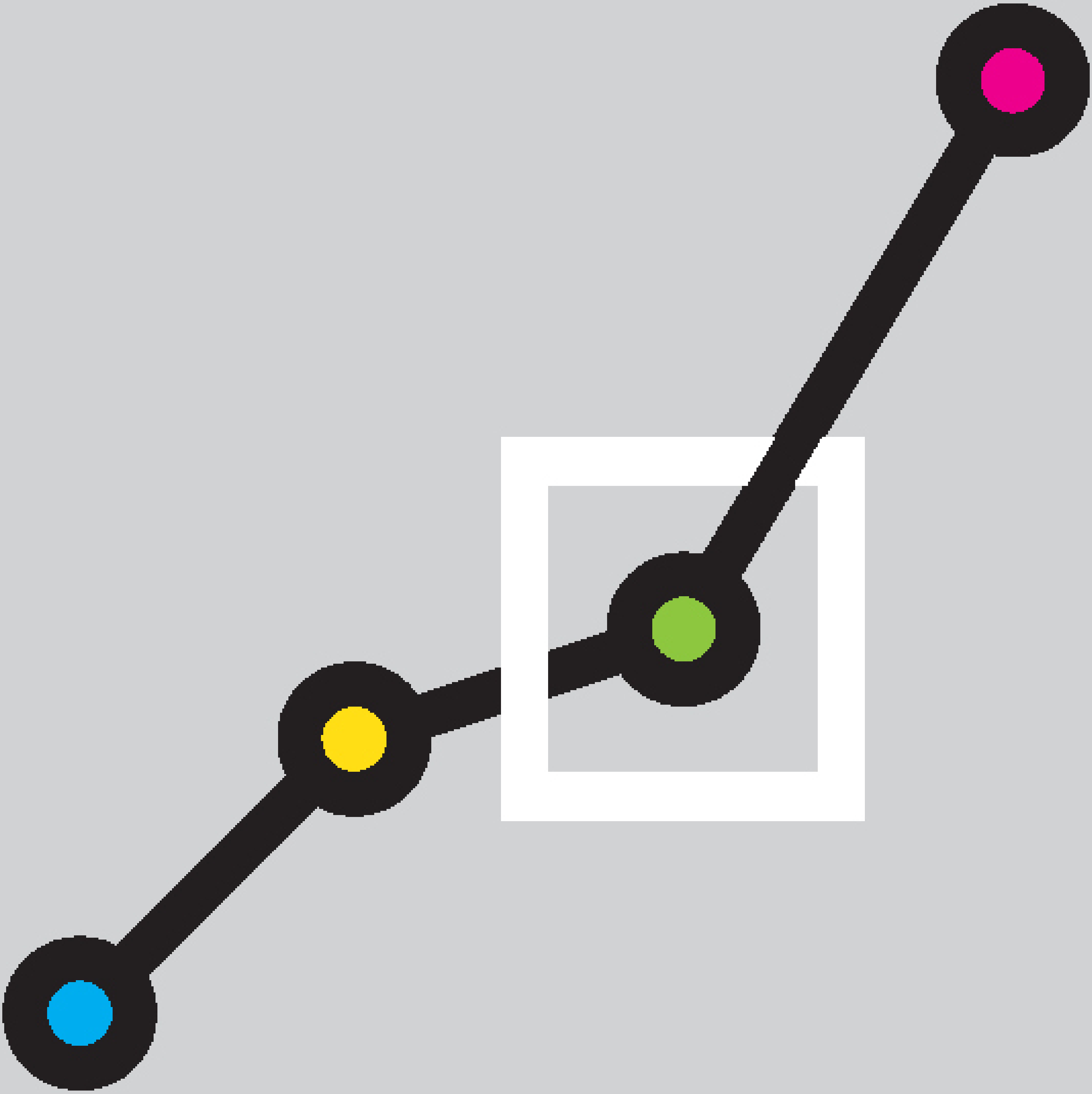
Future Trends Survey:

May 2018



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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 May 2018 Survey returns.

Future workload (May 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	10
Stay the same	56
Increase	34
TOTAL	100
Balance	+24

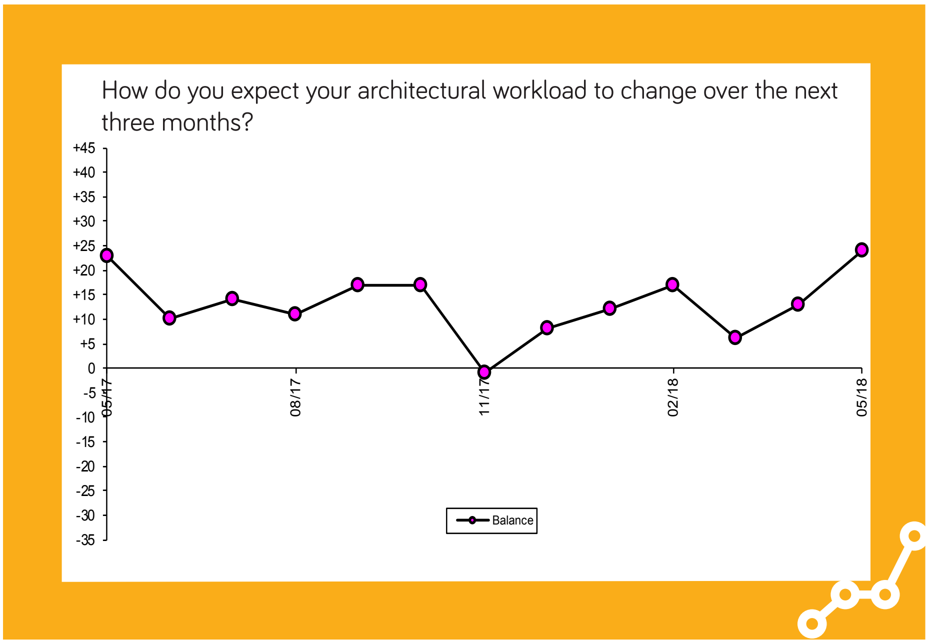
(The definition for the balance figure is the difference between those expecting more work and those expecting less.)

