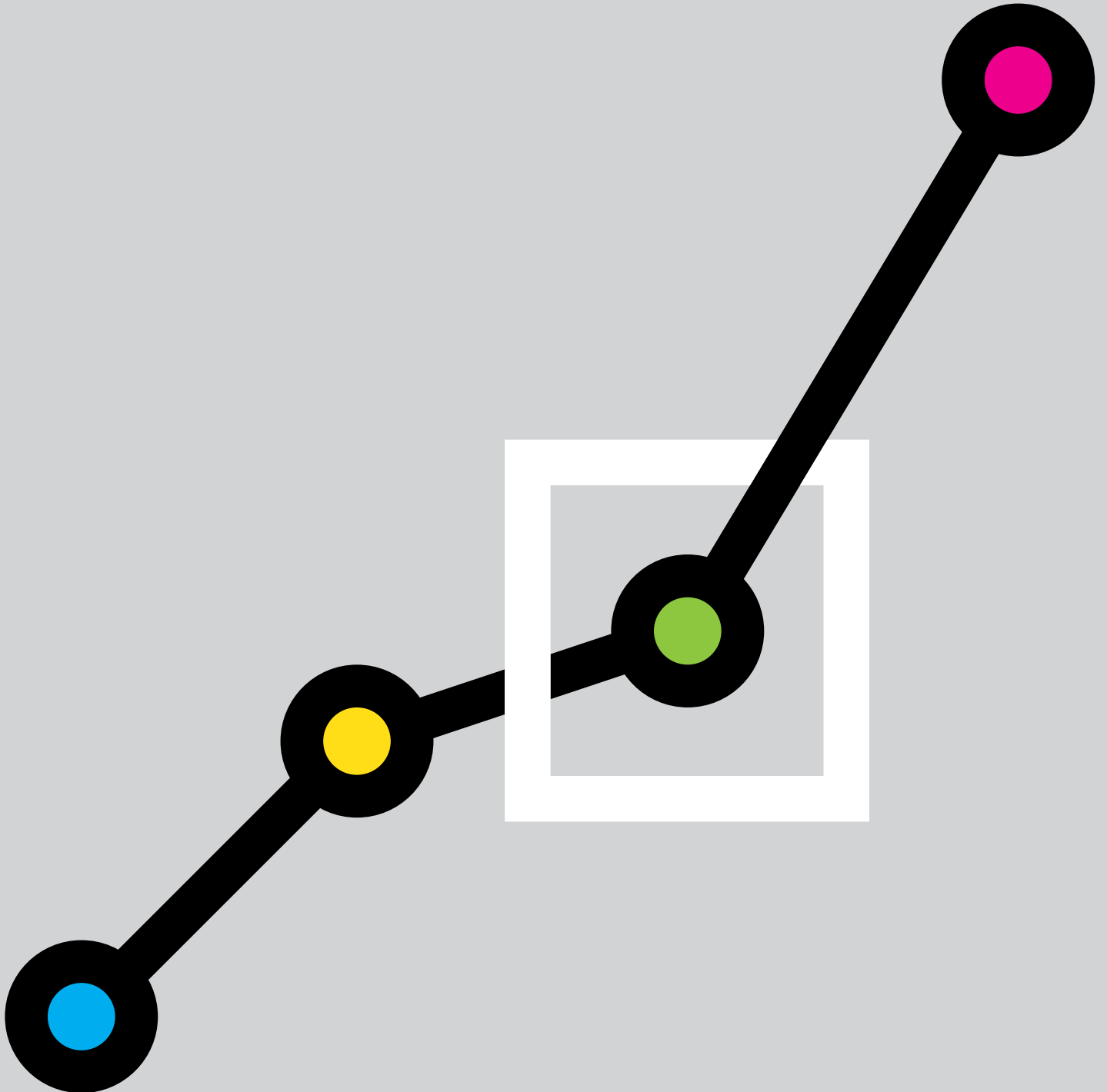


Future Trends Survey:

May 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 (May 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	22
Stay the same	51
Increase	27
TOTAL	100
Balance	+6*

(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.

The RIBA Workload Index has risen further into positive territory in May, as the outlook among architects' continues to improve.

