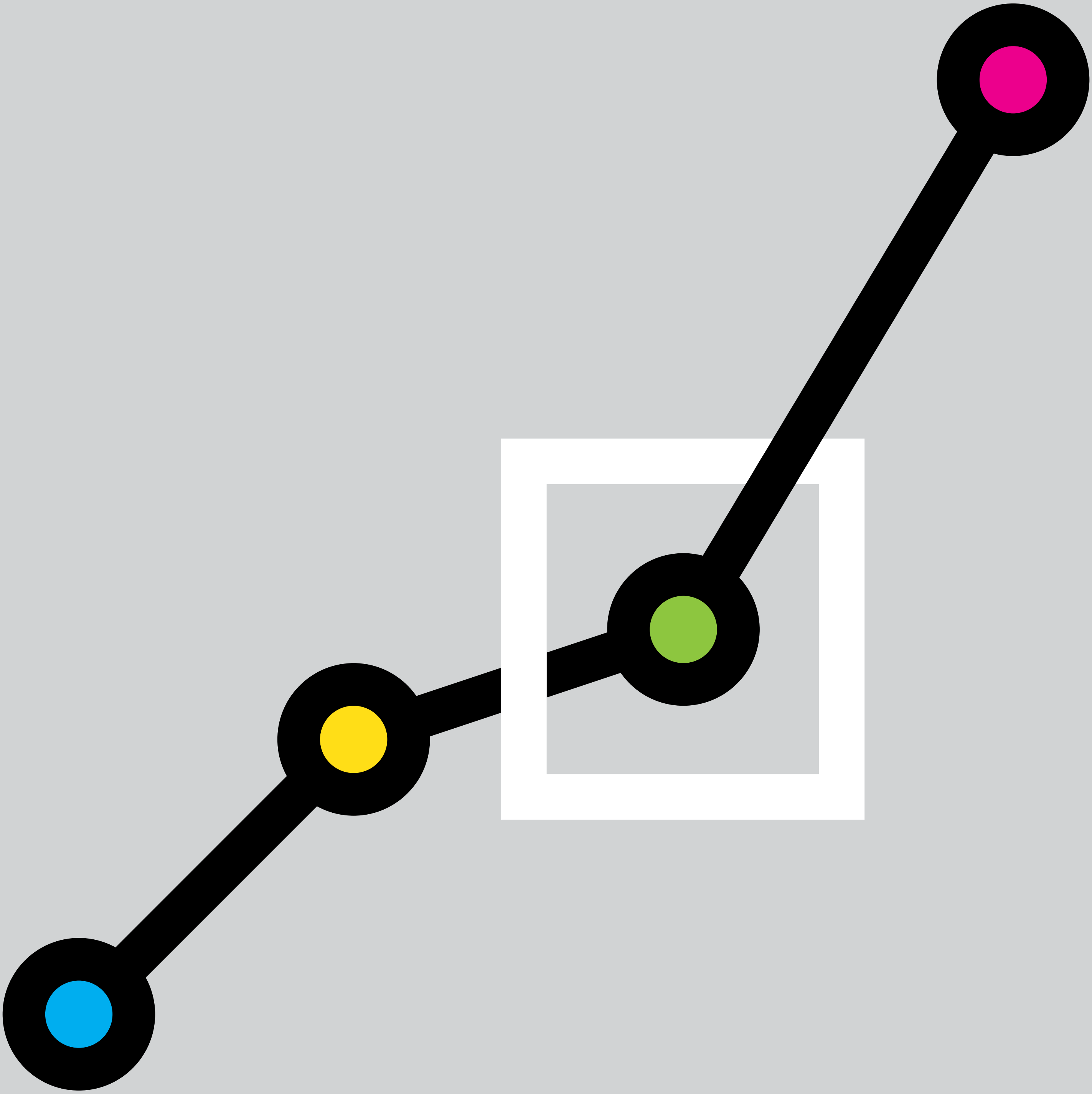
Future Trends Survey:

May 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 May 2021 survey returns.

RIBA Future Trends Workload Index
(May 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	50
Increase	40
TOTAL	100
Balance	**+30**

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

In May the RIBA Future Trends Workload Index rose by 6 points to a balance figure of +30. There is a level of optimism about future workloads among architects not seen since 2016. The recovery continues.

