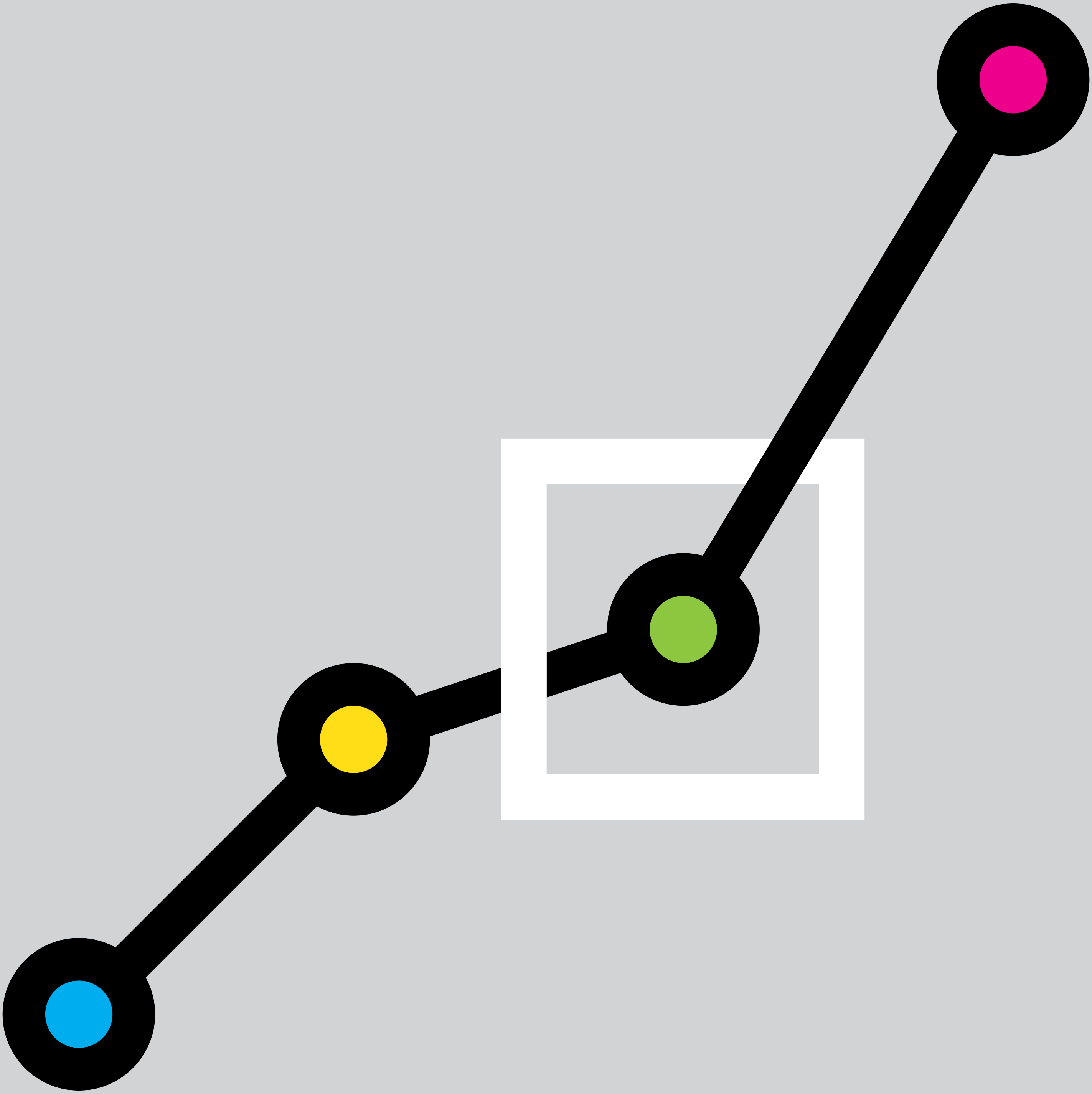
Future
Trends Survey:

April 2021



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 April 2021 Survey returns.

RIBA Future Trends Workload Index
(April 2021)

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.)

