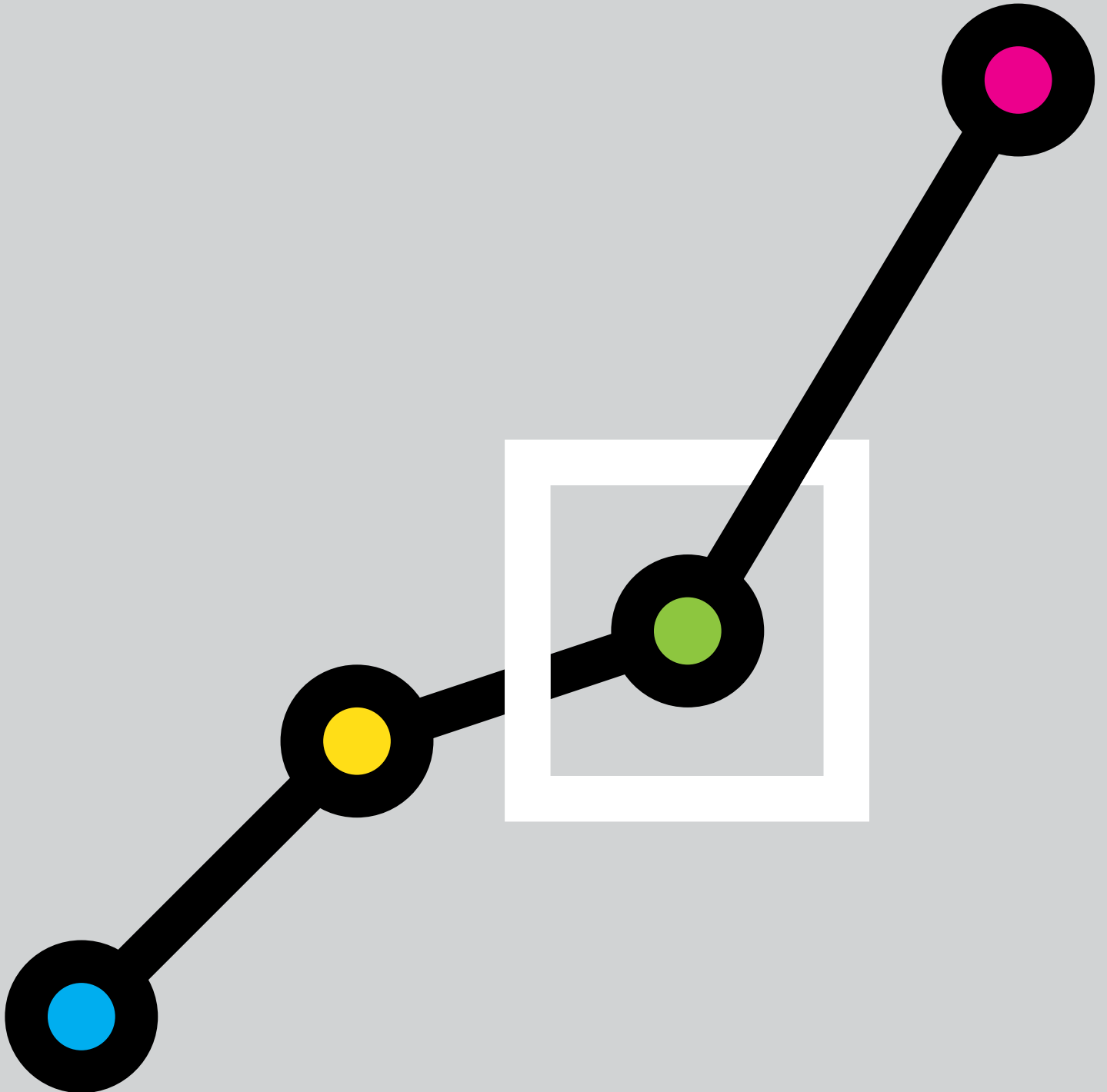


Future Trends Survey:

November 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 November 2021 survey returns.

RIBA Future Trends Workload Index (November 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	13
Stay the same	60
Increase	26
TOTAL	100*
Balance	+15

*Values do not total 100 due to rounding.

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

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 November, the RIBA Future Trends Workload Index returned a positive balance of +12. This is a small fall on last month's figure of +15, with confidence continuing to soften. However, November marks twelve months of a positive RIBA Future Trends Workload Index.

Twenty-six per cent of practices expect workloads to grow in the coming three months, whilst sixty per cent expect them to remain the same. Thirteen per cent of practices expect workloads to decrease.

