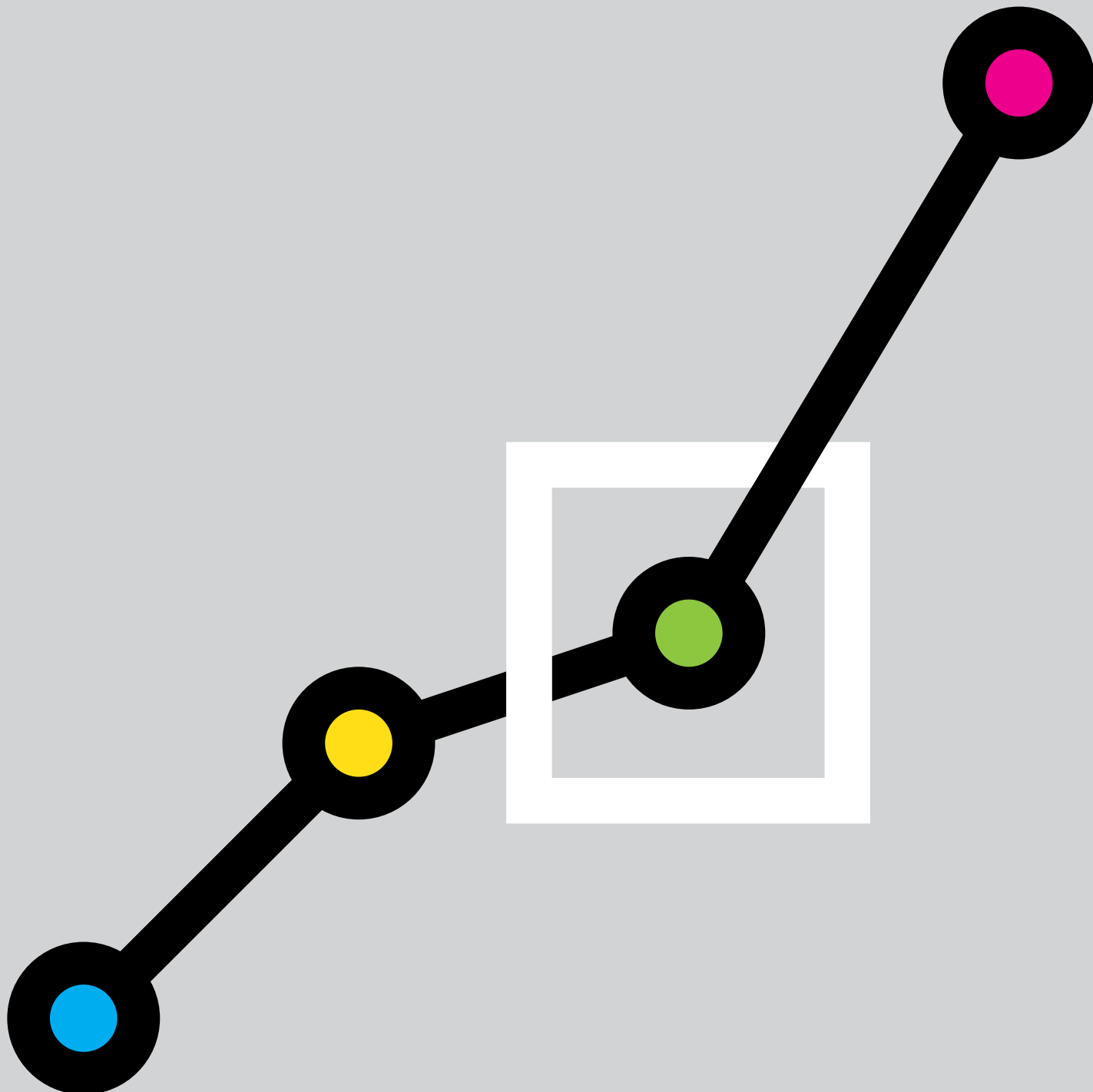


Future Trends Survey:

February 2021



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 February 2021 Survey returns.

RIBA Future Trends Workload Index (February 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	16
Stay the same	52
Increase	32
TOTAL	100
Balance	+17

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

In February, the RIBA Future Trends Workload Index rose to +17, a rise of 14 points.

Whilst not universal, optimism is returning to the architectural profession.

Nearly a third (32%) of practices now expect workloads to grow in the coming three months, whilst just over half (52%) expect then to remain the same. The percentage expecting workloads to decrease has fallen to 16%.