In April, the RIBA Future Trends Workload Index fell by 5 points to a balance figure of +24. The surge in optimism seen last month has moderated somewhat, but expectations about future workload remain strongly positive.

Thirty-four per cent of practices expect workloads to grow in the coming three months, whilst most (56%) expect them to remain the same. The percentage expecting workloads to decrease has fallen again and now stands at 10%.

Practices of all sizes are expecting workloads to increase. Larger practices remain the most optimistic.

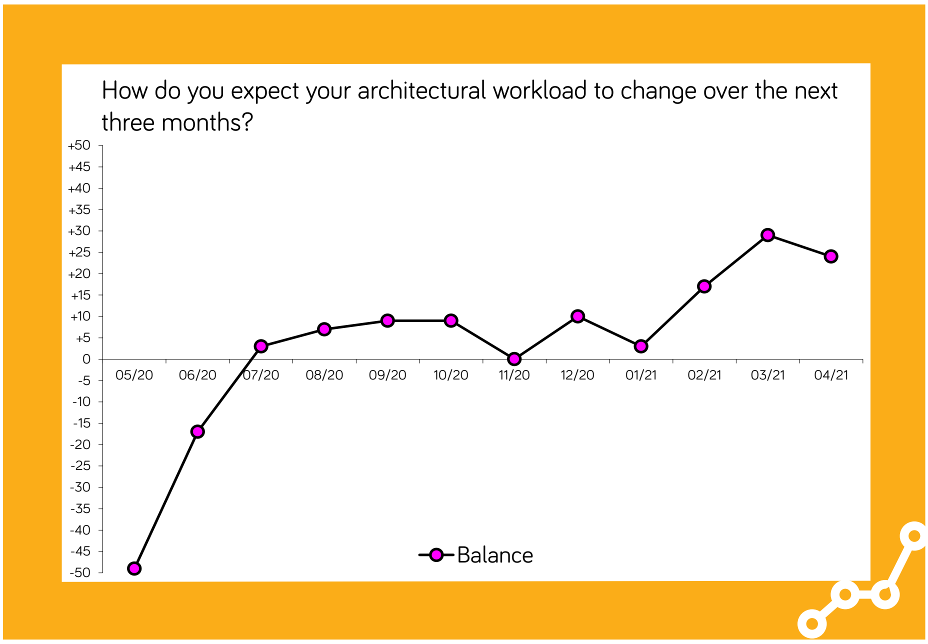
Private housing continues to be the sector about which practices are most positive. Community is the only sector to be negative about future work.

Whilst some regions have seen a dip in optimism this month, all regions remain positive about future workload. London, which had been consistently negative through the pandemic, has again posted a positive balance.

Overall staffing levels stand at 99% of where they were a year ago. Larger practices tend to report having increased in size. The architects' job market is picking up, with larger practices becoming increasingly likely to recruit in the coming three months.

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 April 2021 **RIBA Future Trends Workload Index** in terms of practice size, region and sector:

The outlook of **Small practices** (1 - 10 staff) moderated. In April, small practices posted a future workload balance figure of +20, down seven points from March's figure of +27.

Confidence among **Large and Medium-sized practices** (11 - 50 and 51+ staff) is increasing, with an overall balance score of +54, up 12 points on last month's figure of +42.

All regions report an expectation of increasing workloads over the next three months, although some are less optimistic than they were last month.

London practices have maintained a positive outlook with a balance figure of +12.

The South of England remains confident with a balance figure of +19, although this is a drop of 13 points from last month's high of +32.

The Midlands & East Anglia has risen further into positive territory, up six points from last month, with a balance figure in April of +26.

Wales & the West continues to report a firmly positive outlook, posting a balance figure of +31.

The North of England remains the most optimistic region, with a balance figure of +44.

Among the four **different work sectors,** private housing remains by far the strongest. All sectors are broadly steady in their outlook, although the Community sector has dipped to a negative balance figure.

