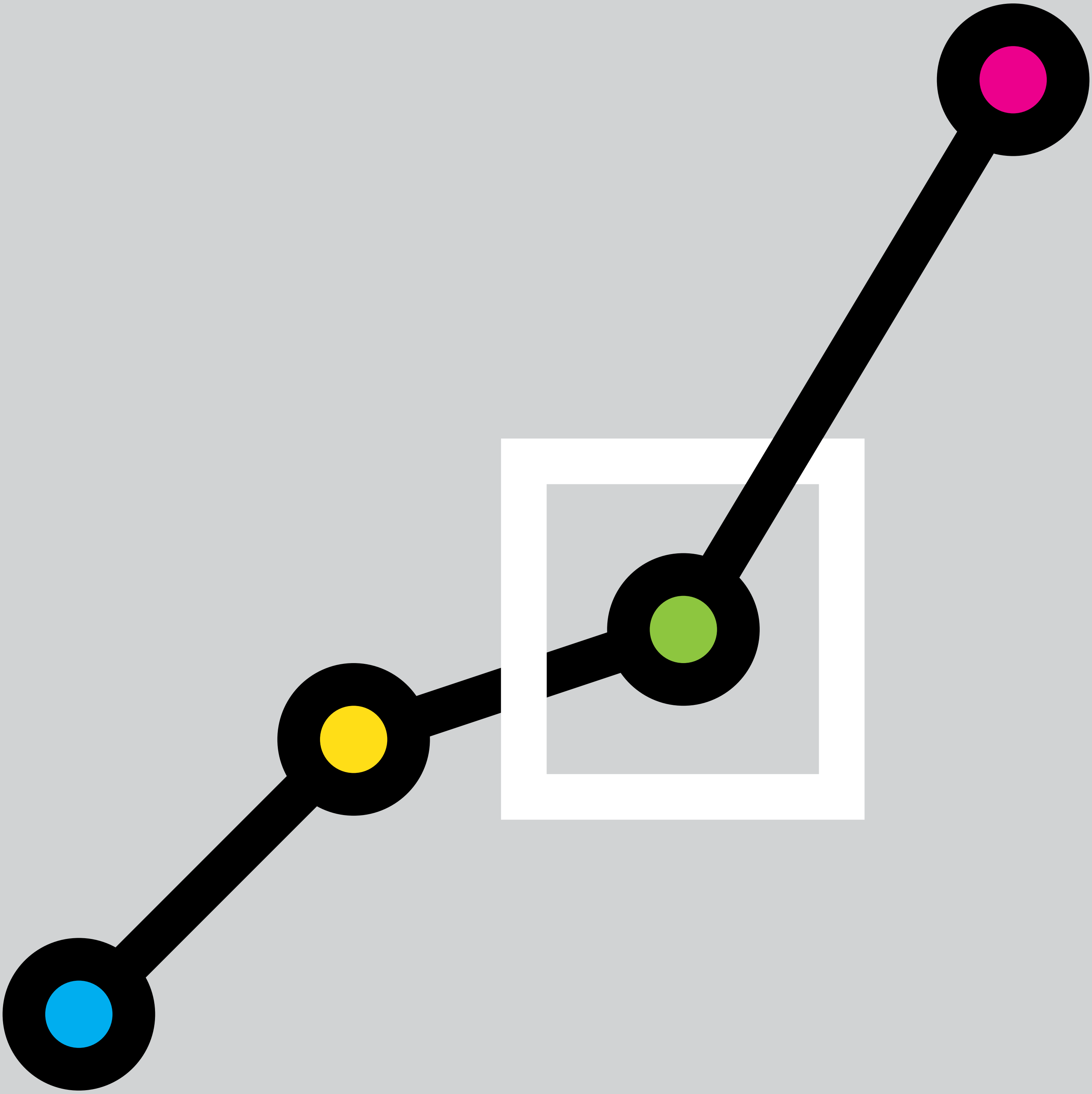
Future Trends Survey:

June 2022



RIBA
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The RIBA's monthly Future Trends Survey

was launched in January 2009 to monitor business and employment trends affecting the architects' profession. Participants give monthly predictions for overall workload and staffing levels over the next three months, and are also asked about their workload predictions in key sectors: private housing, commercial, community and public sector. In addition, practices are asked on a quarterly basis about their current workload and staffing levels. The Survey is carried out by the RIBA in partnership with the Fees Bureau. Results of the Survey, including a full graphical analysis, are published each month on www.architecture.com

The following is a summary analysis of the results from the June 2022 survey returns.

RIBA Future Trends Workload Index (June 2022)

How do you expect the architectural workload in the organisation you work in or own to change over the next three months?

