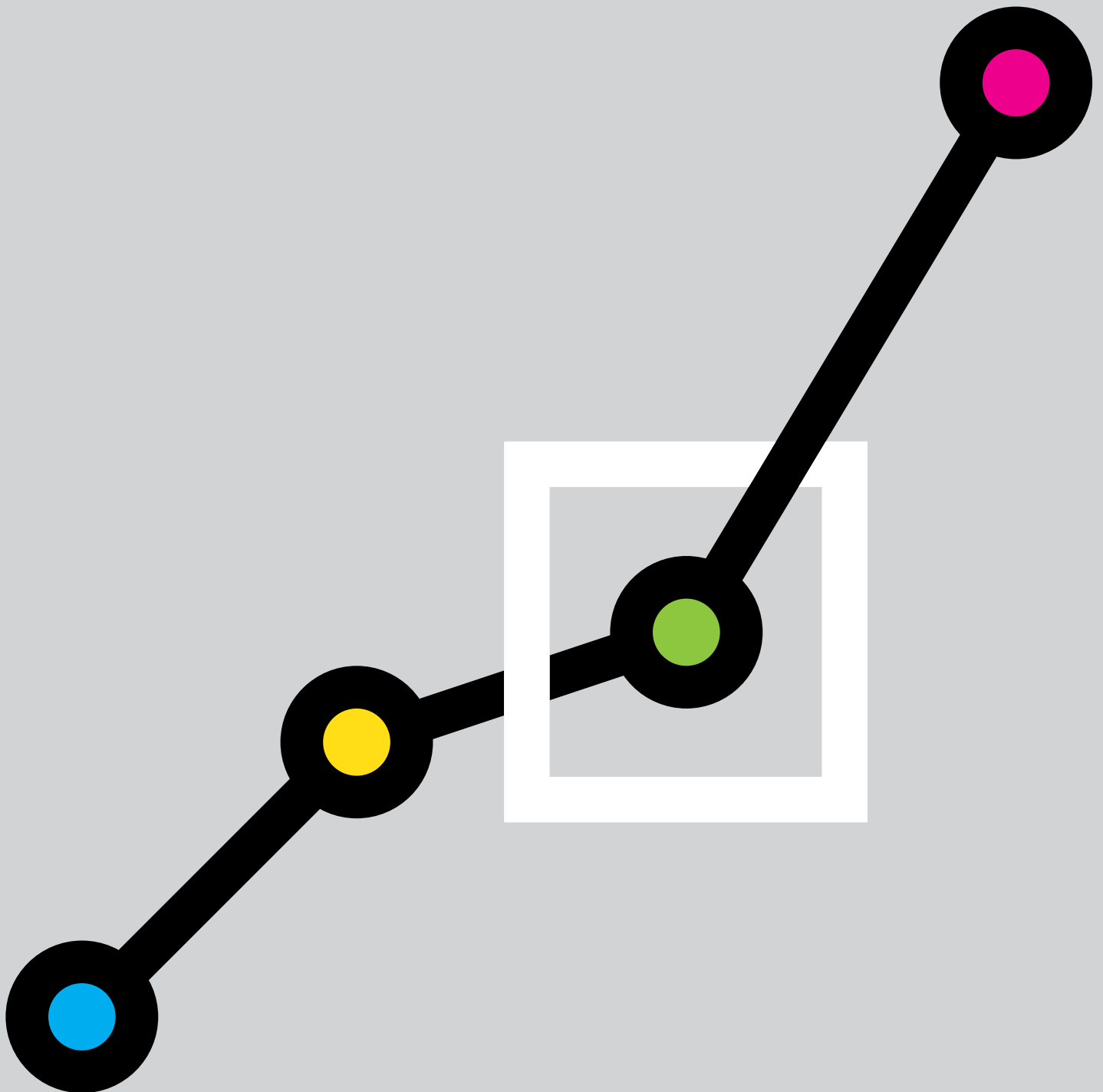


Future Trends Survey:

March 2020



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 March 2020 Survey returns.

