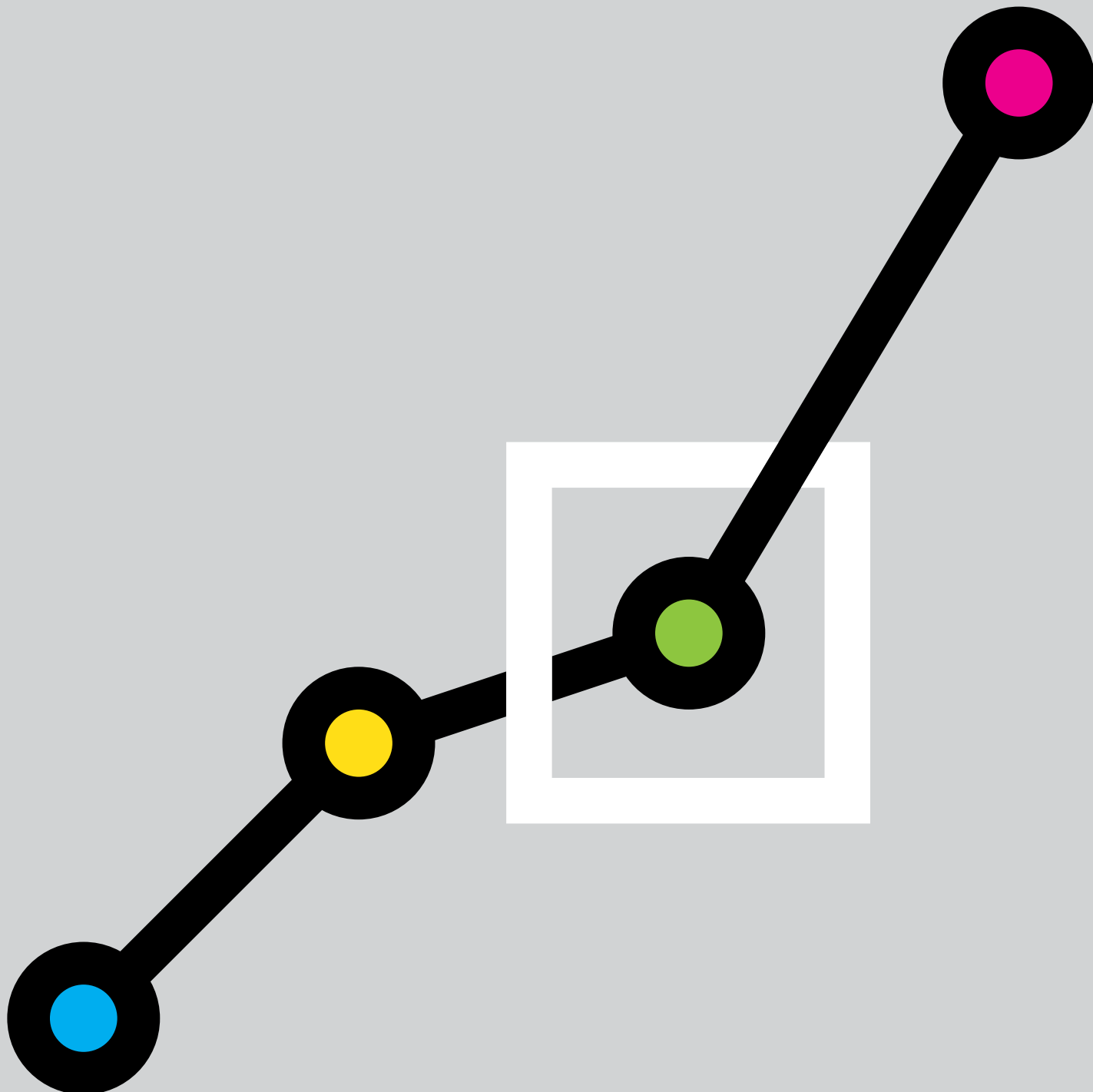


Future Trends Survey:

September 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 September 2021 survey returns.

RIBA Future Trends Workload Index (September 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	11
Stay the same	57
Increase	32
TOTAL	100
Balance	+21

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

In September, the RIBA Future Trends Workload Index remained firmly in positive territory and rose slightly, with a balance figure of +21. This is a three-point increase on August's balance figure of +18. Despite growing external challenges, optimism about future workloads is holding firm.

