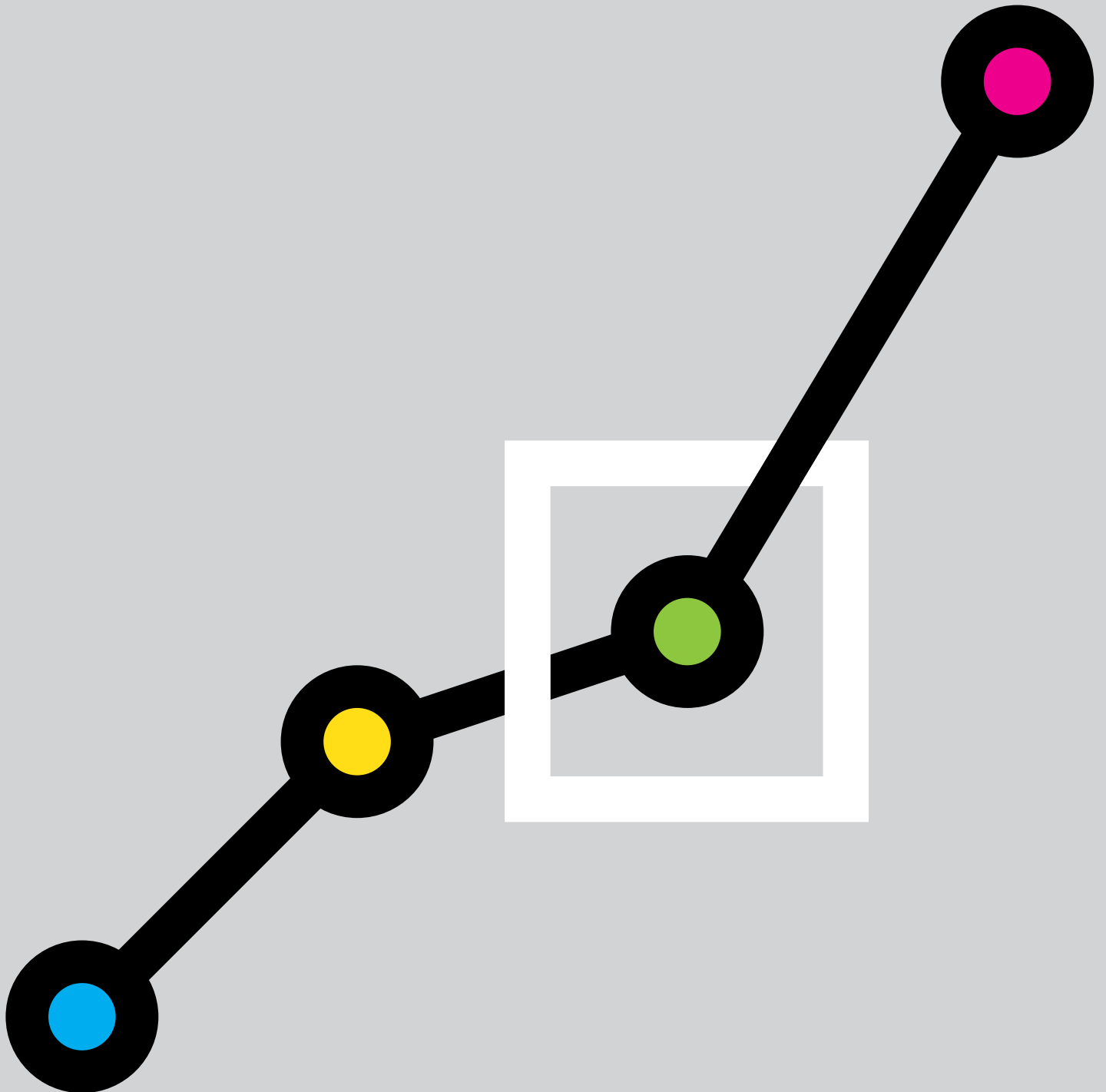


Future Trends Survey:

April 2024



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 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 April 2024 survey returns.

RIBA Future Trends Workload Index (April 2024)

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	17
Stay the same	63
Increase	19
TOTAL	100
Balance	+2

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

After nine months, the RIBA Workload Index has returned to positive territory, indicating that architects anticipate improving workloads. The profession's confidence is returning.

In April, the RIBA Future Trends Workload Index stood at +2, a two-point improvement on March's zero balance; a positive balance indicates an overall expectation among architects that workloads will increase in the coming three months.