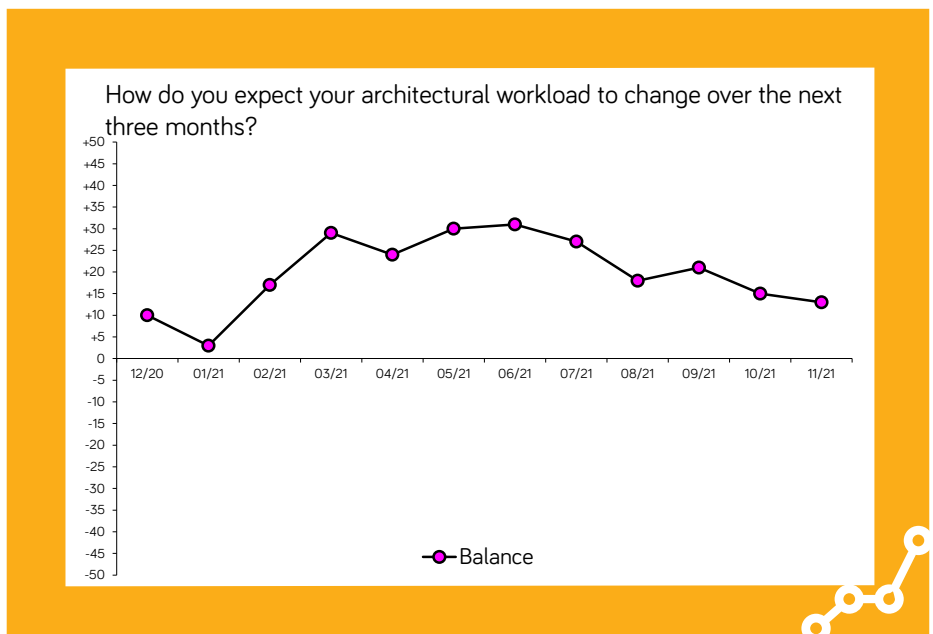
This month also saw actual workloads reported at 10% up compared to a year ago.

On balance, all practice sizes remain confident about future workloads, as do all but one region. The South of England has returned a negative balance figure for the first time since the end of 2020.

The Housing, Commercial and Public Sectors are expected to grow over the coming three months. The persistently weak Community sector has dipped back into negative territory, however.

Although confidence remains, external pressures continue to weigh on the architects' market. Supply-side constraints on workload show no sign of abating. Shortages of materials remain significant, and this is explored later in this report. Inflation is gathering pace. The imminent effects of the Omicron variant are unclear, but potentially very significant.

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



Looking at the November 2021 RIBA Future Trends Workload Index in terms of practice size, region and sector:

In November, **Small practices** (1 - 10 staff) practices posted a positive balance figure of +9, the same as last month.

Confidence among **large and medium-sized practices** (11 - 50 and 51+ staff) although reduced, remains very strong. The November balance figure for mid to large-sized practices is +32, down 15 points from +47 in October.

The eight-month run of all regions being positive about coming workloads has come to an end this month, with the South of England drifting into negative territory. All other regions remain positive.

London has returned to being firmly optimistic about future workloads. In a turnaround from twelve months ago, London is now the most positive region. In November the capital returned a balance figure of +26, up from +8 in October.

The North of England remains firmly positive with a balance of +24, up from +20 last month.

Wales & the West and the Midlands & East Anglia are both positive, but both have seen optimism fall. Wales & the West posted a balance figure of +16, down 6 balance points from last month. The Midlands & East Anglia remains positive with a balance figure of +3, down 11 points on October's figure.

With a workload balance figure -2, the South of England has dipped into negative territory indicating an expectation of diminishing workloads over the coming three months.

Turning to work sectors, three of the four sectors have seen optimism weaken, and one, the community sector, has fallen into negative territory.