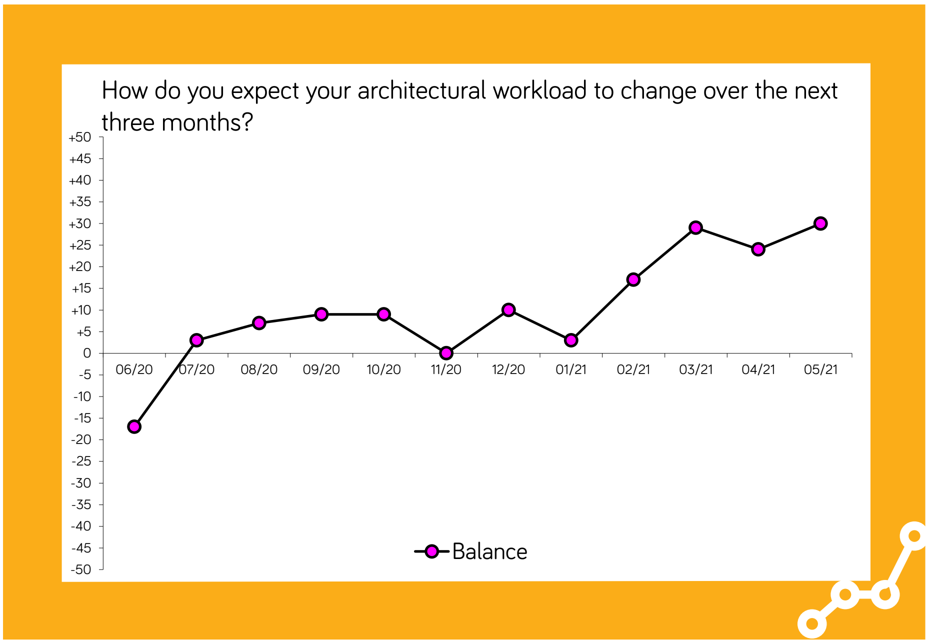
Forty per cent of practices expect workloads to grow in the coming three months, whilst half (50%) expect them to remain the same. The percentage expecting workloads to decrease remains at 10%.

At +42, the RIBA Future Trends Workload Index for the Private Housing sector is the highest figure since the Future Trends survey began (2009). Of the four work sectors monitored, three are expecting growing workloads.

On balance, all regions and all sizes of practice expect workloads to increase in the next 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 May 2021 RIBA Future Trends Workload Index in terms of practice size, region and sector:

The outlook of Small practices (1 - 10 staff) picked up after a dip in April. In May, small practices posted a future workload balance figure of +27, an increase of seven points on April's figure of +20.

Confidence among Large and Medium-sized practices (11 - 50 and 51+ staff) fell back somewhat, to post a balance of +45. Nevertheless, a majority (55%) anticipate increasing workloads.

All regions anticipate increasing workloads over the next three months, with some reporting extremely strong levels of optimism.

Optimism in the capital continues to grow, with a London balance figure of +22, up from +12 in April. The South of England's balance figure has also improved further, with a balance figure of +25, up from +19 last month.

Anticipation of future workloads has dropped back in the Midlands & East Anglia, though it remains firmly positive; here the balance figure in May is +14, compared to +26 in April. Similarly, the North of England has returned a strong but somewhat reduced workload balance figure; +37 in May, compared to +44 in April.

Wales & the West has posted May's highest balance figure, an extremely positive +55, with no practices expecting workloads to decrease.

Among the four different work sectors, private housing continues to outperform other sectors with a *very* high balance figure. The commercial and public sectors are also increasingly positive.

