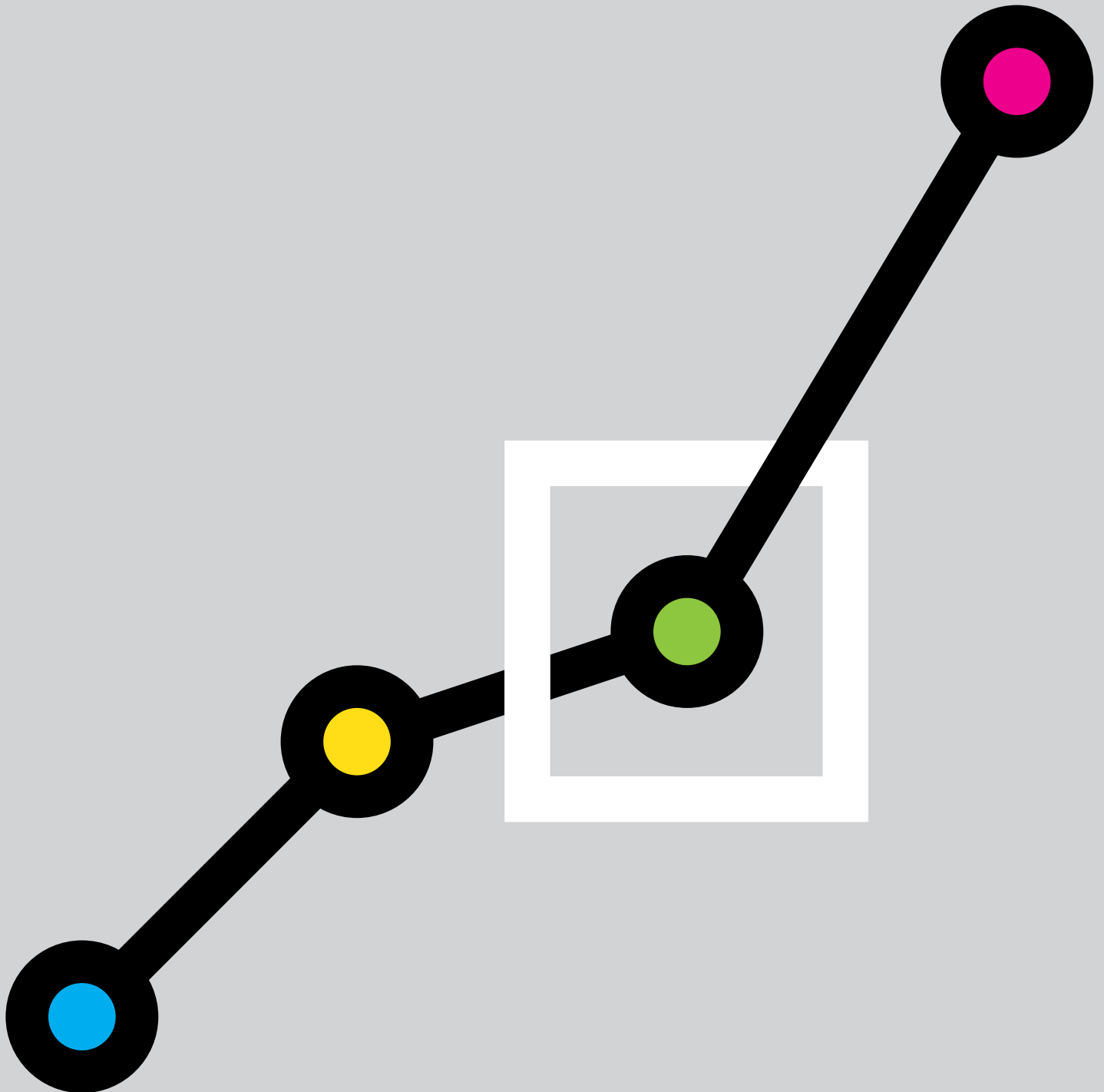


# Future Trends Survey:

March 2023



## 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](http://www.architecture.com)

The following is a summary analysis of the results from the March 2023 survey returns.

### RIBA Future Trends Workload Index (March 2023)

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	18
Stay the same	55
Increase	27
TOTAL	100
<b>Balance</b>	<b>+8*</b>

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

*\*'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 more work and those expecting less.

Architects' outlook for future work continues to improve. In March, the RIBA Future Trends Workload Index rose by three points to post a balance figure of +8.

