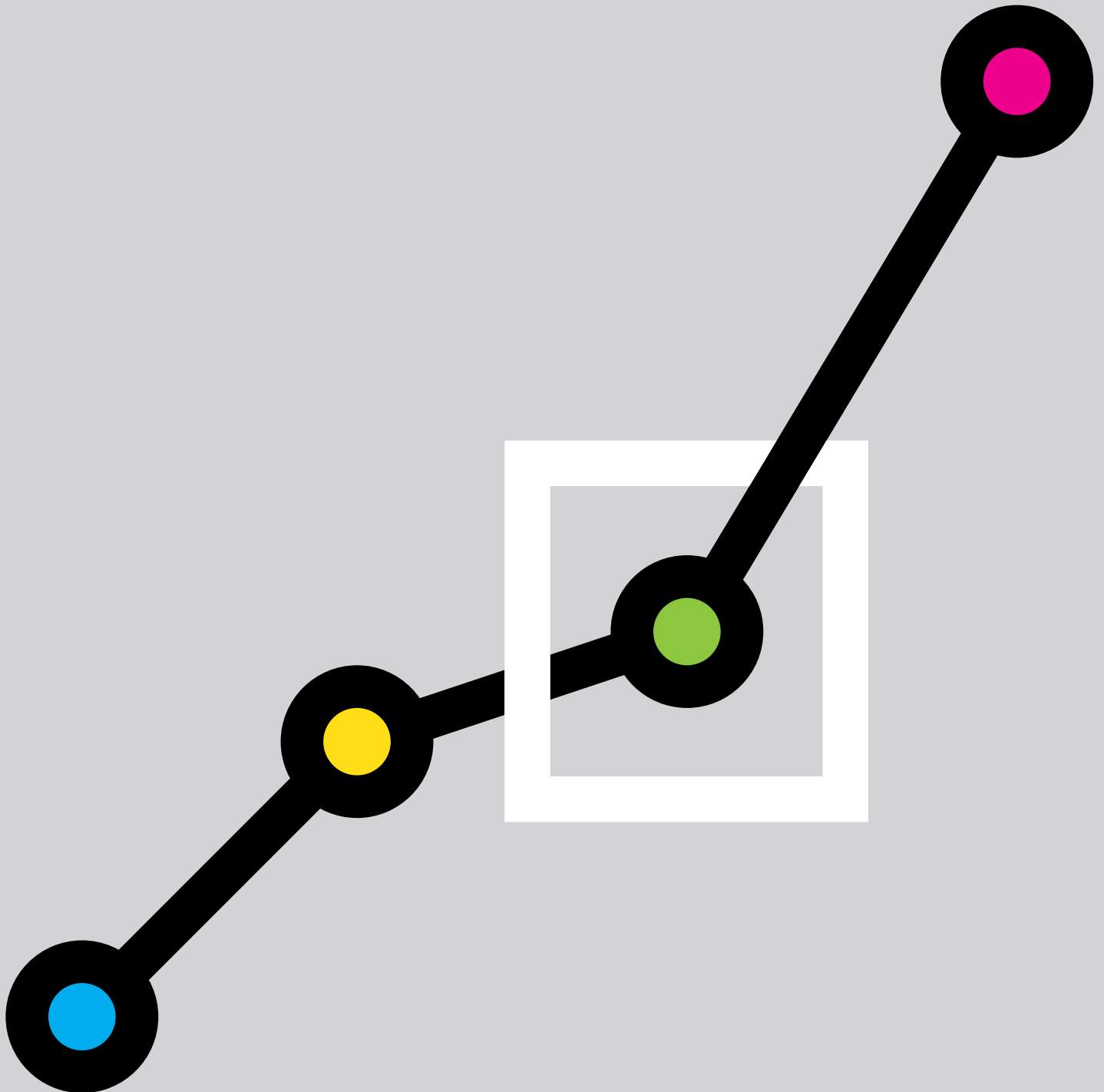


Future Trends Survey:

October 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 October 2021 survey returns.