Thirty-two per cent of practices expect workloads to grow in the coming three months, whilst fifty-seven per cent expect them to remain the same. Eleven per cent of practices expect workloads to decrease.

In September, workloads were 8% up on a year ago.

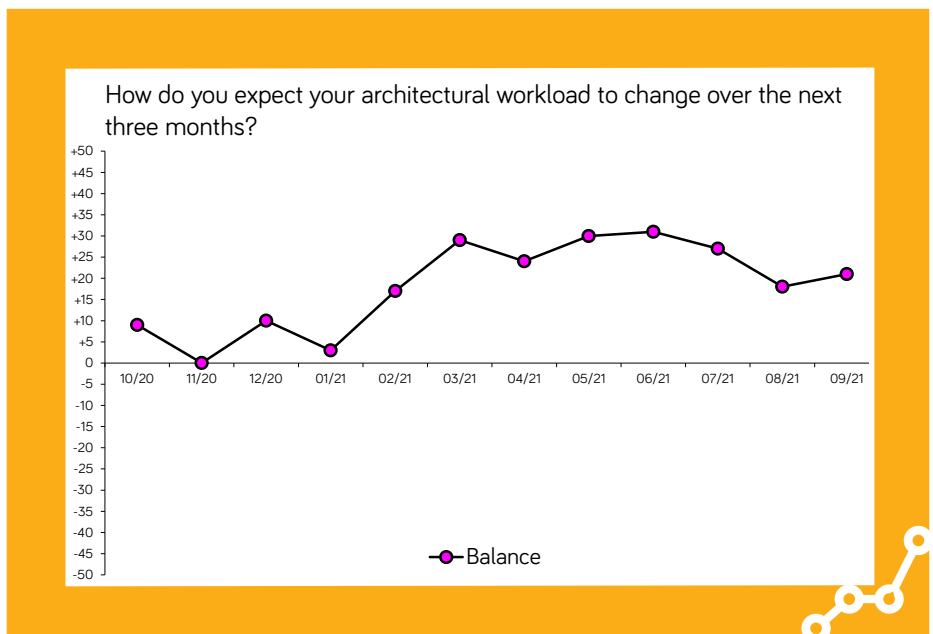
On balance, all regions and practice sizes remain confident about future workloads. Workload growth is expected in three of the four monitored sectors, (housing, commercial and public) with only the community sector expected to contract.

However, concerns about shortages of materials and labour continue. These shortages are feeding project cost inflation so making current projects exceed budget, and future projects potentially unviable.

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

The outlook of **small practices** (1 - 10 staff) remains optimistic. September saw more small practices anticipating growth, with a balance figure of +19, up from +16 in August.

Confidence among **large and medium-sized practices** (11 - 50 and 51+ staff) remains very strong but has softened slightly. The September balance figure for mid to large-sized practices was +34, down two points from August's figure of +36.

For the seventh successive month, all regions expect workloads to grow over the next three months. Whilst some regions are growing in optimism this month, others have seen a marked fall.

Optimism in London has consolidated. After posting a balance figure of +12 in August, the workload index figure in the capital rose by 14 points in September to +26.

The South of England and the Midlands & East Anglia both remain optimistic, however, both regions have seen confidence fall back sharply this month. In the South of England, the balance figure has fallen 16 points from +20 in August, to +4 in September. In the Midlands & East Anglia, the fall is 14 points, from +17 to +3.

The North of England (+41) and Wales & the West (+28) are increasingly confident about future workload.

Confidence in the four monitored sectors has either held steady or improved slightly this month with the private housing sector set to growing most quickly.