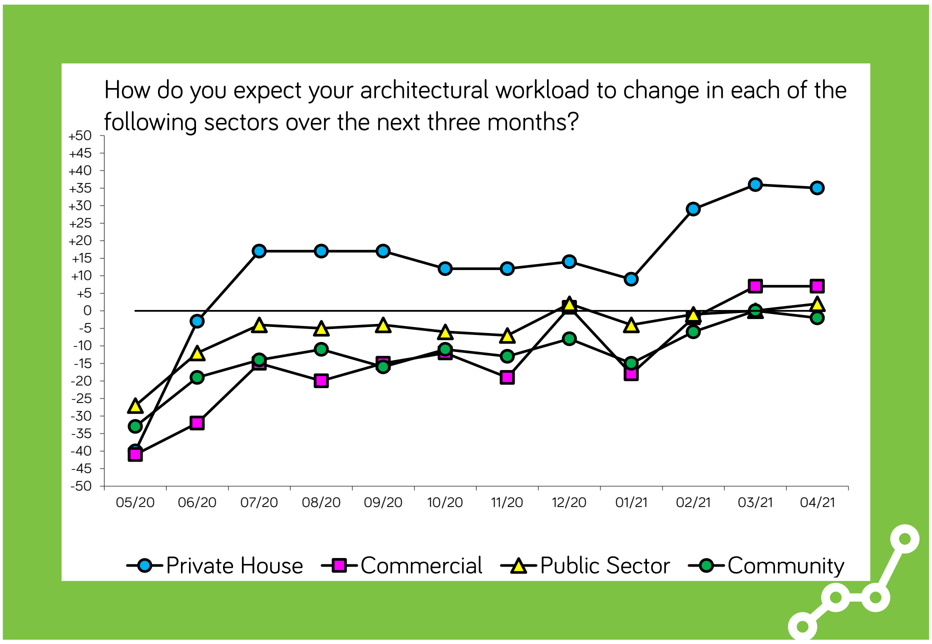
The **private housing sector** held steady this month, posting a strong positive balance figure of +35 in April (compared to +36 in March).

Like last month the **commercial sector** posted a balance score of +7, maintaining a positive view of the workload to come. However, the accelerated trend to online shopping may continue to suppress the retail sub-sector, and future requirements for office space remain unclear.

Optimism about the **public sector** grew slightly this month, with a +2 balance figure, up from zero last month.

The **community sector** dipped back into negative territory this month, posting a balance figure -2, down from zero last month.

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



RIBA Future Trends Staffing Index
(April 2021)

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	80
Increase	15
TOTAL	100
Balance	+11*

** 'Increase' minus 'Decrease' does not equal the 'Balance' figure due to rounding.*

(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 increased to +11 this month, an increase of 4 balance points.

Five per cent of practices expect to employ fewer permanent staff in the coming three months, while 15% expect to employ more. A clear majority (80%) of practices continue to expect staffing levels to be constant.

Medium and large-sized practices (11+ staff) continue to be those most likely to be looking for permanent staff with a balance figure of +43. Over 40% anticipate some increase in permanent staffing levels over the next three months.

With a balance figure of +6, small practices (1 - 10 staff) also expect staffing levels to grow, although fewer smaller practices anticipate recruitment.

The Temporary Staffing Index returned a balance figure of +5 in April.

For the first time since 2019, London has posted a positive permanent staff balance figure. Up from zero last month, April's figure is +9, with 13% of practices anticipating recruitment.

The South of England (+6) and the Midlands & East Anglia (+8) are moderately optimistic about future staffing levels.