Overall

Expect	%
Decrease	18
Stay the same	60
Increase	22
TOTAL	100
Balance	**+4**

(The definition for the balance figure is the difference between those expecting more work and those expecting less.)

In June, the RIBA Future Trends Workload Index fell by nine points to a balance figure of +4. Whilst architects remain confident about future workloads, confidence is at its lowest level since January 2021.

Twenty-two per cent of practices expect workloads to increase in the coming three months, whilst sixty per cent expect them to remain the same. Eighteen per cent of practices expect workloads to decrease.

Levels of confidence differ by practice size. Medium and large-sized practices remain firmly optimistic about future workloads, but small practices have become pessimistic. With a negative balance figure this month, more small practices expect workloads to fall than rise.

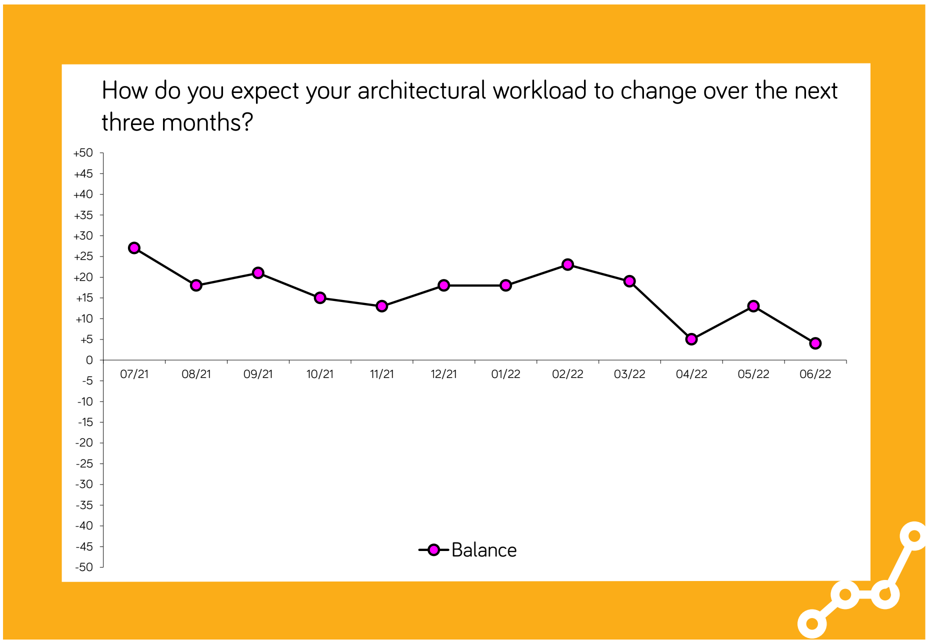
Confidence has fallen within all the monitored work sectors. Whilst, on balance, workloads are anticipated to grow within the housing sector, they are anticipated to fall in the commercial, community and public sectors.

Across most regions confidence has fallen. For the first time since February 2021, London has returned a negative RIBA Workload Index figure.

Whilst confidence about future work is waning, current workloads look to be holding up. Those reporting personal underemployment in the last month are at an all-time low of 8%. Actual workloads remain at the same level as a year ago, when the RIBA Future Trends Workload Index exceeded +25.

The following graph plots the RIBA Future Workload index over time:

Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.



Looking at the June 2022 RIBA Future Trends Workload Index in terms of practice size, region and sector:

In June, **small practices** (1 - 10 staff) posted a negative balance figure of -2, a fall of 13 points compared to last month, and the first negative balance for this group since January 2021, the time of England's third lockdown.

In contrast, **Large and medium-sized practices** (11+ staff) remain firmly positive about future workload, with a balance score of +52.

Confidence has dipped in most regions this month.

Practices in London have seen a marked deterioration in outlook. Last month London posted a balance figure of +22, and in January this year we saw a post lowdown high of +40. This month sees London post a balance figure of -2, with more practices expecting workloads to contract that grow in the coming three months.

The Midlands & East Anglia is the only region to see an improved balance figure, but remains in negative territory, posting a balance figure of -4.

Wales & the West posted a balance score of zero, down from +10 last month. Both the South of England and the North of England remain positive about future work, though both see confidence fall. The South of England returned a balance of +4, down 11 points on last month, whilst the North of England returned a figure of +19, down 10 points.

Three of the four work sectors have seen confidence fall, and architects are expecting falls in workloads in all sectors except private housing.