RIBA Future Trends Workload Index (October 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	12
Stay the same	61
Increase	27
TOTAL	100
Balance	+15

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

In October, the RIBA Future Trends Workload Index again remained firmly in positive territory, with a balance figure of +15. However, this is a 6-point fall from September's figure of +21, and 16 points lower than the 2021 peak in June (+31). Architects remain optimistic about future workload, but that optimism is softening in the face of external pressures.

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

In October, workloads were 7% up on a year ago.

On balance, all regions and practice sizes remain confident about future workloads, although confidence has dipped in the capital and among small practices.

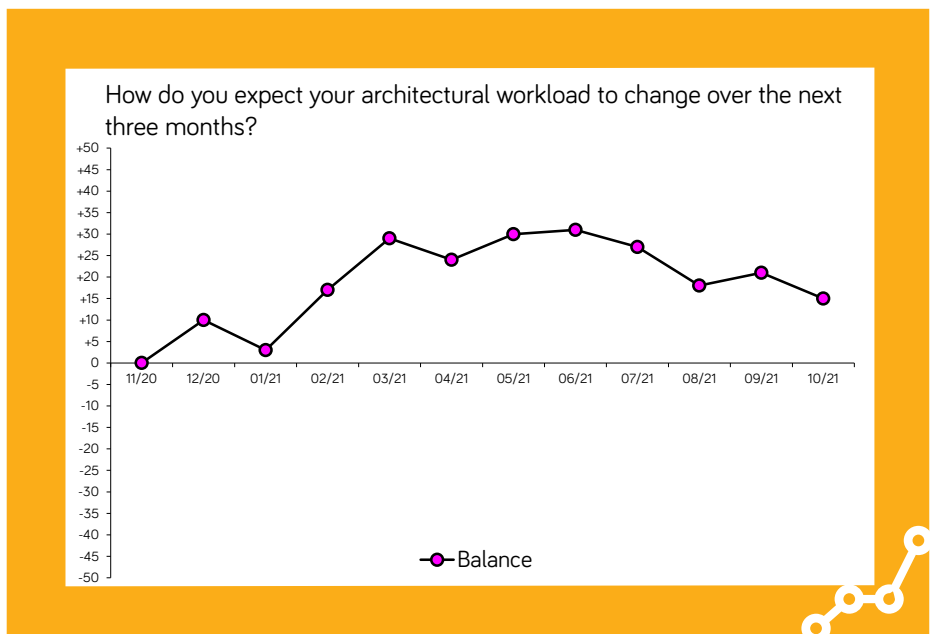
Both the Housing and Commercial sectors continue to expect expanding workloads but the Public and Community sectors remain weak.

Supply-side constraints on workload show no sign of abating. Shortages of materials, tradespeople, contractors and (for those seeking to recruit) architects are putting a brake on project delivery.

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

In October **Small practices** (1 - 10 staff) practices posted a positive balance figure of +9, down from +19 in September. Small practices remain positive, but the level of optimism is at its lowest level since January.

Confidence among **large and medium-sized practices** (11 - 50 and 51+ staff) remains very strong and has risen. The October balance figure for mid to large-sized practices is +47, up 13 points from +34 in September.

For the eighth successive month, all regions expect workloads to grow over the next three months.

Overall, practices in London remain optimistic about future workloads. However, having seen rising optimism last month, the workload index figure in the capital fell by 18 points in October to post a balance figure of +8.

The North of England and Wales & the West, remain optimistic this month. However, both see confidence waning somewhat. Wales & the West has posted a balance figure of +23, down 5 points from last month and the North of England is down 21 points from last month, at +20.

In contrast, the South of England and the Midlands & East Anglia have both seen confidence rise this month. In the South of England, the balance figure is up 12 points to +16. In the Midlands & East Anglia, the balance figure is up 11 points to +14.

Turning to work sectors, no sector is negative. Of the four sectors confidence has risen in two and fallen in two.

