Future Trends Survey:

June 2017

RIBA
Architecture.com

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 2017 Survey returns.

Future workload (June 2017)

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	19
Stay the same	52
Increase	29
TOTAL	100
Balance	+10

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

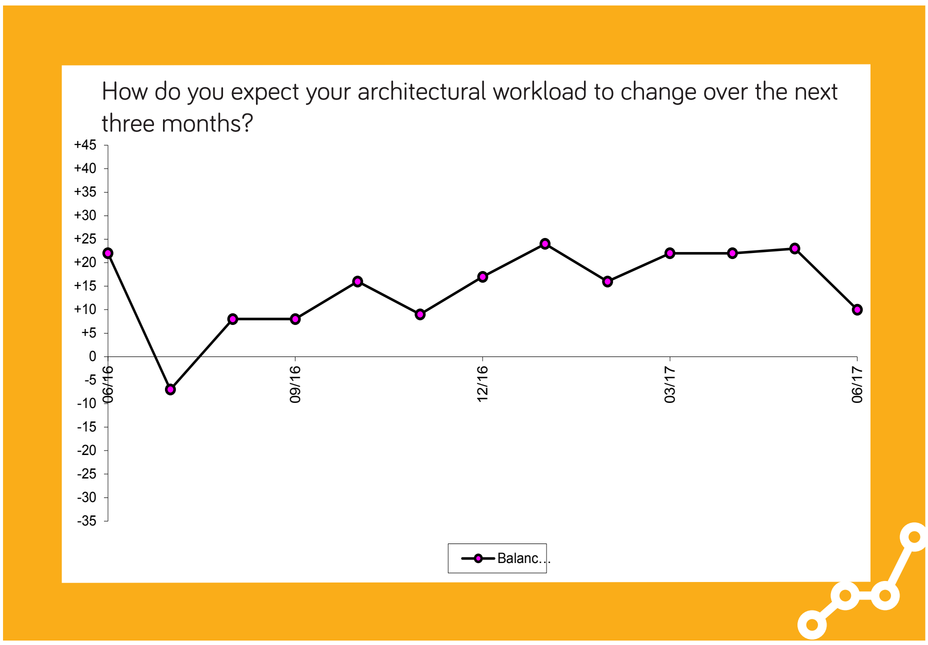
The RIBA Future Trends Workload Index fell back quite sharply this month, standing at +10 in June 2017 down from +23 in May.

In terms of geographical analysis, practices in the North of England (balance figure +35) were the most optimistic about medium term workload prospects this month. Continuing the trend we have seen since the referendum on UK membership of the EU, it was practices in London that remained by a significant margin the most cautious about future workloads, with a balance figure of -3, dropping back into negative territory.

Analysing the June 2017 data in terms of practice size, large practices (51+ staff) returned a balance figure of +18 in June 2017. Small practices (1 - 10 staff), with a balance figure of +8, and medium-sized practices (11 - 50 staff), with a balance figure of +14, were less positive.

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

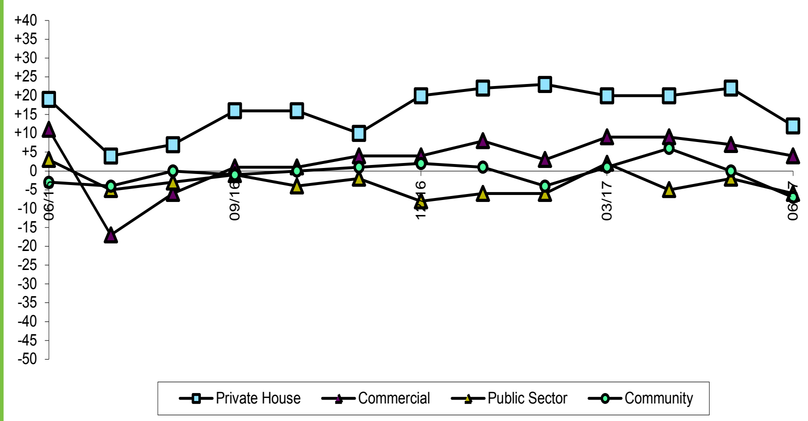
Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.



In terms of different work sectors, all our sector forecasts dipped this month. The private housing sector workload forecast (balance figure +12) saw the biggest fall, but this remains by far the strongest of our sector forecasts, buoyed partly by on-going strength in the bespoke housing and domestic extension market for small practices. The commercial sector workload forecast (balance figure +4) was down less sharply, largely sustained by greater confidence amongst large practices about the medium term outlook for commercial projects.

The public sector workload forecast fell back further into negative territory, standing at -6 in June 2017. The community sector forecast also saw a further significant fall this month, down to -7.

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



Future staffing levels (June 2017)

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

Permanent Staff	%
Decrease	10
Stay the same	74
Increase	16
TOTAL	100
Balance	+6

(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 dipped marginally this month, falling to +6 in June 2017 from +7 in May. Nevertheless, 84% of practices expect their permanent staffing levels to either remain the same or increase over the coming quarter, and salaried architects appear to remain in demand in the employment market.

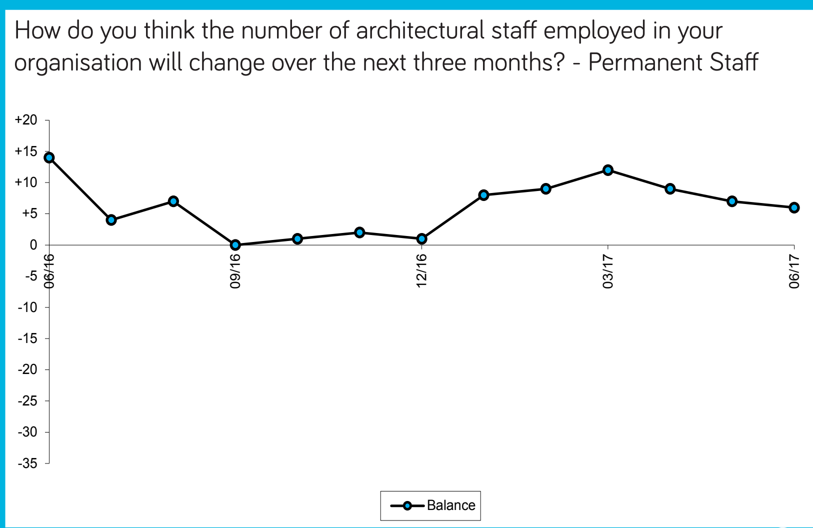
Large practices (51+ staff), with a balance figure of +18, and medium-sized practices (11 - 50 staff), with a balance figure of +21, both remained quite upbeat about future staffing levels. Small practices (1 - 10 staff) continued to be a little less confident, with a balance figure of +3 in June 2017.

Commentary received from our participating practices suggests that the fall in confidence levels this month has largely been driven by growing concern about macro-economic uncertainties, which appear to have been intensified by the General Election outcome and the start of Brexit negotiations, rather than a dramatic change in workloads or the level of project enquiries.

A number of practices commented that the real uncertainty that faces them is the longer 6 - 12 month outlook rather than short to medium term workloads.

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 223 practices took part in the Survey in June 2017. 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.