RIBA Future Trends Workload Index (March 2020)

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	31
Stay the same	49
Increase	20
TOTAL	100
Balance	-11

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

This report describes responses to the RIBA Future Trends Survey received in March 2020. In the first half of the month, when most responses were received, there were fewer than 2,000 confirmed cases of COVID-19 in the UK. The lock-down was not in place, few companies had moved to home working and site work was largely continuing.

Whilst March's figures show a large drop in workload expectations, we expect a further significant fall in April, as the economic fallout from the COVID-19 crisis deepens.

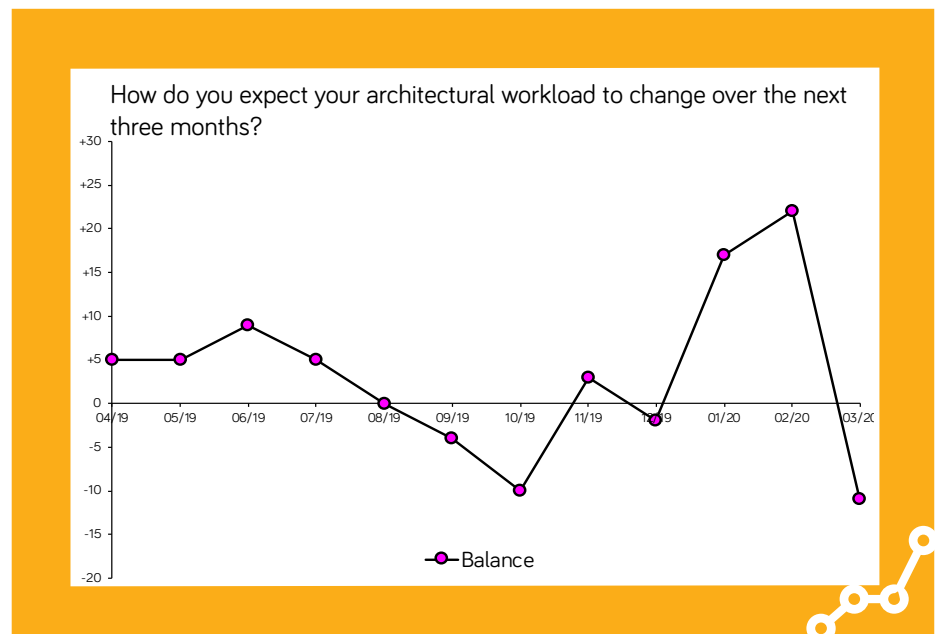
The RIBA Future Trends Workload Index fell by 33 points in March, to a balance figure of -11. This is the lowest balance score since December 2011. It is also the largest fall the index has seen in any one month.

All work sectors and all practices sizes have been negatively affected by the COVID-19 crisis. The rising optimism we saw in January and February has gone.

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 March 2020 RIBA Future Trends Workload Index in terms of practice size, region, and sector we can see the following:

The post-election rally in sentiment from **Small practices** (1 - 10 staff) has ended. In March the workload index stood at -10, down 28 points from February.

Medium-sized practices (11 - 50 staff) posted a balance figure of -8. **Large practices** (51+ staff) posted a balance figure of -20. The extended run of optimism about future workload among large and medium-sized practices has come to an abrupt end.

All **regions**, with the exception of the North, now expect workloads to decrease over the next three months. Many regions have seen a pronounced drop in confidence.

London saw a fall of 42 balance points in March, with a RIBA Future Trends Workload Index of -19, down from +23 in February.

Workload predictions from practices in Wales & the West fell most sharply. The balance figure of -9 in March represents a fall of 53 points from February's figure of +43.

The Midlands & East Anglia saw a 50 point balance figure drop. The region posted a balance score of -21 in March, down from +29 in February.

The South of England also moved into negative territory, with a balance figure of -7 in March, a fall of 13 points.

Alone, the North of England continued to be positive about future workloads, posting a balance figure of +14 in March, down just 3 points on the previous months.

All of the four **different work sectors** fell into negative territory in March.