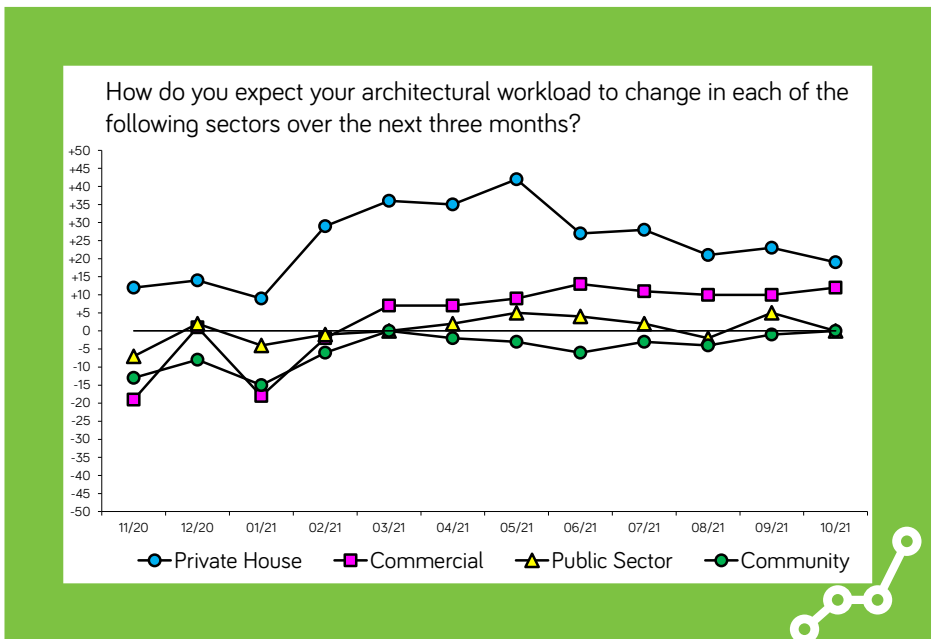
In October, the **private housing sector** posted a balance figure of +19, a four-point fall from last month's figure. The private housing sector index is now 23 points off its 2021 high of +42 in May.

The **commercial sector** rose slightly this month, with an October balance figure of 12, up two balance points and consolidating the sector's growth expectations.

In October, the **public sector** fell back to a zero balance, with as many expecting workloads in this sector to increase as decrease.

The **community sector**, up 1 balance point from last month, has also returned a zero balance this month.

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



RIBA Future Trends Staffing Index
(October 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	4
Stay the same	85
Increase	10
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.)

At +6, the **RIBA Future Trends Permanent Staffing Index** fell by four balance points in October.

Overall, 10% of practices expect to employ more permanent staff over the coming three months, whilst 4% expect to employ fewer. Eighty-five per cent expect staffing levels to stay the same.

With a combined balance figure of +24, expectations for staff recruitment remains highest among medium and large-sized practices (11+ staff).

Small practices (1 - 10 staff) also expect staffing levels to increase, with a balance figure +2. Six per cent of small practices expect staff levels to increasing in the next three months, with 4% expecting a decrease.

In October, all regions reported an overall expectation of growing permanent staff numbers, although a lack of suitable, available candidates is holding back recruitment, practice commentary suggests.

Wales & The West is the most positive region, with a balance figure of +10. The South of England (+2) is the least optimistic.

The North of England returned a staffing index figure of +8 in October, and the Midlands & East Anglia +6.