Nineteen per cent of architects' practices anticipate an increase in workloads over the next three months, while 17% expect a decline. Sixty-three per cent expect workloads to be stable.

However, looking across the range of indicators, a more mixed picture emerges.

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

With a workload Index of -1, smaller practices continue to be pessimistic about their pipeline of work, although their outlook is improving. Medium and large practices are increasingly positive about future workloads.

Three of the four monitored work sectors have seen an improved outlook, although three of the four sectors have returned a negative index figure.

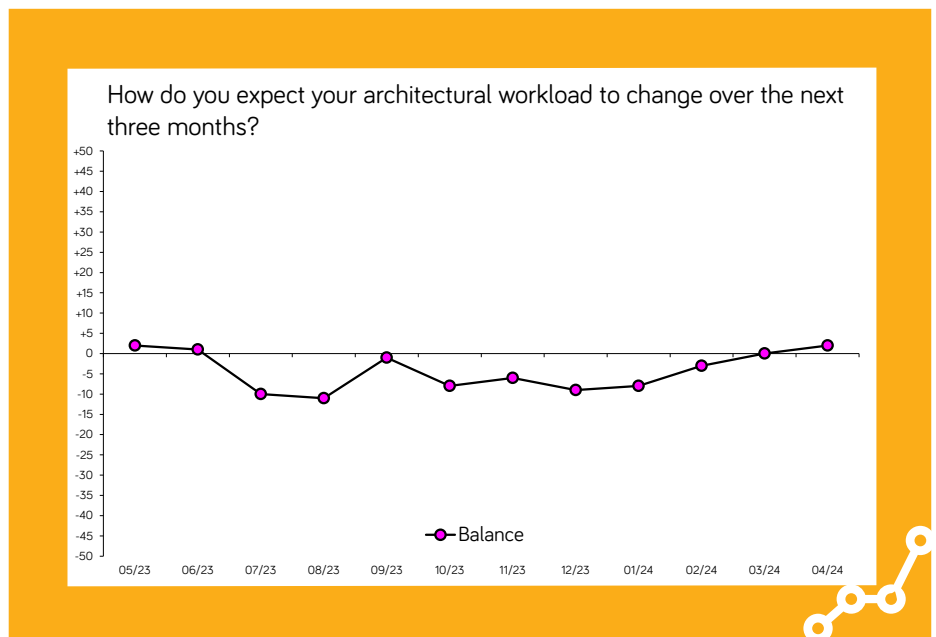
The regional picture remains mixed, with some regions having a worsening outlook.

Current workloads remain lower than they were a year ago. The average practice workload has decreased by 11% compared to twelve months ago.

In April 25% of architects reported personal underemployment, five percentage points more than in March. At Q, the RIBA Staffing Index suggests steady levels of permanent staff.

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 April 2024 RIBA Future Trends Workload Index in terms of practice size, region and sector:

In March, **small practices** (1 - 10 staff) again saw an improvement in outlook, with their Workload Index rising to -1, up from -2 in March. Looking ahead to the next three months, 19% of small practices anticipate a decrease in workloads, 17% expect an increase, and the majority (64%) anticipate stable workloads.

(Please note that for small practices 'Increase' minus 'Decrease' does not equal the 'Balance' figure due to rounding.)

At +19, the outlook for **large and medium-sized practices** (11+ staff), remains optimistic and has improved by five balance points. Among large and medium practices, 31% expect workload growth, 13% contraction, and 56% foresee steady workloads.

The regional picture is again mixed, with the outlook improving in some regions but deteriorating in others.

The South of England is April's stand-out region, returning a +24 Workload Index, a 36-point improvement compared to last month and the first positive Index figure here since March 2023.

The capital, however, has dipped back into negative territory this month, returning a -2 Workload Index figure, 3 points lower than last month's +1.

At +11, the North of England maintains its positive outlook, although this month sees a 3-point fall compared to last month.

The outlook for Wales and the West remains negative and has deteriorated, with an Index figure of -5, down 3 points from last month's -2.

The outlook for the Midlands & East Anglia has deteriorated further, with a -15 balance figure this month compared to -3 in March.

The sectorial view has improved in three of the four monitored sectors.