Over a quarter (27%) of practices expect workloads to increase in the coming three months, and fifty-five per cent expect them to remain the same. Fewer than one in five practices (18%) expect their workloads to decrease.

For the first time since June 2022, small practices (1 - 10 staff) expect their workloads to increase. Medium and large practices remain firmly optimistic.

All the monitored work sectors have an improved workload outlook this month, with the Private Housing sector returning to positive territory.

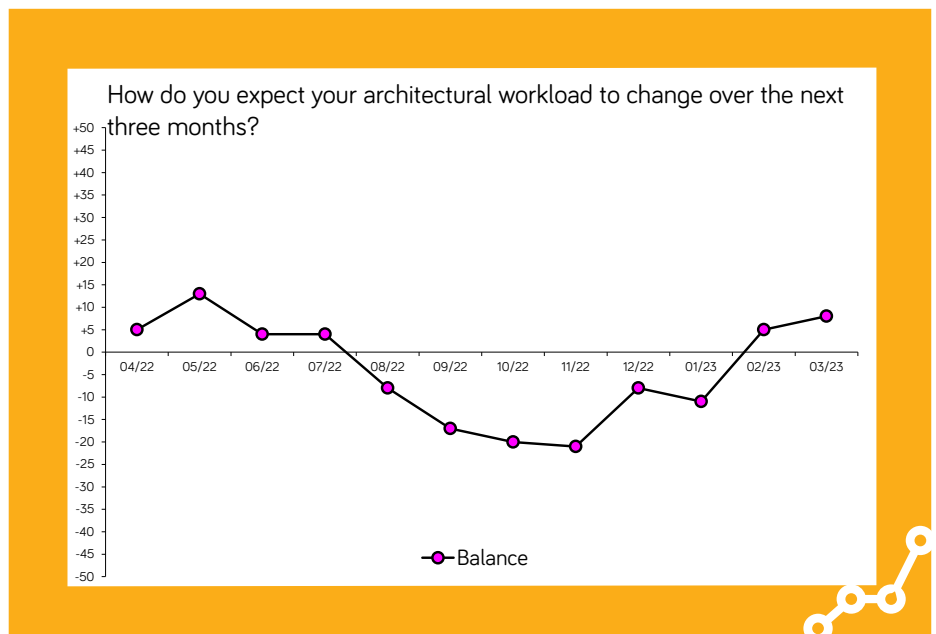
All but one region sees their outlook improving, with most regions posting a positive Workload Index.

Despite this improvement, current workloads remain consistently down on a year ago, with practices, on average, reporting an 8% decrease in workload levels over the last 12 months.

Eighteen per cent of respondents report personal underemployment this month; the profession continues to have under-used capacity.

The RIBA Staffing Index remains positive, but at a modest +1.

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



Looking at the March 2023 RIBA Future Trends Workload Index in terms of practice size, region and sector:

After seven months of a zero or negative balance, the outlook among **small practices** (1 - 10 staff) has become positive this month, with a balance figure of +7, an increase of 7 points from last month. A quarter (25%) of small practices expect workloads to grow in the coming three months, while 19% expect them to decrease.

**Large and medium-sized practices** (11+ staff) maintain a strongly positive outlook, with a combined balance figure of +20 in March.

The rising optimism of the profession is felt across the country, with only one region expecting workloads to diminish.

The Midlands & East Anglia (-5) returned a negative regional Workload Index figure this month, falling from last month's figure of +8.

All other regions have an improved and positive outlook.

London, which was the most pessimistic region towards the end of 2022, has returned to a Workload Index figure of +7, so returning to positive territory after a dip in confidence in January and February.

Outside London, The North of England (+18), Wales & the West (+14), and the South of England (+8) all saw their regional outlooks improve this month to enter firmly positive territory.

The monitored work sectors also showed improvement this month, with all sectors recording an improved outlook.

