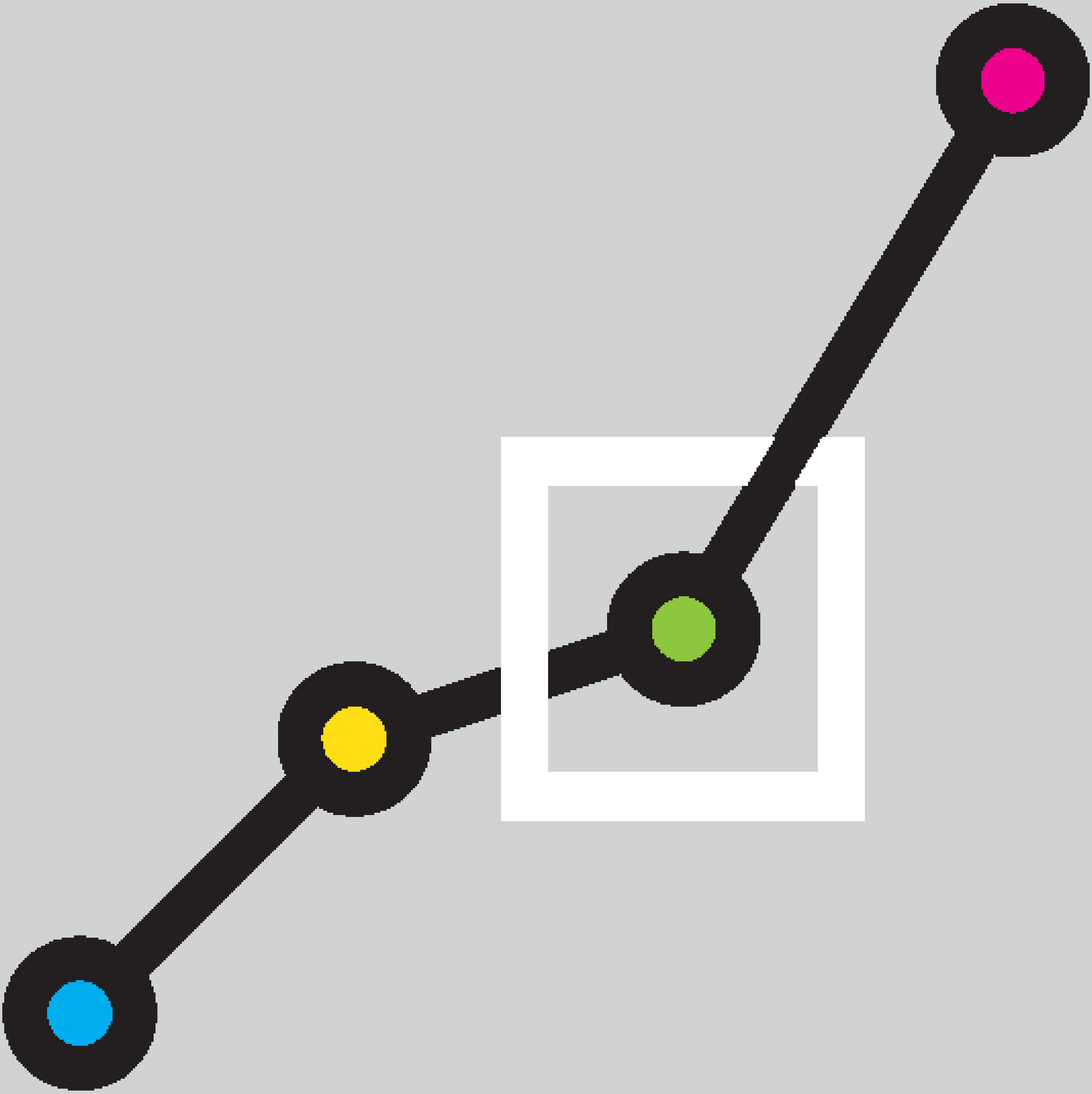
Future Trends Survey:

March 2018



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 March 2018 Survey returns.

Future workload (March 2018)

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	21
Stay the same	52
Increase	27
TOTAL	100
Balance	+6

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

The RIBA Future Trends Workload Index dipped this month, falling to +6 in March 2018 down from +17 in February.
In terms of geographical analysis, practices in London continue to be by far the most pessimistic about medium term workloads, with a balance figure of -17, falling deep into negative territory. By contrast practices elsewhere see a brighter picture. The balance figure in the Midlands and East Anglia was +22, in the North of England +24 and in the South of England +25.