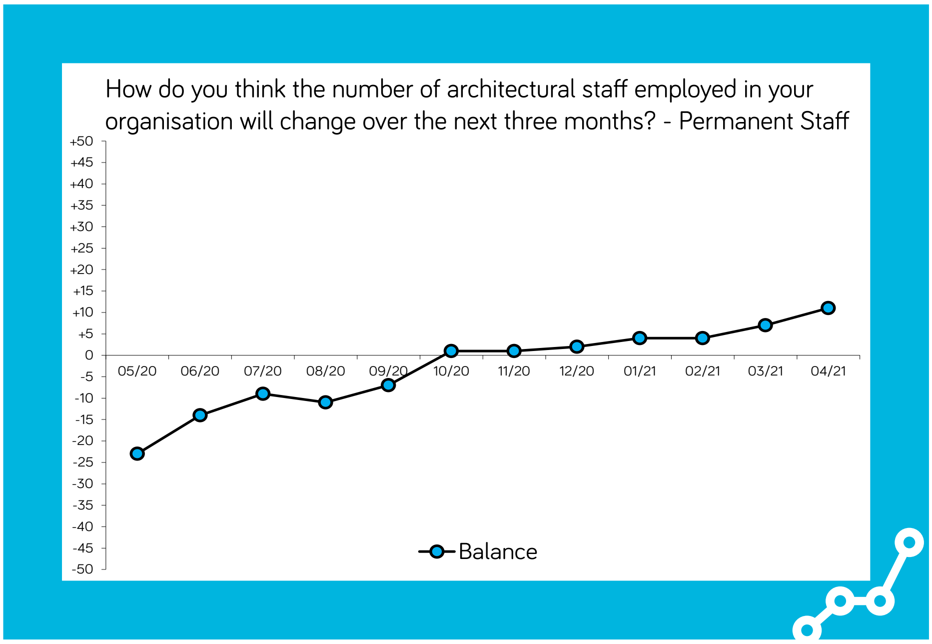
The North of England (+15) and Wales & The West (+13) remain comparative employment hot-spots. In Wales & The West, more than a fifth (22%) of practices expect permanent staff numbers to increase.

Personal underemployment fell to 18% in April. Overall, since the onset of the pandemic, redundancies are at 3% of staff. Seven per cent of staff remain on furlough. Staffing levels are at 99% of a year ago.

The savage reduction in staffing levels that many feared at the start of the pandemic has not materialised.

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
(April 2021)

Whilst the overall Workload Index has fallen, and whilst confidence has moderated in some areas, April's Future Trends marks a consolidation of March's surge in practice optimism.

Workloads continue to grow, personal underemployment to fall. Practices are increasingly confident about longer-term profitability, with 16% expecting profits to rise over the next year, and 39% expecting them to be steady.

Challenges remain for significant numbers of practices, however. Four per cent of practices suggest they are unlikely to remain viable over the next 12 months, and a third expect profitability to fall (although both these numbers continue to come down).

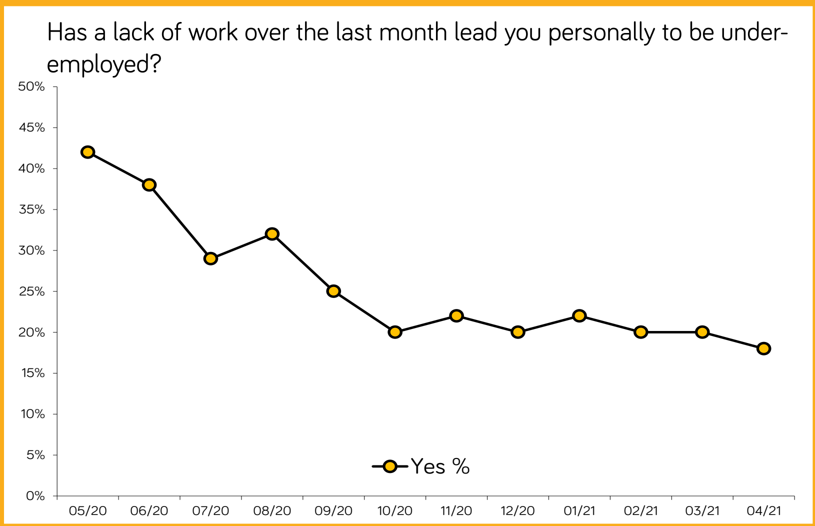
The commentary received in April describes a growing market for architects' services. Many practices are telling us about very high levels of enquires and work, with staff increasingly being brought off furlough to meet demand.

Practices have reported increased work in other sectors like education, work is growing fastest in the residential sector, with energy retrofits, extensions, and refurbishments needed to support home working. There are new regional hot spots as people relocate, often from London. However, whilst there is more work, it can be of lower value than pre-pandemic.

Practices report that a slow pace of planning administration continues to put a brake on some projects.

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 265 practices took part in the Survey in April 2021.
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.