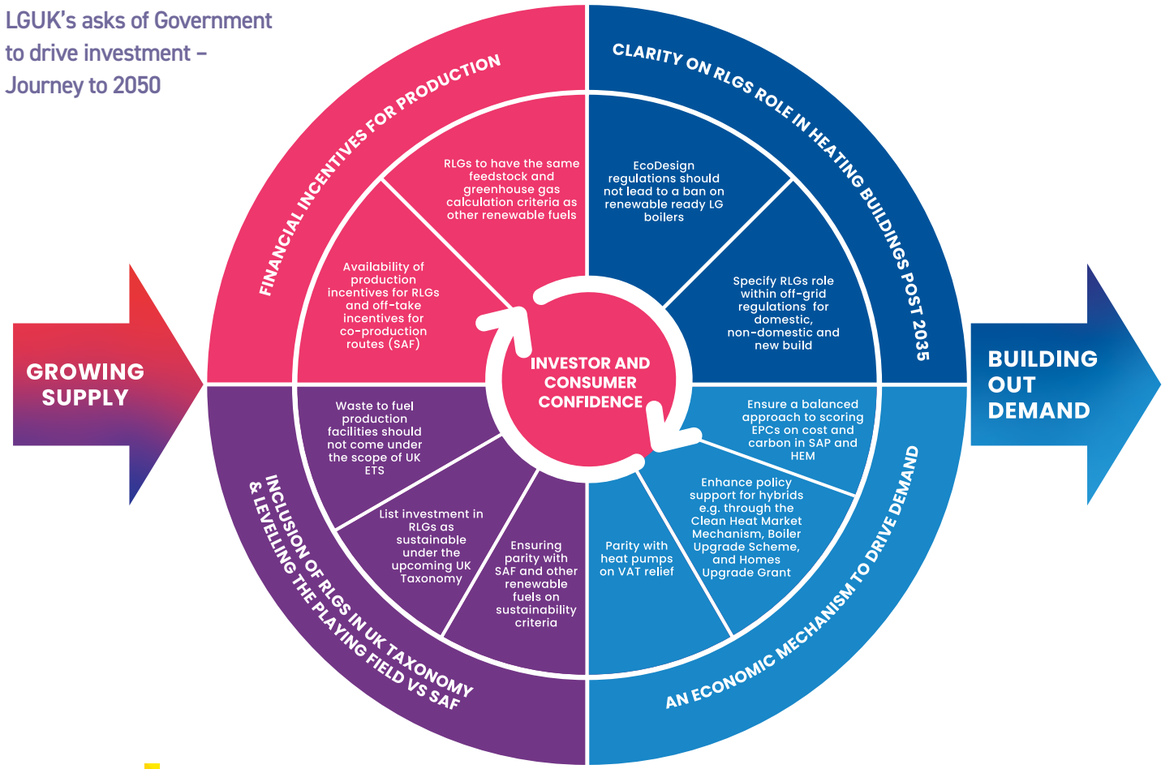
*Tank compliance; Fuel poverty; Cyber threats; Unrest in other countries; Tariffs

Additionally, the loss of domestic refining capacity may lead to higher costs for consumers and businesses that rely on LPG, potentially slowing adoption of this cleaner alternative to coal and oil in sectors where electrification remains challenging or economically unviable.

On the theme of broader market considerations, the issue of Brexit, by contrast, has largely disappeared as a major concern with most respondents reporting no ongoing impact. This suggests the industry has adapted to the post-Brexit landscape, and attention has shifted to more immediate operational, financial and policy issues.

Despite policy uncertainty, including delays and shifting timelines for decarbonisation targets - which exacerbate the challenge - industry members are stepping up and taking calculated risks by committing to large-scale investments, demonstrating their confidence in the long-term potential of renewable liquid gases. However, clear incentives and long-term policy commitments are crucial for ensuring sustained growth.

LGUK's asks of Government to drive investment – Journey to 2050



Conclusion

The 2025 Industry Census demonstrates a sector that is confident, resilient and committed to playing its part in the UK's journey to Net Zero.

With approximately £415 million of planned UK investment up to 2030, a rapidly rising supply of renewable liquid gases and a growing workforce of more than 4,600, with the potential to contribute £1.3 billion to UK GVA, the sector is poised for significant contribution in terms of economic growth and the energy transition.

The clearest message from members is that the sector is ready for renewable; willing and able to invest and expand – but, as outlined throughout this report, policy certainty and support from Government is still required to unlock the industry's full potential. Key to this will be our policy asks as depicted earlier in this

a transitional fuel for today and renewable liquid gases are a fuel fit for the future - well-placed to provide low-carbon, reliable alternatives in hard-to-decarbonise sectors and off-grid applications. But without recognition of renewable liquid gases within future energy policy, investment risks being diverted elsewhere, including outside the UK. Nearly £45 million of potential 'lost' expenditure represents a missed opportunity for the UK, leaving our domestic energy market vulnerable to missing out on investment and supply chain opportunities.

For a fair transition to Net Zero, we must ensure targeted demand- and supply-side policy incentives to boost business confidence and maintain domestic spend.

When coupled with the industry's commitment to people and skills – reflected in the increase in employment, and an approximate £22 million planned investment in workforce and customer service, of which over £10 million was spent last year alone – the sector is well-positioned to future-proof LPG and renewable liquid gas supply, deliver greater energy security, affordable decarbonisation, and deliver the growth needed to reach 12,500 jobs by 2045.

The Census is an excellent opportunity for reflection and learning. Feedback from our members is invaluable to everything we do. Input from the 2025 Census, which drew insights from more than 60 companies nationwide, has already shaped our priorities, and we are committed to acting on your recommendations to further strengthen the industry.

This year's responses reinforce the value of Liquid Gas UK's work, particularly in our leading Codes of Practice, public affairs and lobbying, working groups and the annual conference. This input will continue to shape the association's priorities and ensure that industry is supported as it navigates a crucial period of change.

In summary, the view from this year's Census outlines the industry's determination to deliver clean, affordable and secure energy for rural and off-grid communities, while calling for the policy support needed to maximise its impact.

Francesca

Francesca Kirtley-Paine
Public Affairs Manager

About Liquid Gas UK ›

Liquid Gas UK is the trade association representing companies operating in the LPG and renewable liquid gases industry across the UK. Our members supply over 99% of LPG and 100% of renewable liquid gases distributed in the UK marketplace.

We champion safety, technical standards and innovation, while working closely with members to advance the safe and effective development of LPG and renewable liquid gases. We also engage directly with legislators and policy makers to ensure our sector is recognised as a vital part of future plans to decarbonise heat and deliver cleaner energy in the UK.

Through our industry-leading Codes of Practice and consumer guidance, we provide trusted advice to members and their customers. We also collaborate with industry partners and training bodies to ensure the right skills are in place for the future workforce.

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