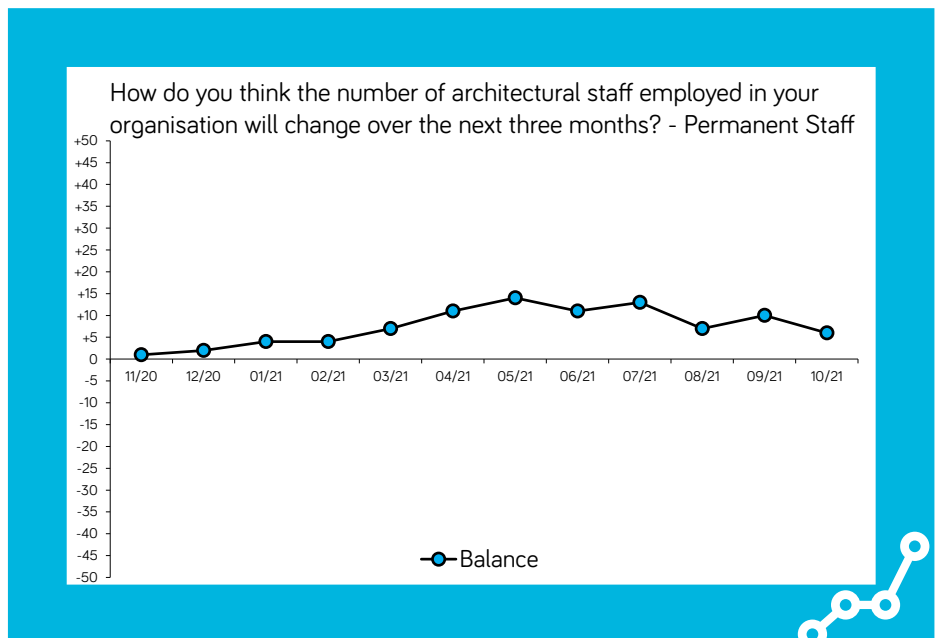
With a balance figure of +6, London's current expectations for future staffing levels have fallen back from September's figure of +13.

In October, personal underemployment rose slightly (by three percentage points) to 15%.

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 (October 2021)

This month the RIBA Future Trends continues a trend of optimism among architects' practices. Across the range of practice sizes, regions, and sectors there is a general expectation that the future will bring more work and that more staff will be needed to do it.

Encouragingly the recovery continues to extend beyond the Private Housing market and into the commercial sector.

However, confidence is becoming increasingly moderated as external pressures build. Confidence is significantly lower than earlier in the year.

Commentary received suggests architects continue to experience cost and availability issues in labour and materials. In turn, this is fuelling project cost inflation, making estimating and managing project costs exceptionally challenging. Architects or contractors working on fixed-price contracts are increasingly at inflationary risk.

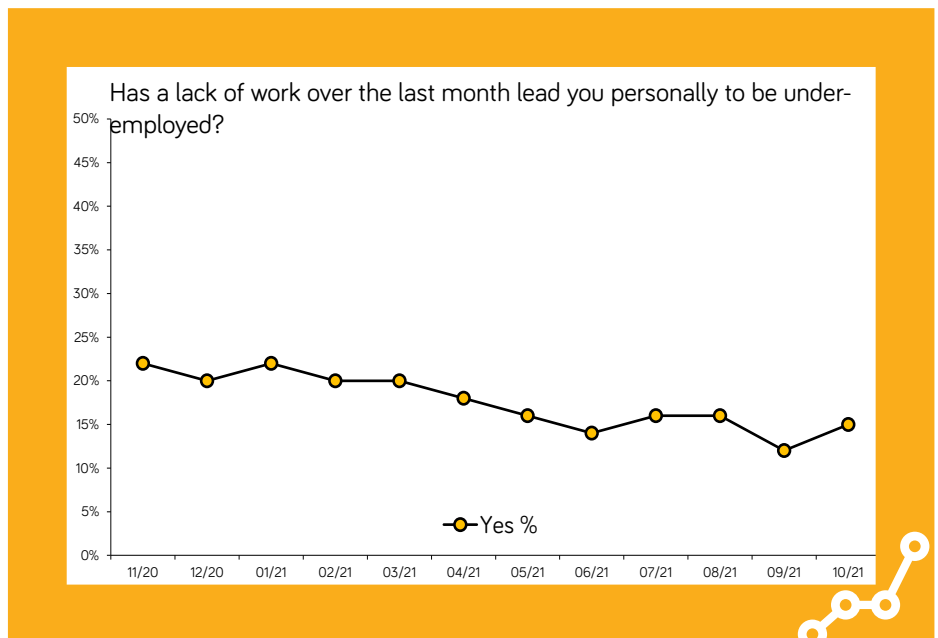
A growing concern is that a prolonged period of general inflation may come, threatening the economic recovery, reducing overall confidence, and dampening client demand.

Nevertheless, the near-term outlook remains strong for architects. The recovery continues and is broad-based. Practices continue to report working at capacity and with full pipelines of future work.

The following graph plots attitudes to staffing levels:

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 232 practices took part in the Survey in October 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.