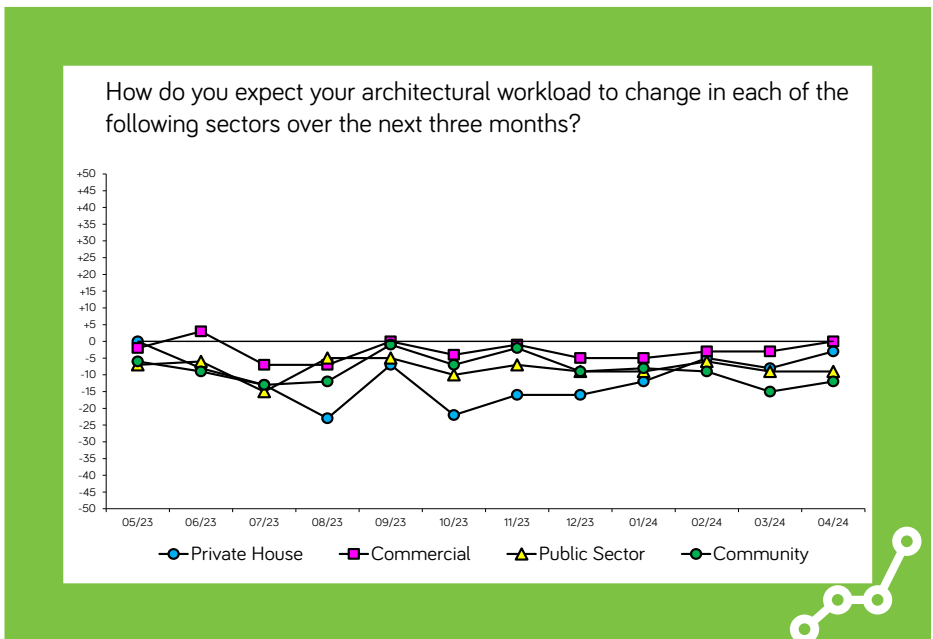
The outlook for the **private housing** is negative but continues to improve. April sees a Workload Index of -3 for the sector, compared with -8 last month. Twenty per cent of practices expect a decrease in Private Housing workloads, while 17% anticipate an improvement.

At 0, workloads are expected to remain steady in the **commercial sector**, whose outlook has improved by three points this month. Thirteen per cent of practices expect a decrease in Commercial workloads, 13% anticipate an increase, and 73% expect workloads to hold steady.

The outlook for the **public sector** remains negative but consistent, with a -9 balance figure this month, the same as last.

With a balance figure of -12, the outlook for the **community sector** has improved somewhat but remains firmly negative.

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



RIBA Future Trends Staffing Index
(April 2024)

How do you think the number of permanent architectural staff employed in your organisation will change over the next three months?

Permanent Staff	%
Decrease	10
Stay the same	79
Increase	11
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 RIBA Future Trends Permanent Staffing Index has returned a zero balance figure in April, 2 points down from last month. The zero figure suggests the outlook for permanent staffing levels is holding steady, with as many practices expecting to increase the number of permanent staff as to reduce.

Ten per cent of practices anticipate a reduction in permanent staff over the next three months, while 11% predict an increase. The majority, 79%, expect no change in their permanent staffing levels.

So, while one in ten practices expect to reduce staff levels in the coming three months, this is compensated by a similar number anticipating recruitment.

Small practices (1 - 10 staff) are more likely to anticipate staff reductions this month, with a Staffing Index figure of -1 in April, down from +2 in March.

On balance, medium and large-sized practices (11+ staff) remain upbeat about future staff levels, with a staffing index of +9, up from +6 last month.

The regional staffing outlook remains mixed.

The outlook for permanent staff in the North of England (Staffing Index -3) and the Midlands & East Anglia (-3) has deteriorated and turned negative.

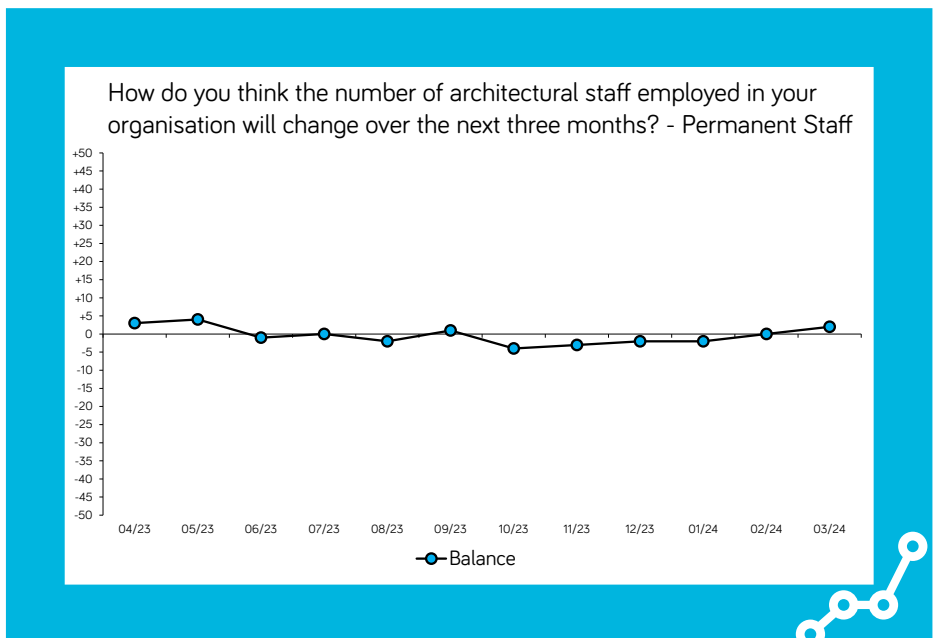
At zero, the outlook for London remains steady.