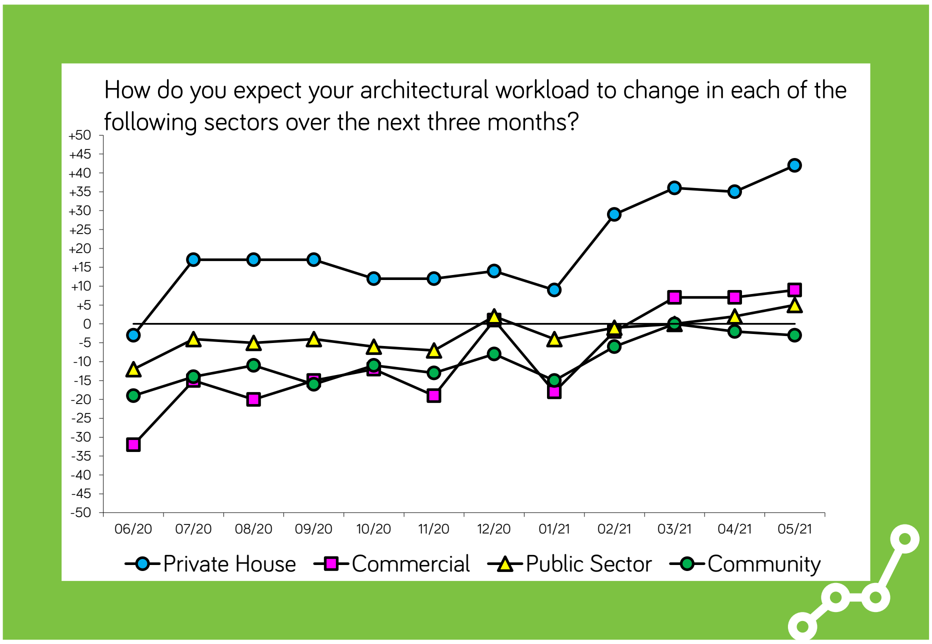
The private housing sector has posted an unprecedented balance figure of +42, up seven balance points on April's figure of +35. Almost half (48%) of practices expect workloads to grow in this sector.

The commercial sector posted a balance figure of +9, up two points from April's figure of +7.

Optimism about the public sector is gathering a little momentum, with a two-point balance figure rise in May, to +5.

The community sector remains in negative territory this month, posting a balance figure -3, down from -2 last month.

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



RIBA Future Trends Staffing Index
(May 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	76
Increase	19
TOTAL	100
Balance	**+14**

(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.)

Staff levels are on the up. Staffing levels have recovered to now being above those of a year ago.

At +14, the RIBA Future Trends Staffing Index continued its steady climb this month, increasing three balance points from last month's figure of +11.

Nineteen per cent of practices expect to employ more permanent staff over the coming three months, whilst 5% expect to employ fewer. Three-quarters (76%) expect staffing levels to stay the same.

Medium and large-sized practices (11+ staff) continue to be those most likely to recruit staff, with a high combined balance figure of +45.

Small practices have posted a balance figure of +9, (1 - 10 staff) indicating they too anticipate growing permanent staff numbers.

The Temporary Staffing Index also rose, returning a balance figure of +8 in May, up from +5 in April.

With a balance figure of +7 London is again positive about staffing, although this is down 2 points on April's figure of +9.

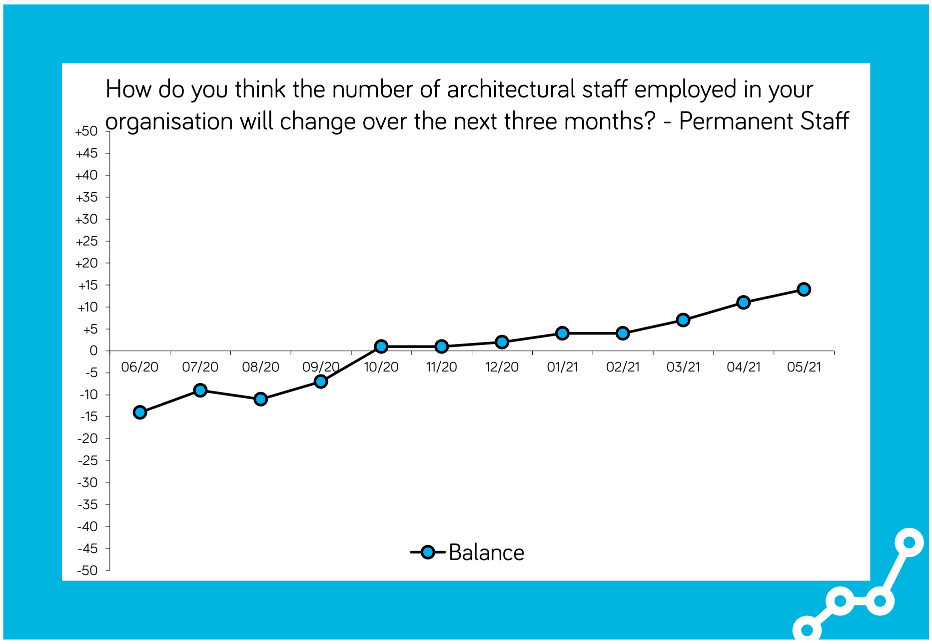
The South of England (+4) and the Midlands & East Anglia (+7) remain optimistic about future staffing levels.