The RIBA Future Trends Workload Index continued its positive trend this month, rising to +24 in May 2018, up from +13 in April. In terms of geographical analysis, practices in London continue to be the most pessimistic about medium term workloads, but with a balance figure of +16 London practices have at least returned to positive territory and on balance believe that workloads will increase in the medium term. The balance figure in the Midlands and East Anglia was +18, in the North of England +46, in the South of England +24 and in Wales and the West +28. Practices in Scotland were somewhat more cautious, returning a balance figure of +17. It is the northern powerhouse region that remains most upbeat.

Analysing the May 2018 workload forecast data in terms of practice size, large practices (51+ staff) returned a workload balance figure of +80, for medium-sized practices (11 - 50 staff) the balance figure was +25, and for small practices (1 - 10 staff) the balance figure was +23.

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 private housing sector workload forecast, rising to +22, the commercial sector forecast, up to +11, and the public sector forecast, up to +3, all moved in a positive direction this month.

Only the community sector workload forecast saw a negative movement, falling to +3 in May 2018 down from +7 in April.

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

Future staffing levels (May 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	5
Stay the same	78
Increase	17
TOTAL	100
Balance	+12

(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.)

There was a sizeable jump in the RIBA Future Trends Staffing Index this month, up significantly to +12 in May 2018 compared with +1 in April.

The staffing forecast for large practices (51+ staff) was +80 in May. Medium-sized practices (11 - 50 staff) with a balance figure of +18 also remained positive about future staffing levels, whilst small practices (1 - 10 staff) with a balance figure of +9 remain a little more cautious on future staffing.

Mirroring the Workload Index, practices in the North of England (balance figure +23) were the most optimistic about being able to take on more staff over the next quarter, whereas London practices (balance figure +3) do not anticipate a significant recruitment drive.

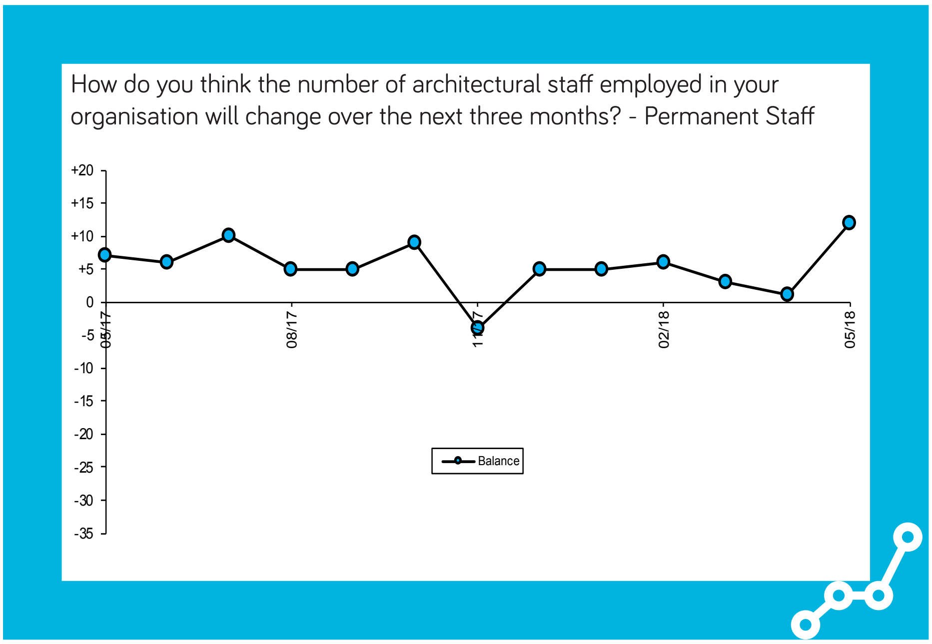
Our practices report that they are currently employing 12% fewer students (year out or post part 2) than at the same time last year, although it is not yet clear whether this is a developing trend, and if it relates to a dip in the number of suitable candidates or just greater caution on the part of employers.

Commentary received from our participating practices continues to suggest a reasonably steady work flow and the overall mood music remains cautiously optimistic, but the market for architectural services remains highly competitive and many practices report that fee levels remain under pressure.

A small number of correspondents report difficulties in recruiting staff, but this does not appear to be a widespread problem at present, suggesting a fairly balanced employment market for salaried architects.

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 282 practices took part in the Survey in May 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.