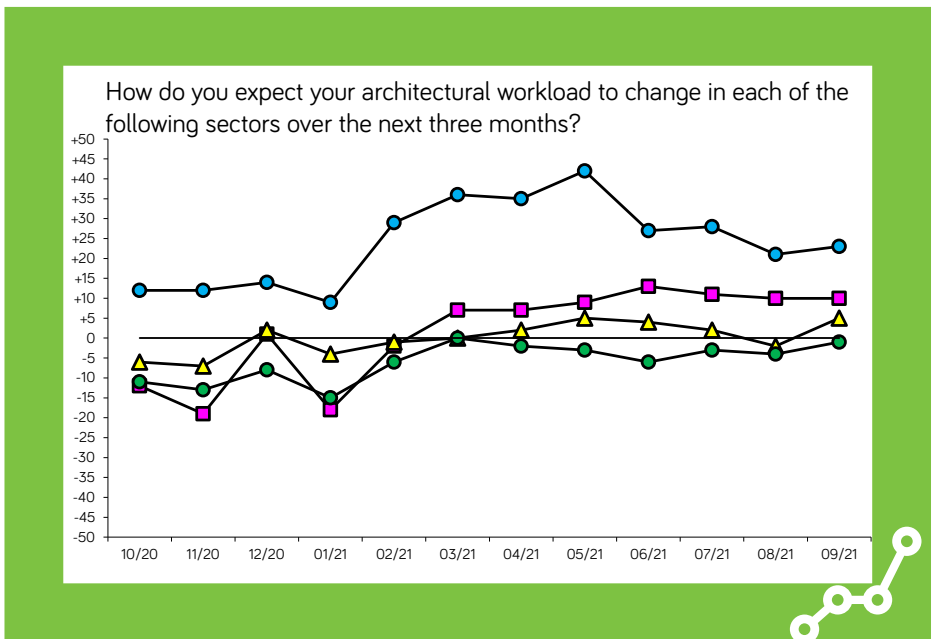
In September, the **private housing sector** posted a balance figure of +23, a two balance-point increase on last month's figure.

The **commercial sector** held steady this month to again return a balance figure of +10.

In September, the **public sector** recovered from last month's dip into negative territory, with a balance figure of +5.

The **community sector** remains in the doldrums with another negative balance figure this month (-1). It is now 19 months since the sector saw a positive balance figure.

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



RIBA Future Trends Staffing Index
(September 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	79
Increase	15
TOTAL	100
Balance	+10

(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 +10, the RIBA Future Trends Permanent Staffing Index rose by three balance points in September.

Overall, 15% of practices expect to employ more permanent staff over the coming three months, whilst 5% expect to employ fewer. Seventy-nine per cent expect staffing levels to stay the same.

Expectations for staff recruitment remains highest among medium and large-sized practices (11+ staff), with a combined balance figure of +31.

Small practices (1 - 10 staff) also expect staffing levels to increase, with a balance figure +7.

In September, all regions reported an overall expectation of increasing numbers of permanent staff.

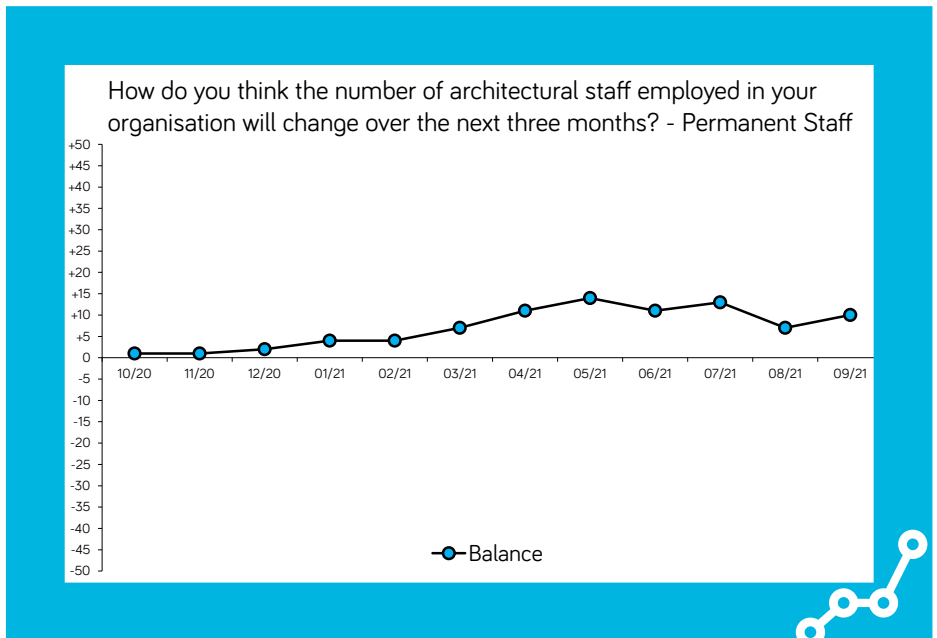
With a balance figure of +13, London is increasingly positive about future staffing levels. Over a third of practices in the capital expect to employ more permanent staff whilst 11% expect to employ fewer.