In line with expectations for greater workloads, the North of England (+22) and Wales & The West (+26) are the two regions where demand for permanent staff is most rapidly growing. Over a quarter of practices in both areas anticipate increasing their permanent staff numbers within the next three months.

Personal underemployment fell again and now stands at a to 16%, a level last seen in 2019.

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
(May 2021)

This month continues the strong and sustained recovery of the architect's market from the lows of 2020.

Forty per cent of practices expect workloads to increase, and 19% anticipate recruiting more staff. The Private Housing market has posted a record high for future work, and work from the Commercial and Public Sectors is also set to continue to grow. All regions are positive about the coming months, with notable hot-spots in Wales & the West and the North.

The RIBA Future Workload Index provides an aggregate figure; not all practices are optimistic. Over the coming three months, 10% of practices expect workloads to contract, and 5% expect to employ fewer staff.

Nevertheless, the RIBA Future Trends survey indicates that the architectural profession has so far successfully navigated the unprecedented covid-19 storm, and is in a better position now than many would have anticipated a year ago.

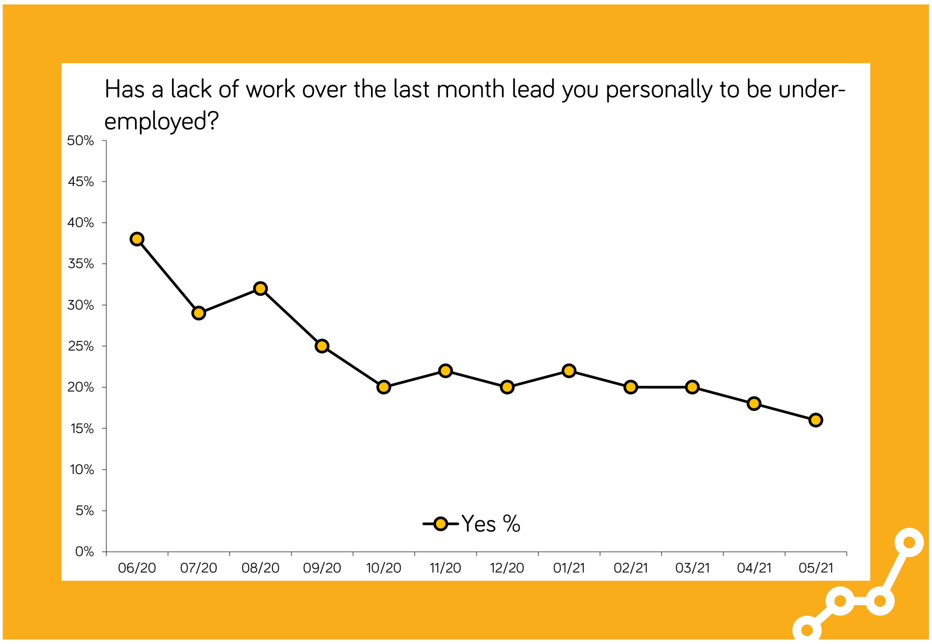
The commentary received in May aligns with the positive figures.

Practices have reported strong levels of enquires, with many of these enquires converting into appointments. Now is a generally busy period, with some new jobs queued until later in the year.

Practices are seeing high levels of work within the Private Housing sector (from one-off extensions through to larger-scale work for developers). There are also reports of workloads growing in non-residential work.

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 248 practices took part in the Survey in May 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.