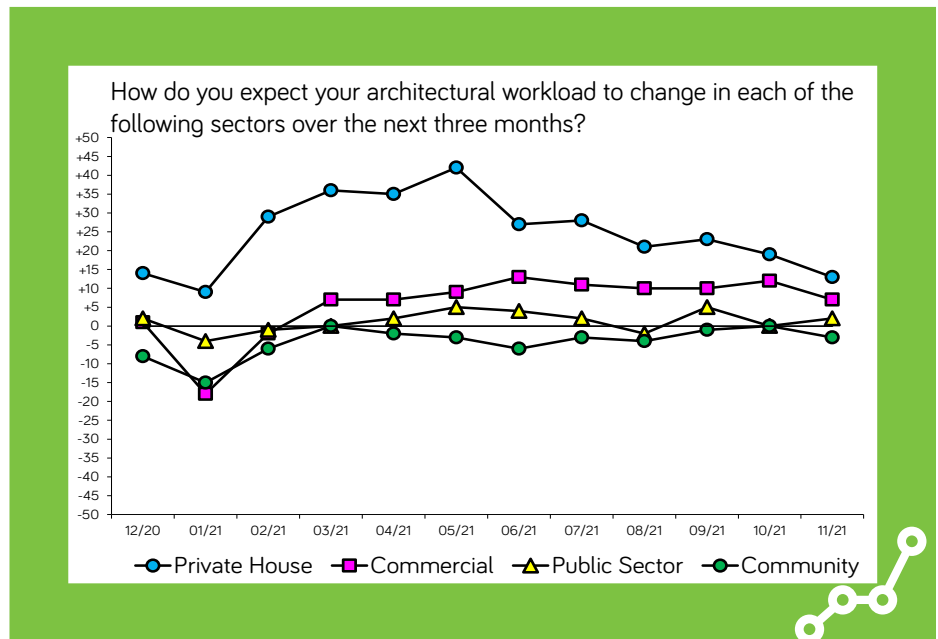
In November, the **private housing sector** posted a balance figure of +13, a five-point fall from last month's figure.

The **commercial sector** also fell this month, with a November balance figure of +7, down 5 balance points.

The **public sector** recovered with a balance figure of +2 following October's zero balance.

The **community sector** has slipped back into its long-running negative tendency. In November, the sector returned a balance figure of -3, after a zero balance figure last month.

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



RIBA Future Trends Staffing Index
(November 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	12
Stay the same	75
Increase	13
TOTAL	100
Balance	0*

(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.)

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

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.

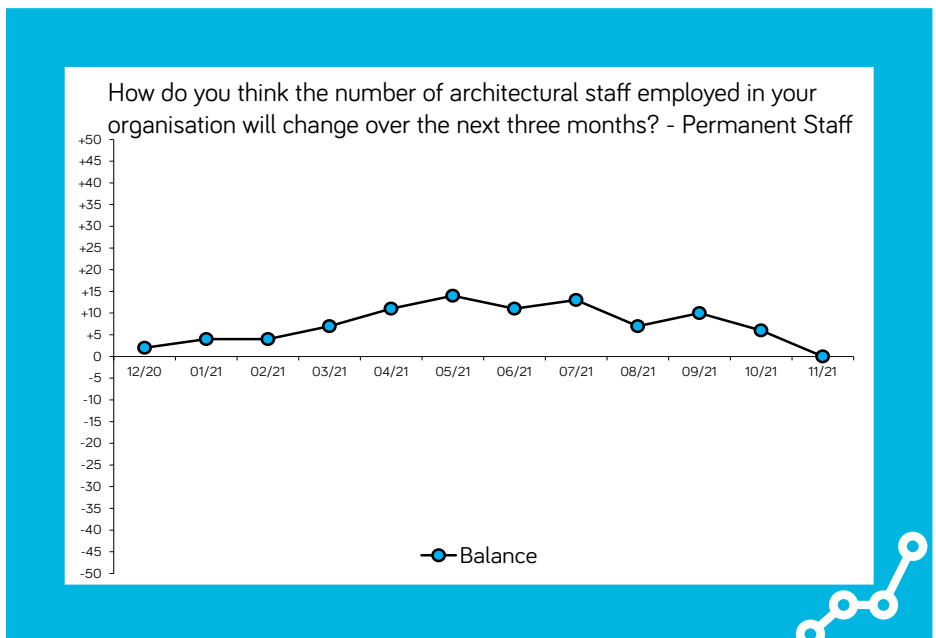
The November, the **RIBA Future Trends Permanent Staffing Index** stands at zero; as many practices expect staffing levels to decrease as increase. The index fell by six balance points in November.

Thirteen per cent of practices expect to employ more permanent staff over the coming three months, whilst 12% expect to employ fewer. Seventy-five per cent expect staffing levels to stay the same.

With a combined balance figure of +19, expectations for staff recruitment remains strong among medium and large-sized practices (11+ staff). Thirty-eight per cent of larger practices expect staff levels to increase in the next three months, while 19% expect a decrease.