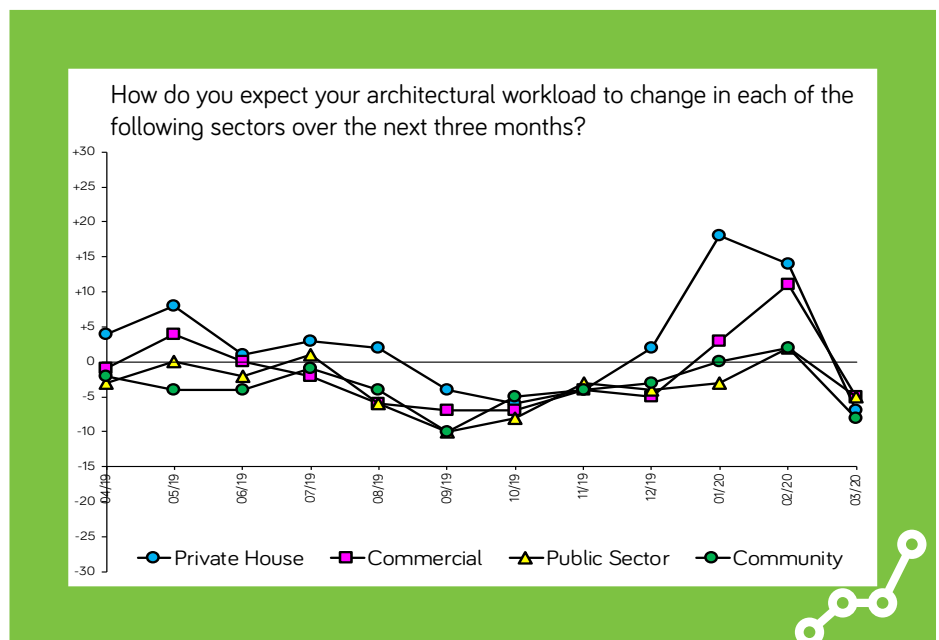
The **private housing sector** fell from a balance figure of +14 in February to a -7 balance figure in March. This 21 point fall is the steepest of any of the work sectors.

The **commercial sector** dropped 16 points from the +11 February figure to post a balance figure of -5 in March.

The **community sector** reverted to negative territory in March, falling 10 points to post a -8 balance figure in March, down from +2 in February.

Perhaps coloured by the capital spending outlined in the March budget, the **public sector** saw the smallest drop in confidence in March. It fell seven balance points, down from +2 in February, to -5 in March.

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



RIBA Future Trends Staffing Index
(March 2020)

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

Permanent Staff	%
Decrease	8
Stay the same	84
Increase	8
TOTAL	100
Balance	0

(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.)

We will look in more depth at how practices are responding to the challenge of maintaining staffing levels in our April's Future Trends report. We expect the effects of the COVID-19 crisis to become clearer then, as the UK government's Job Retention Scheme becomes available.

The RIBA Future Trends Staffing Index fell back in March, posting a zero balance figure.

Whilst eight per cent expect to employ fewer staff, another eight per cent expect to employ more. The vast majority, eighty-four per cent, expect staff numbers to stay the same.

The anticipated demand for temporary staff in the next three months decreased in March. The Staffing Index for temporary staff slipped back into negative territory, from +3 in February to -2 in March.

Whilst predictions for future workloads and staffing levels are uniformly down, fewer report personal underemployment this month. In February, 22 per cent of respondents told us they had been personally under-employed in the last month, due to a lack of work. In March, the figure is 18 per cent.

The commentary received in March suggest a growing trepidation about the parlous times to come.

Some raise concerns that just as the potential crisis of a no-deal Brexit had been averted, at least for a time, a new crisis emerges.

Practices were beginning to report the early effects of the COVID-19 crisis, with some describing a sudden loss of revenue as project sites begin to close, clients become cautious and enquiries dry up.

There is marked uncertainty about how deep the damage caused by the COVID-19 crisis will be.

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.

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



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 201 practices took part in the Survey in March 2020. 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.