The staffing outlook for Wales & the West (+3) and the South of England (+6) is positive and improving.

The Temporary Staffing Index is positive for the first time since July 2022, with a balance of +1 in April, up from -3 in March.

After falling back to 20% in March, levels of personal underemployment have risen, with 25% of respondents reporting a lack of work over the last month leading to personal underemployment.

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



RIBA Future Trends (April 2024)

After ten months, the RIBA Future Trends Workload Index has become positive again, and practices are, on balance, expecting workloads to grow. The vital housing and commercial sectors are showing early signs of a tentative recovery.

Caution is still needed, however, as practices' outlook remains historically weak, the regional picture mixed, recruitment subdued, personal underemployment high, and workloads lower than a year ago.

Nevertheless, the latest RIBA Future Trends findings are the most encouraging there have been for some time, and although month-on-month indices may fluctuate, the longer-term trend is of an improving outlook.

Commentary from practices this month reflects both the improving outlook and the significant challenges many in the profession continue to face.

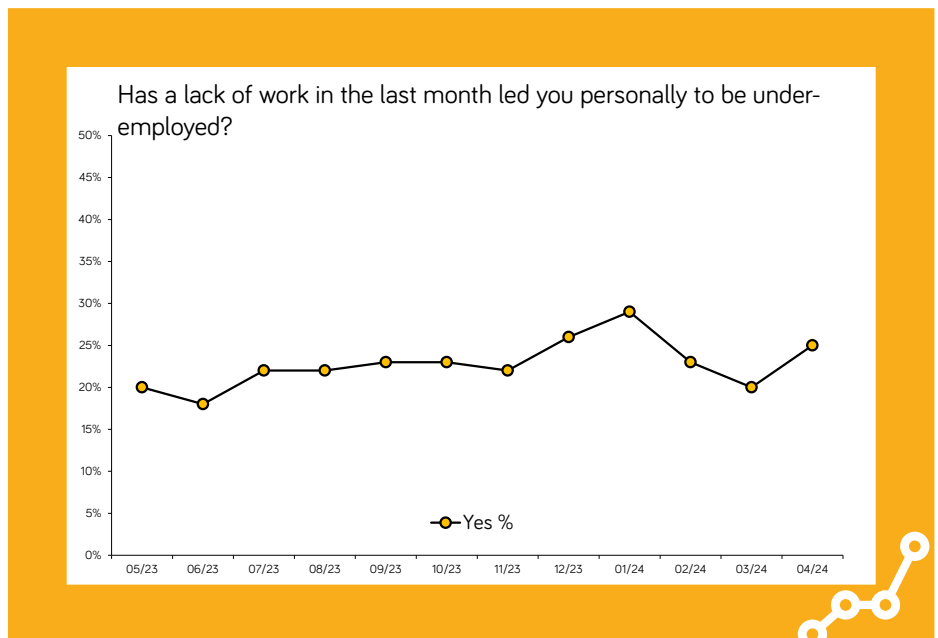
As previously reported, cash-flow challenges, planning delays, the effects of raised interest rates, and increased project costs continue to hold back project progress, new enquiries, and new commissions.

Planning delays are reported to be tying developer capital to land allocated to stalled projects, preventing the acquisition of further sites, and so squeezing the pipeline of design work.

Practices also report under-resourced Local Authorities and unreliable pipelines of public sector work dampening the architects' market.

But there are also clear positives, as practices report stalled projects coming back on stream and an increase in new enquiries. Some practices note a strengthening market overall, an uptick in the public housing sector, and the significance of overseas work.

The following graph plots the percentage of those for whom a lack of work has led to personal underemployment



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 209 practices took part in the Survey in April 2024. 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.