Analysing the March 2018 workload forecast data in terms of practice size, all the large practices (51+ staff) in our survey predicted an increase in workloads over the next quarter, and for medium-sized practices (11 - 50 staff) the balance figure was +14, but confidence amongst small practices (1 - 10 staff) weakened this month, with a balance figure of +4, down from +18 last month.

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

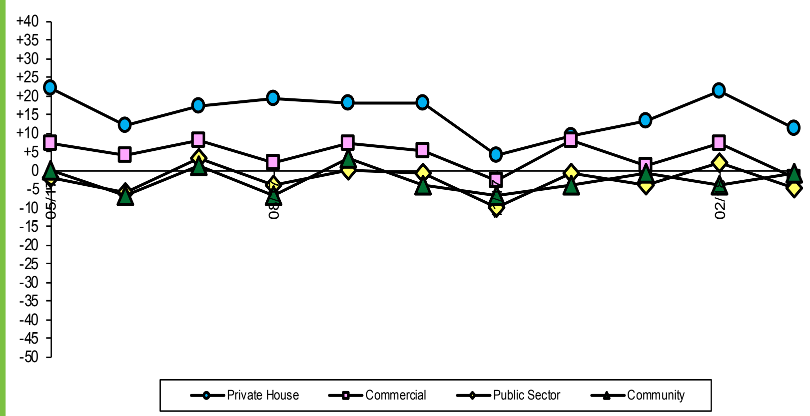
Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.

In terms of different work sectors, the downward trend was exhibited in all sectors, with three now standing below zero. The private housing sector workload forecast remains the most upbeat of our sector forecasts but fell back this month, down to +11 in March 2018 from +21 in February. The commercial sector workload forecast was also down, with a balance figure of -2 in March 2018 down from +7 in February.

The public sector workload forecast (balance figure -5) and the community sector workload forecast (balance figure -1) remain subdued.

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

How do you expect your architectural workload to change in each of the following sectors over the next three months?



Future staffing levels (March 2018)

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

Permanent Staff	%
Decrease	9
Stay the same	79
Increase	12
TOTAL	100
Balance	+3

(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 RIBA Future Trends Staffing Index was down a little this month, standing at +3 in March 2018 compared with +6 in February.

Three quarters of large practices (51+ staff) expected staffing levels to increase, making them the most optimistic size category. Medium-sized practices (11 - 50 staff) with a balance figure of +19 were also positive about future staffing levels, whilst small practices (1 - 10 staff) with a balance figure of -1 remain by far the most cautious in terms of future staffing levels.

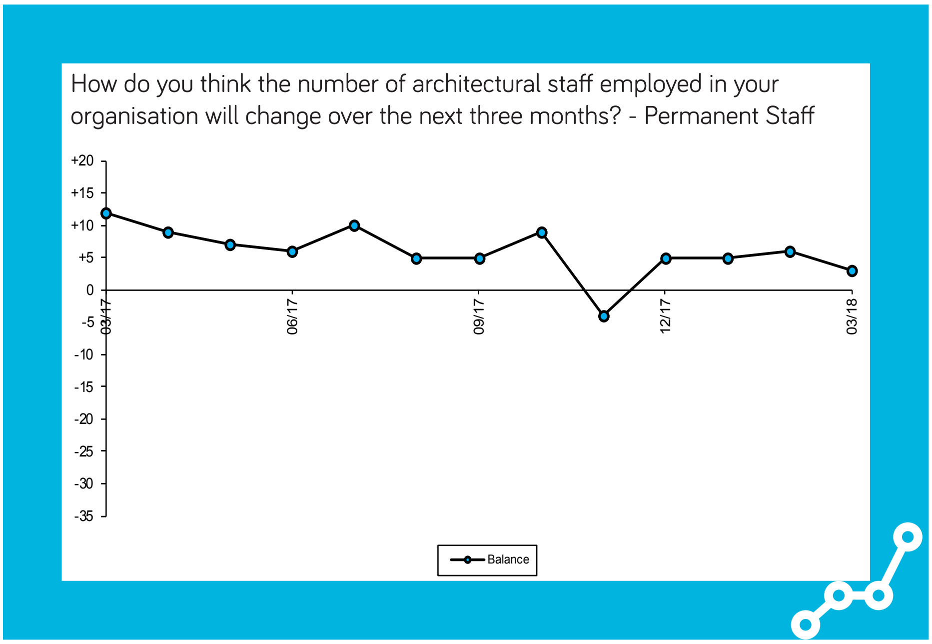
Commentary received from our participating practices continues to suggest a reasonably steady market but not one with a great deal of momentum.

The private housing sector continues to be the top performer. Our practices continue to report that fee competition remains a pressure on profit margins.

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



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 218 practices took part in the Survey in March 2018. 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.