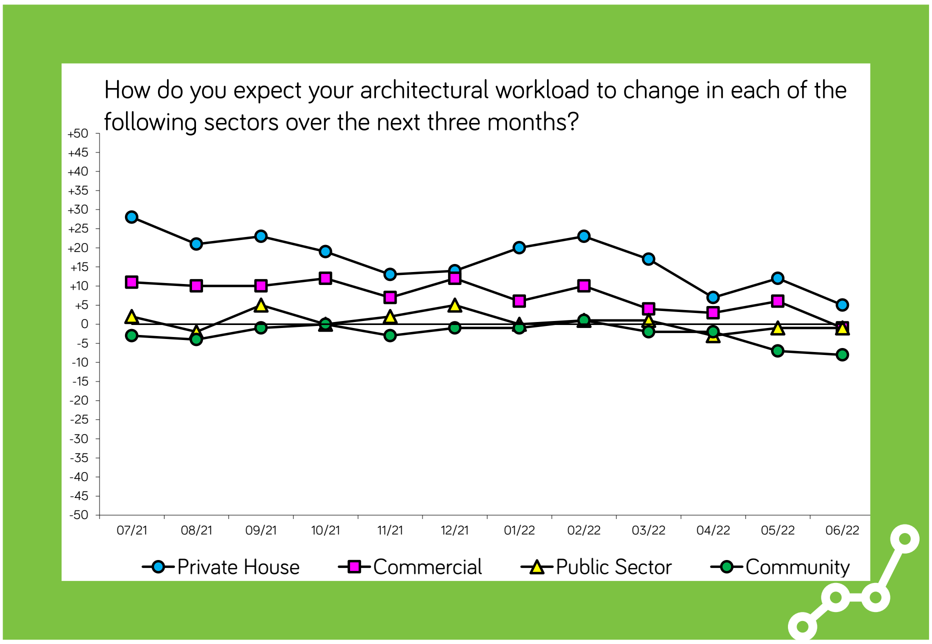
In June, the **private housing sector** posted a balance figure of +5, down 7 points from last month's figure of +12.

The **commercial sector** fell into negative territory for the first time since early 2021, with a balance figure of -1, a fall of 7 points from last month's figure of +6.

At -1, the **public sector** remained in negative territory this month, posting the same figure as last month.

The outlook for the **community sector** deteriorated further this month, falling a further point in June to post a balance figure of -8.

The following graph tracks the sector predictions in the RIBA Future Trends Survey over time:



RIBA Future Trends Staffing Index
(June 2022)

How do you think the number of permanent architectural staff employed in your organisation will change over the next three months?

Permanent Staff	%
Decrease	6
Stay the same	85
Increase	8
TOTAL	100*
Balance	+2

(The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.)

**Values do not total 100 due to rounding.*

In June, the **RIBA Future Trends Permanent Staffing Index** returned a balance figure of +2, down 4 points when compared to May. Whilst still positive, the recruitment outlook for employees is softening.

Eight per cent of practices expect to employ more permanent staff over the coming three months whilst six per cent expect to employ fewer. Eighty-five per cent expect permanent staffing levels to stay the same.

With Medium and Large-size practices (11+ staff) continuing to expect increased workloads, larger practices are recruiting. Thirty-five per cent expect to employ more permanent staff, and only 5% expecting to employ fewer, giving a permanent staffing index of +25.

Smaller practices, however, are cautious about recruitment, with a permanent staffing index figure of -1.

In June, the regional picture for permanent staffing is mixed, with two regions now in negative territory.

In the South of England (balance score -4), and the Midlands & East Anglia (-8) a larger proportion of practices expect to employ fewer staff, rather than more, in the coming three months.

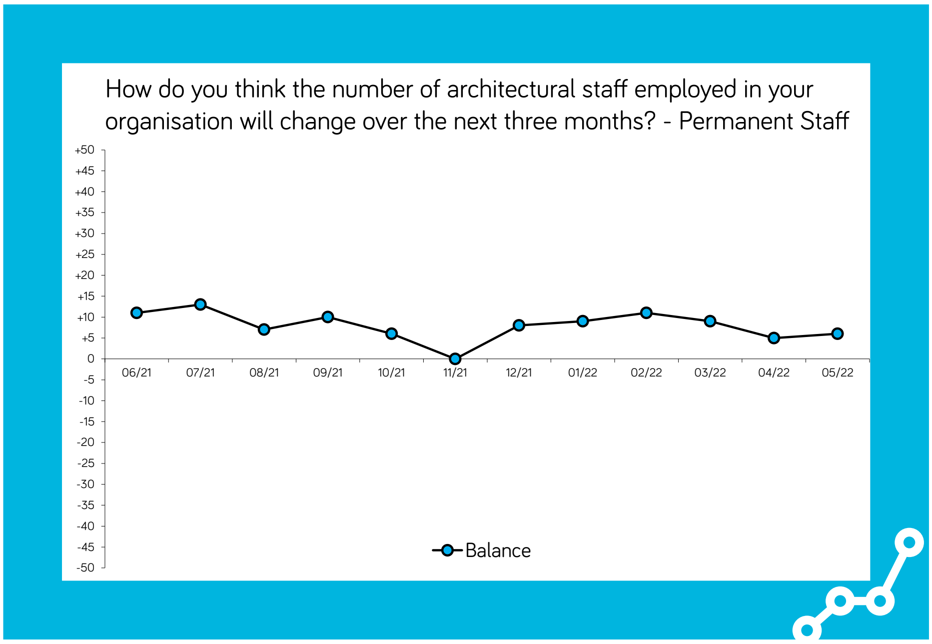
Wales & The West (+8), London (+4), and the North of England (+6) all posted positive balance figures, suggesting growing permanent staff levels.