As the vaccine programme rapidly progresses, and as a way out of the pandemic becomes clearer, practices are viewing the future with levels of confidence not seen since early 2020.

The motor of this optimism is the housing sector, whose outlook is increasingly positive. All other sectors have improved since last month, but remain in negative territory.

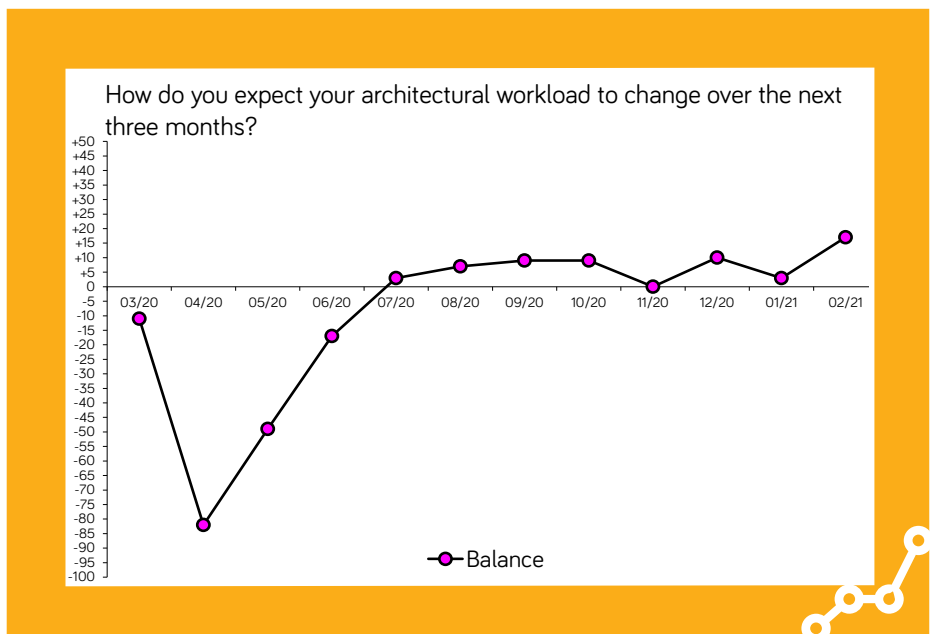
All regions are becoming more positive, except London. Uniquely, London-based practices continue to expect workloads to decrease in the near-term.

This month's report also provides a snapshot of architects' attitude to the future workplace, and the findings are given at the end of this report.

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

The outlook of **Small practices** (1 - 10 staff) rose strongly in February, posting a workload balance figure of +13, up fifteen points from January's figure of -2.

Confidence among **Large and Medium-sized practices** (11 - 50 and 51+ staff) remains strong, with an overall balance score of +29. Among these groups, 35% expect workloads to increase, and just 6% foresee a decrease.

Within this positive news, the long-running concern about future workloads among London practices remains. After briefly moving into positive territory last month, London has again posted a negative figure. This month its Future Workload Index stands at -3.

All other regions report increased confidence about future work.

After a negative figure in January, the South of England has posted a zero balance figure, suggesting workloads there will hold steady.

The Midlands & East Anglia remain in positive territory this month, up four points on last month, with a balance figure in February of +6.

After a drop in confidence in January (with a zero balance figure), the North of England has posted a balance score of +10 in February.

Wales & the West continues to report a firmly positive outlook, posting a balance figure of +21 in February.

Among the four **different work sectors**, only private housing is positive. That said, all sectors are up on last month, and the outlook for the housing sector has improved further.