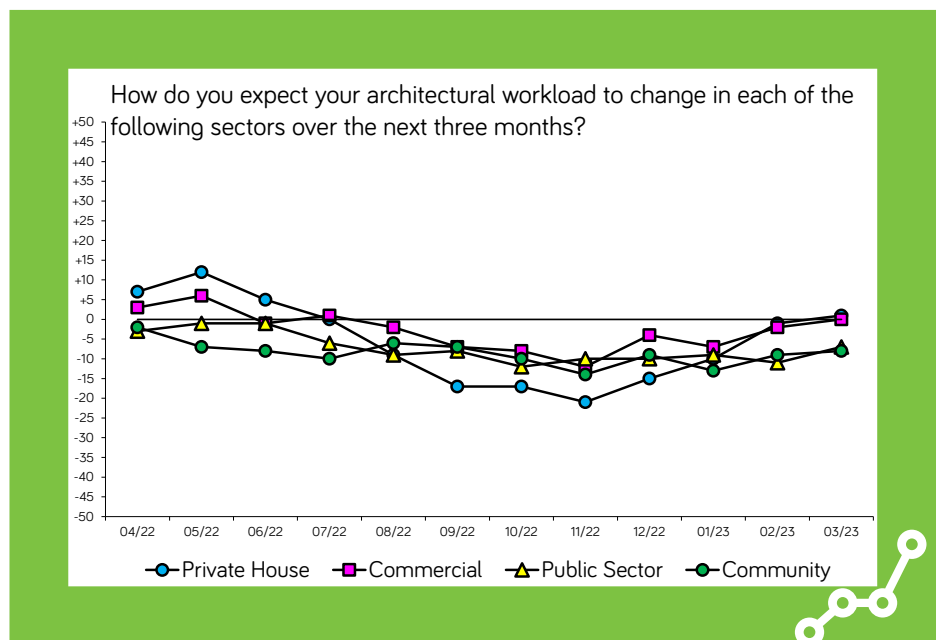
After six months of pessimism, the **private housing sector** has returned to positive territory this month, rising 2 points to post a balance figure of +1, up from -1 in February.

The **commercial sector** also ended a half-year run of negative Index figures, with a zero balance in March, up from -2 in February.

The outlook for the **public sector** although improved remains poor. March see the sector return an Index figure of -7, up from -11 last month. The sector has been negative for 12 months.

The **community sector** outlook has also marginally improved, but remained negative, with a balance score of -8 in March, an increase of 1 point compared with last month.

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



**RIBA Future Trends Staffing Index**  
(March 2023)

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

Permanent Staff	%
Decrease	9
Stay the same	80
Increase	11
TOTAL	100
<b>Balance</b>	<b>+1*</b>

(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.*

The RIBA Future Trends Permanent Staffing Index remains positive this month, returning a figure of +1, a two-point fall compared to last month's figure of +3. However, recruitment intentions remain strong in larger practices.

Nine per cent of practices expect to employ fewer permanent staff over the coming three months, and 11 per cent more. Eighty per cent expect the number of permanent staff to stay the same.

Medium and large-size practices (11+ staff) remain upbeat about future staff recruitment, with a combined Staffing Index figure of +23. Small (1 - 10 staff) practices, however, anticipate an overall decline in staffing numbers, with a Staffing Index figure of -3.

The outlook for staffing levels has improved in the capital this month but has fallen slightly in all other regions.

London (Staffing Index +4) returned to positive territory this month after a negative outlook of -2 last month.

Practices in Wales & The West continue to expect increased staff numbers, with a staffing Index of +5.

The North of England returned a zero staffing Index this month, as did the South of England, suggesting static staff levels in both regions.

In line with a pessimistic view of future work, the staffing Index fell into negative territory in the Midlands & East Anglia (-7).

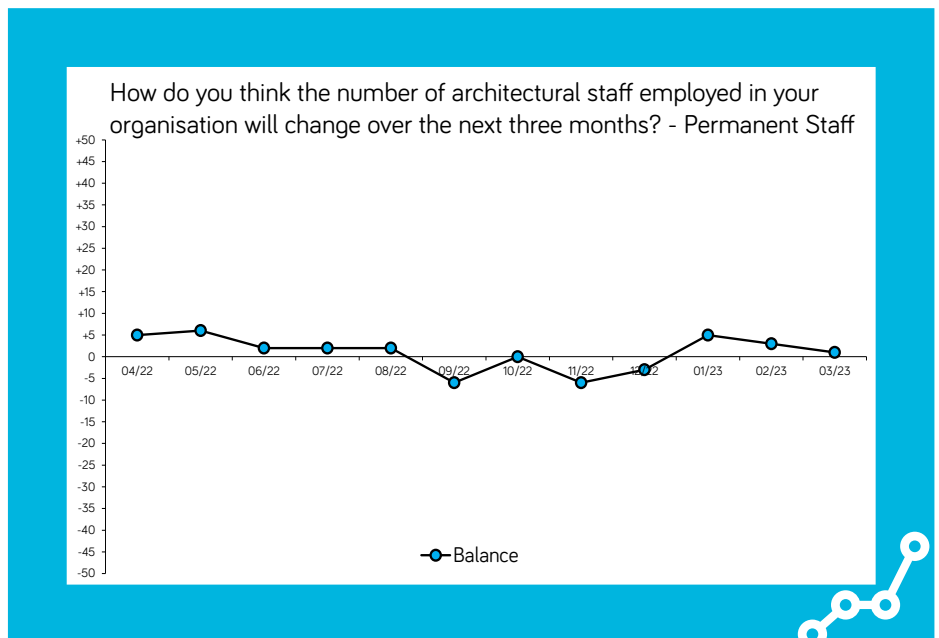
The Temporary Staffing Index fell one point to -3 this month.