In contrast, small practices (1 - 10 staff) expect staffing levels to contract somewhat over the next three months, with a balance figure -3* Seven per cent of small practices expect staff levels to increase in the next three months, with 11% expecting a decrease.

The following graph plots the RIBA Future Trends Staffing Index over time:



In November, the regional picture for permanent staffing picture is mixed.

The North of England and the Midlands & East Anglia both posted positive balance figures this month, at +8 and +6 respectively.

London and Wales & The West both returned a negative balance figure of -2 this month (contrasting with these regions' expectations of growing workloads). However, both regions posted a strongly positive balance figure in the temporary staffing index, suggesting a willingness to recruit temporary staff to meet demand, but a caution in making permanent appointments.

The South of England also posted a negative balance figure of -2 for permanent staff.

The **Temporary Staffing Index** stood at +7 in November.

In November, personal underemployment fell slightly (by one percentage point) to 14%.

RIBA Future Trends (November 2021)

In June 2021 RIBA Future Trends looked at the effects of the supply delays for construction products. As we approach the end of the year, these issues remain unresolved; indeed, findings this month suggest that the situation is worsening for some architects.

Difficulties in sourcing construction products are causing on-site delays for 74% of practices, and over a quarter (27%) report site work being put on hold. A quarter now report delays in the design process, up from 18% in June.

Whilst there are signs that overall product availability is improving somewhat, particular difficulties are reported with the supply of bricks, blocks and roofing products, and in imported products. Steep price inflation for many construction products dampens client demand and makes budgeting challenging. A restricted range of obtainable products is making sustainable design more difficult.

Notes

The percentages experiencing project delays due to product sourcing issues are plotted here.

Overall, this month the RIBA Future Trends continues to see optimism among architects' practices, but the optimism is softening.

Whilst the confidence we see in the capital is encouraging, for the first time in eight months, that positive outlook is not shared across all regions.

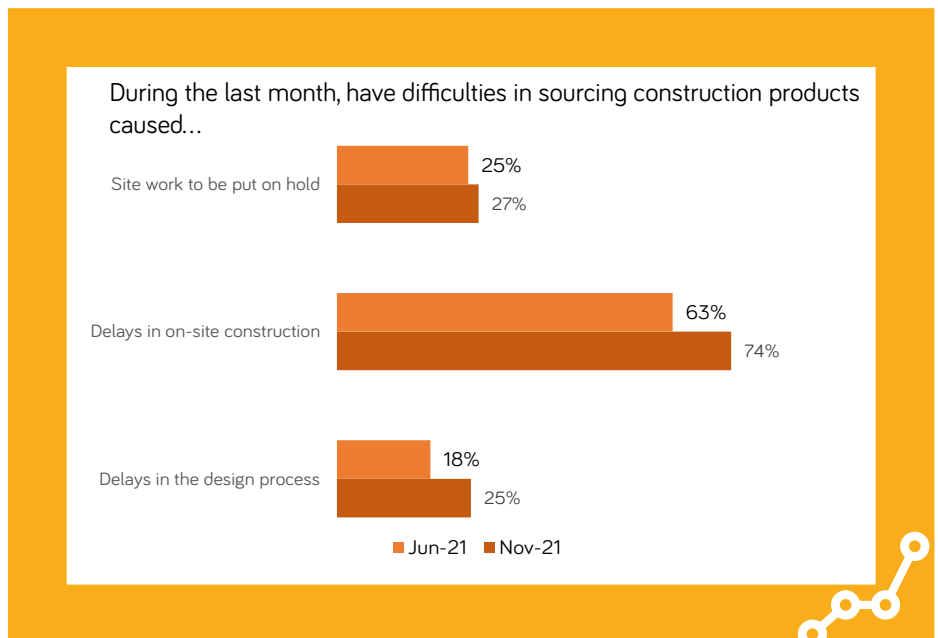
With stalling growth and rising inflation in both the general economy and the construction sector, concerns are growing that the rapid recovery we saw through 2021 is losing some of its momentum.

The new Covid variant, Omicron, is rapidly emerging as a significant risk.

Commentary received suggests supply-side issues continue to drag on architects' current and future workload. The speed with which Local Authorities process planning applications continues to be raised as a significant issue that is stalling projects or causing them to be abandoned altogether.

Despite these challenges, many practices report a full pipeline of work and continued strong demand for architects' services. Overall, architects continue to expect growing workloads into the New Year.

The following graph plots the effects of difficulties in sourcing construction products:



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 220 practices took part in the Survey in November 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.