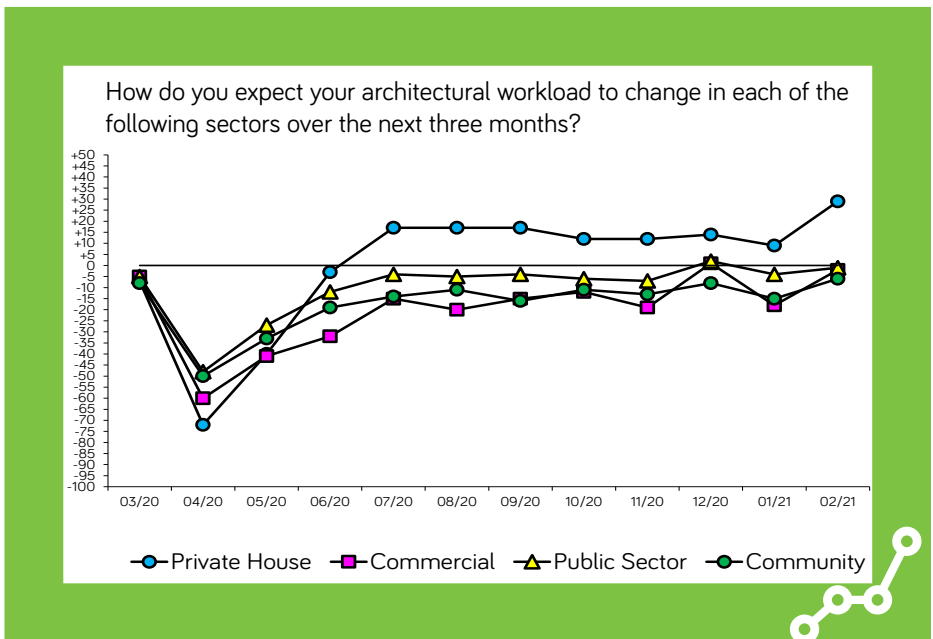
The **private housing sector** surged by 20 points this month to post a balance figure of +29. Thirty-nine per cent of practices expect growing workloads in the housing sector. On balance, all regions and practices sizes expect the housing sector to grow.

The **commercial sector** remains negative but saw the highest rise this month; up 16 points to a balance figure of -2.

The **public sector** saw a modest improvement in sentiment this month, with a rise of 2 points to post a balance figure of -1.

At -6, the **community sector** posted the lowest balance figure this month, however, this is a 9 point improvement on last month's figure of -15.

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



RIBA Future Trends Staffing Index
(February 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	6
Stay the same	83
Increase	11
TOTAL	100
Balance	+4*

*'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 remained at +4 this month. It has been consistently, though only slightly, positive since October.

Six per cent of practices expect to employ fewer permanent staff in the coming three months, while 11% expect to employ more. A clear majority (83%) of practices expect staffing levels to be constant over the coming three months.

Medium and large-sized practices (11+ staff) continue to be those most likely to recruit permanent staff in the coming three months, with both groups posting strongly positive index figures.

On balance, small practices (1 - 10 staff) expect staffing levels to be steady to growing, with a balance figure of +1.

The Temporary Staffing Index returned a balance figure of +1 in February, suggesting the market for temporary staff is positive, but only by the smallest of margins.

Again, London remains most likely to anticipate decreased numbers of permanent staff in the next three months, with a staffing balance figure of -8; down four points on last month. The South of England remains cautious about upcoming recruitment, with a balance figure of zero.

Future recruitment is more likely outside of London and the South. Balance figures in other regions include the Midlands & East Anglia +6, the North of England +10, and Wales & The West at +21.

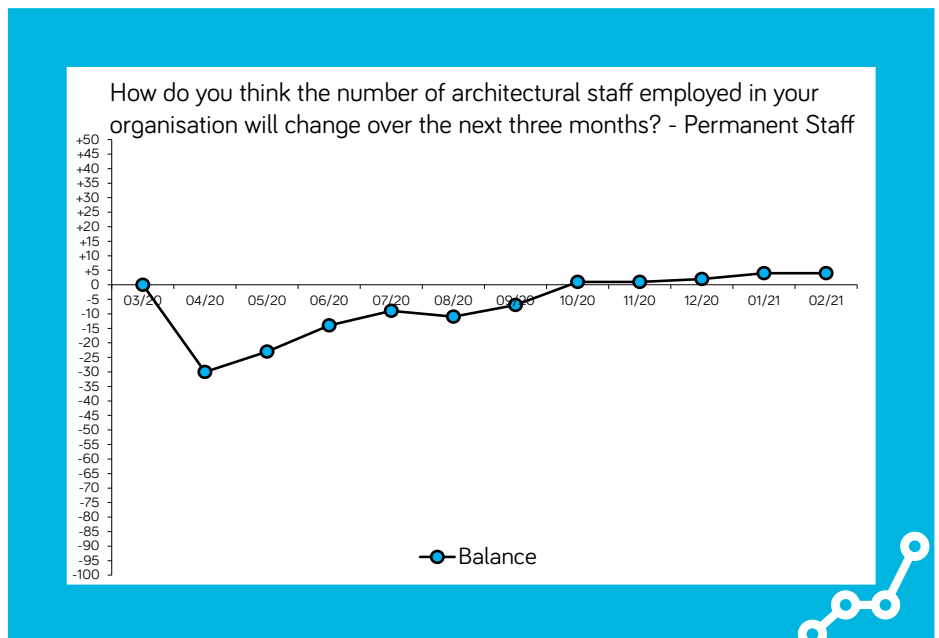
Personal underemployment fell slightly at 20%, down from 22% in January.