The **Temporary Staffing Index** rose again slightly this month, with a balance score of +7 in June, compared to +2 in May, suggesting practices where additional staff are needed, practices are increasingly looking to temporary staff.

Levels of **personal underemployment** fell again in June - just 8% reported being personally underemployed in the previous month. This is the lowest recorded figure.

The following graph plots the RIBA Future Trends Staffing Index over time:

Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.



RIBA Future Trends
(June 2022)

Architects remain optimistic about future workloads, but optimism is falling.

After an uptick in confidence last month, the longer-term trend of moderating confidence has returned in June. Since a post lockdown peak of +31 in June last year, the index has fallen by 27 balance points. This month sees practices having the lowest level of confidence since the end of Covid restrictions in early 2021.

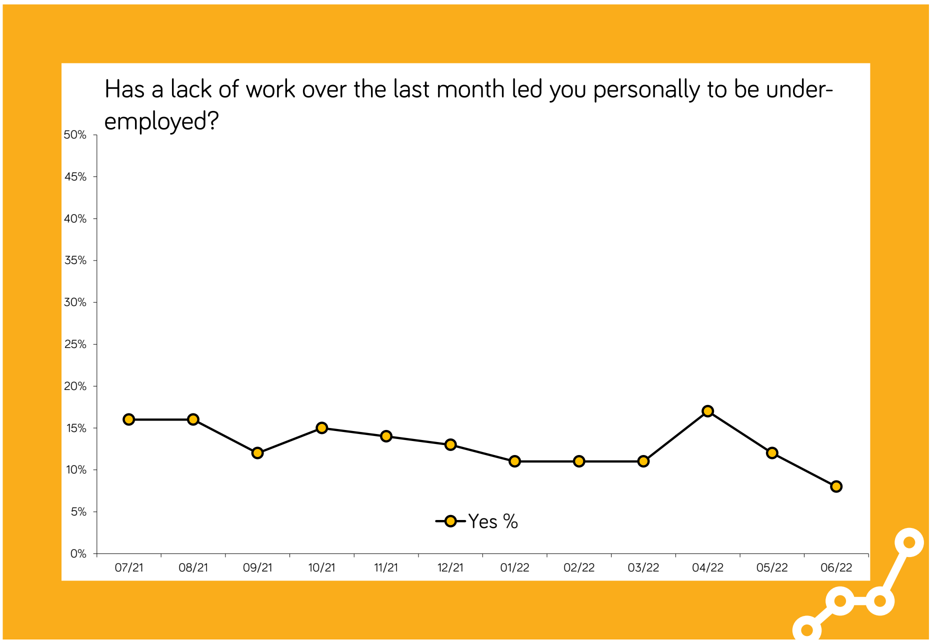
However, whilst confidence about future work is weakening, current workloads look to be holding up. Overall, practices report having as much work now as they did last year. The number reporting personal underemployment is lower than it has ever been.

With ongoing and well-founded concerns about the future of the UK economy, and reports of fewer new enquires, architects are looking ahead, and future work is looking less assured than it was a year ago.

The commentary received in June reflects this decreasing levels of optimism among architects. Whilst practices report strong levels of current work, as previously acquired commissions are delivered, new enquires and new commissions are reported to be decreasing for some.

The following graph plots the levels of personal underemployment over time:

Notes
The percentage of respondents telling us that they were personally underemployed in the last month, due to a lack of work, is plotted here.



The RIBA Future Trends Survey is based on a representative sample of the range of different practice sizes and geographical locations which enables analysis of the trends in sectors, size groups and by nation and region.

A total of 194 practices took part in the Survey in June 2022.
The development of a larger database of respondents will increase the statistical accuracy of the survey, and if your practice would like to participate in future months, please contact the RIBA Practice Department on 020 7307 3749 or email practice@riba.org.
The survey takes approximately five minutes to complete each month, and all returns are independently processed in strict confidence by our partners The Fees Bureau.