Levels of personal underemployment held steady, with 18% reporting personal underemployment, the same as last month.

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



## RIBA Future Trends (March 2023)

Spring comes with the RIBA Future Trends Workload Index rising further into positive territory; a Workload Index figure of +8. The recent rally in architects' confidence continues as the turbulence of the Truss administration recedes, and the outlook for the UK and the global economy, whilst remaining relatively weak, improves.

Encouragingly, the Private Housing sector which provides the majority of work for most smaller practices has returned a positive Index figure for the first time since June last year.

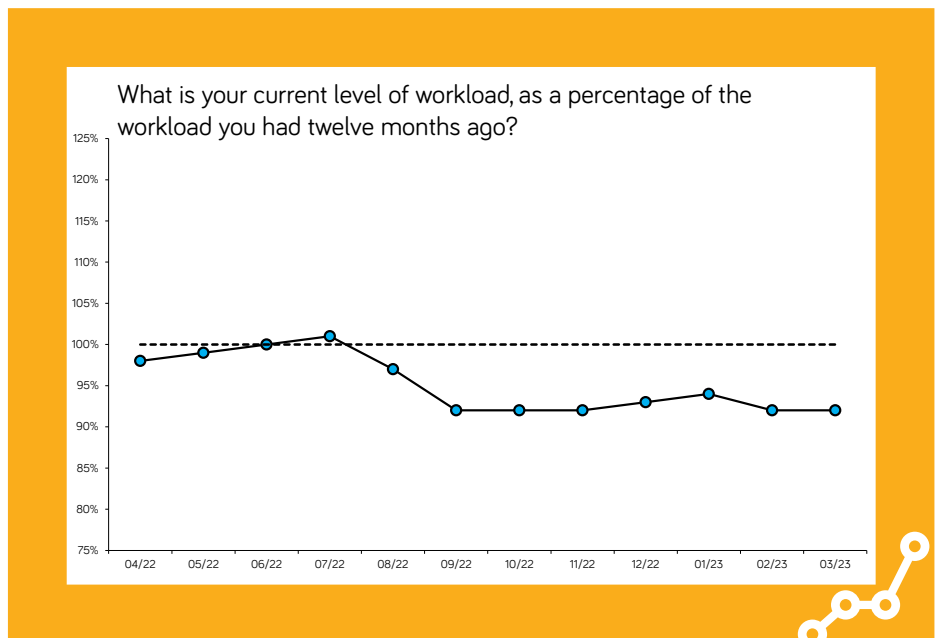
It's not all rosy. A stagnant economy, high inflation, high-interest rates, lowered business investment, and an ongoing cost of living crisis mean we are unlikely to see a resurgence in architects' confidence, back to pre-Brexit highs. Actual workloads remain below levels of a year ago. Nevertheless, the expectation of growth to come is welcome.

As in previous months, RIBA members continue to report planning delays, Professional Indemnity Insurance exclusions and costs, labour shortages, and increased material costs are all suppressing architects' workloads. Interest rate increases are holding back client demand. Concerns remain about future work and practice profitability.

On the plus side, the rate of product cost inflation increases is abating, and construction material availability issues have fallen back.

Some practices report workload upticks, particularly within high-end domestic work and the health and entertainment sectors. The more positive practices report a current backlog of current work and a strong pipeline of future work. Practices also caution that competing for work by fee-cutting is unsustainable.

The following graph plots the percentage of current practice workload when compared to twelve months ago:



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 261 practices took part in the Survey in March 2023. 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](mailto: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.