Outside the capital, the Midlands & East Anglia, with a balance figure of +3, is the least optimistic, whilst the North of England (+15) is the most. The South of England has returned a balance figure of +7, and Wales & The West +9.

In September, personal underemployment fell to 12% and is at its lowest level since October 2017.

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 (September 2021)

Staffing Levels

At the start of the pandemic, there was deep concern that practices would have to lose staff. Practices turned to the furlough scheme to protect jobs. In July 2020, practices reported 20 per cent of staff being on furlough. It was unclear whether those staff would have jobs to return to when furlough ended.

This month's Future Trends suggests that practices now face a different challenge. As the furlough scheme ends, only 1 per cent of practices expect to be unable to retain returning staff. None expects to be making additional redundancies.

Instead, the picture is one of relative shortage. Almost a fifth of practices (18%) report having difficulty recruiting staff. The issue is particularly acute among large and medium-sized practices (11 - 50 and 51+ staff), with over 40% report difficulty recruiting staff. A lack of European candidates is exacerbating the recruitment challenge.

Notes

The graph, right, shows percentages agreeing with each of the four statements about the current staffing situation.

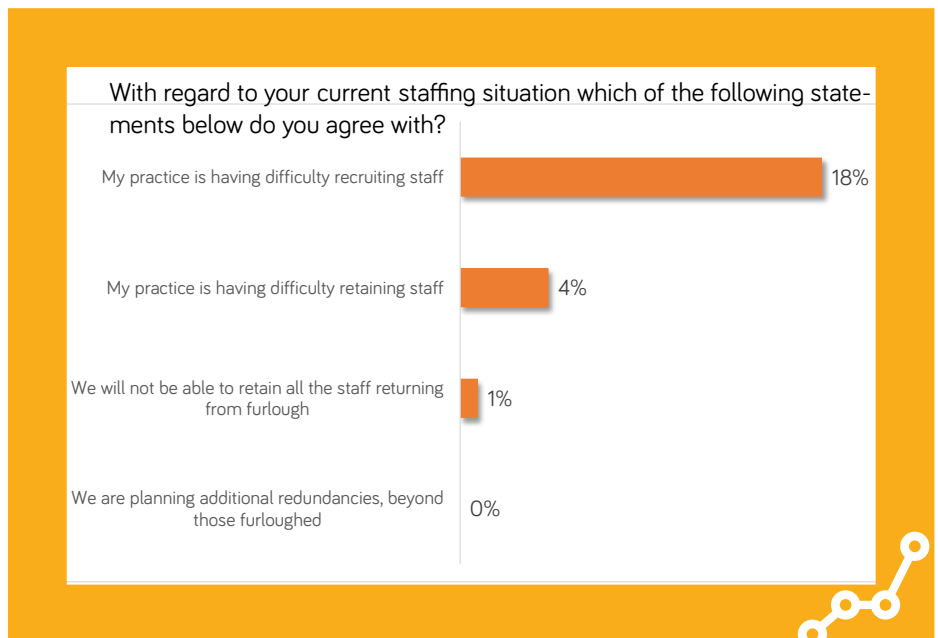
Overall, the September Future Trends survey continues to show broad-based confidence among the profession, with an uptick on last month's balance figure.

Positives include a strengthening market in the capital, improving employment opportunities, little chance of widespread redundancies as furlough ends, and a recovery extending beyond Private Housing into the commercial sector. Workloads continue to be up on a year ago.

Many practices continue to report a full pipeline of projects; some have a client waiting list.

Nevertheless, challenges remain. Construction product shortages and price inflation make managing project costs and scheduling exceptionally challenging. There are also reported shortages of unskilled labour, tradespeople, and qualified architects. The issue of obtaining adequate and affordable PII remains.

The following graph plots attitudes to staffing levels:



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 237 practices took part in the Survey in September 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.