Staffing levels remain at 96% of a year ago. Overall, redundancies stand at 3% of staff. Seven per cent of staff remain on furlough. Sixteen per cent of staff are working fewer hours.

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: Focus on COVID-19 (February 2021)

February continues and accelerates a trend we have seen over the last several months: an architects' market increasing in confidence. For now, it is partly dependent on residential work from clients relocating or adjusting their homes to accommodate remote working.

This move to remote working brings with it many questions. Will architects' practices, and other businesses, shift more permanently to at-home working? And if they do, what does this mean for cities and towns, for the commercial and retail sector? What does it mean for collaborative working, mentoring, and organisational culture? What of mental health deterioration, isolation, and unending caring duties for some working at home? The *place* of work inspires, supports and nurtures those who belong to a practice, in a way that on-line working can't.

These questions will play out over the coming months and even years. For now, Future Trends gives a snap-shot of practices' intended future working plans.

Once a return to work is possible, there will be no rush to resume pre-Covid working patterns. Only 13% expect to recall everyone to the office as soon as is practicable. The pandemic looks to have brought a shift in attitudes to where work needs to happen.

Around a quarter (26%) see the future being a blend of office and home-based work, with remote working becoming part of the working week.

Twenty per cent look to leave the decision on where staff work to staff themselves.

Forty-one per cent will continue to work as they are now.

The commentary received in February describes a housing sector performing strongly, with workloads on the up. Practices report significant increases in domestic enquires and firm levels of current workload. Some practices are having to turn down potential projects because they are at capacity.

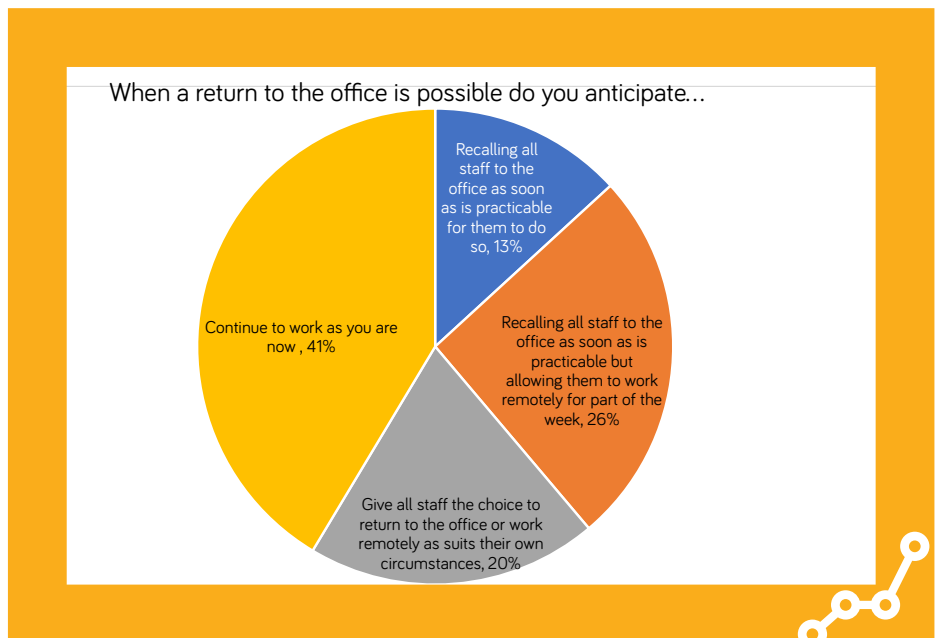
There remain, however, significant challenges. Practices that are reliant on work outside the residential sector are not seeing the workload uptick. Reports continue of a sluggish planning system, not keeping up with demand. Increased PI premiums are affecting profitability. Home-working is a productivity challenge, particularly as child-care and home-schooling eat into the working day. We consistently receive accounts of how this disproportionately affects women.

Nevertheless, February's data suggest a turning point; after a tough year and a hard winter, we are beginning to see the architectural profession anticipate better days ahead.

The following graph shows architects' attitude to the future workplace:

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 284 practices took part in the Survey in February 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.