The RIBA Future Trends Workload Index rose to +6, a four-point improvement on April's +2 balance. A positive balance indicates an overall expectation among architects that workloads will increase in the coming three months.

Twenty-seven per cent of architects' practices anticipate an increase in workloads over the next three months, while 22% expect a decline. Fifty-one per cent expect workloads to be stable.

The regional picture has widely improved, with no region reporting a negative outlook.

With a workload Index of +3, smaller practices have returned to a positive outlook about future workloads. Medium and large practices also report a positive and improved outlook.

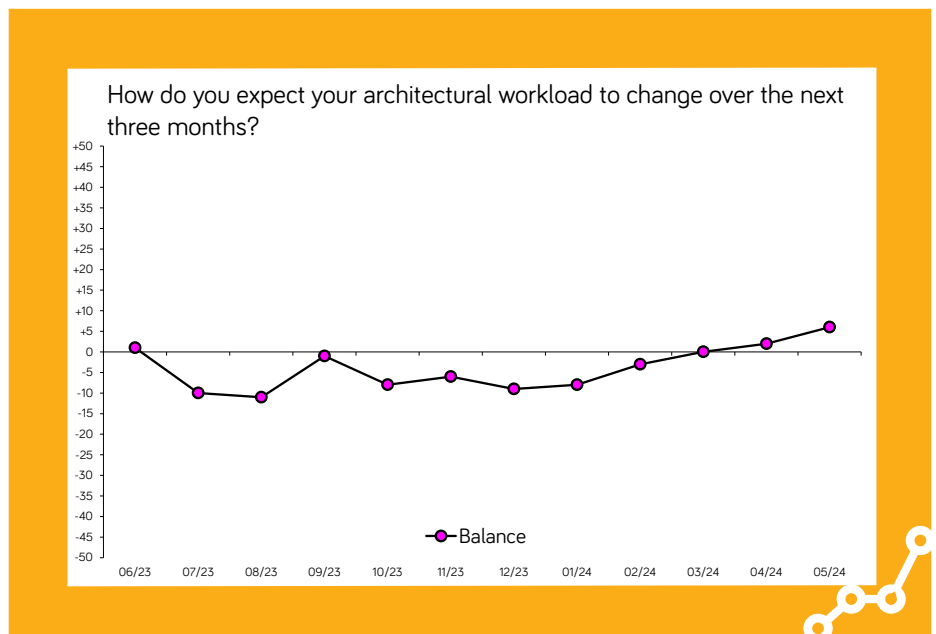
The view from the four monitored work sectors continues to improve overall also, with three reporting an improved outlook.

Current workloads remain lower than they were a year ago. The average practice workload has decreased by 8% compared to twelve months ago.

In May, 23% of architects reported personal underemployment, three percentage points less than in April.

At 0, the RIBA Staffing Index remains steady.

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



Looking at the May 2024 RIBA Future Trends Workload Index in terms of practice size, region and sector:

In May, the outlook for **small practices** (1 - 10 staff) became positive, with a Workload Index figure of +3,* compared with -1 in April. This is the first positive figure for smaller practices for over a year (since April 2023). Looking ahead to the next three months, 24% of small practices anticipate a decrease in workloads, 26% expect an increase, and half anticipate stable workloads.

At +30, the outlook for **large and medium-sized practices** (11+ staff) remains optimistic and has improved by eleven balance points. Among large and medium practices, 37% expect workload growth, 7% contraction, and 56% foresee steady workloads.

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

improvement this month, with no region reporting a negative outlook.

London has returned to a positive outlook this month, returning a +2 Workload Index figure, 4 points higher than last month's -2.

The outlook for the North of England (+23) and Wales and the West (+2) is improving.

The South of England's outlook remains positive but has fallen back this month. Following a +24 Workload Index in April, May sees a figure of +8.

The Midlands & East Anglia has risen from a negative outlook to post a zero balance this month, indicating an expectation of steady workloads to come.

an improved outlook this month, with the commercial sector returning a positive Workload Index.

The **commercial sector** has returned to positive territory this month, with a +4 balance (0 in April). Sixteen per cent of practices expect commercial workloads to increase, while 12% anticipate contraction, and 72% expect workloads to hold steady.

The outlook for the **public sector** remains negative but improved with a -5 balance figure this month, compared with -9 in April.

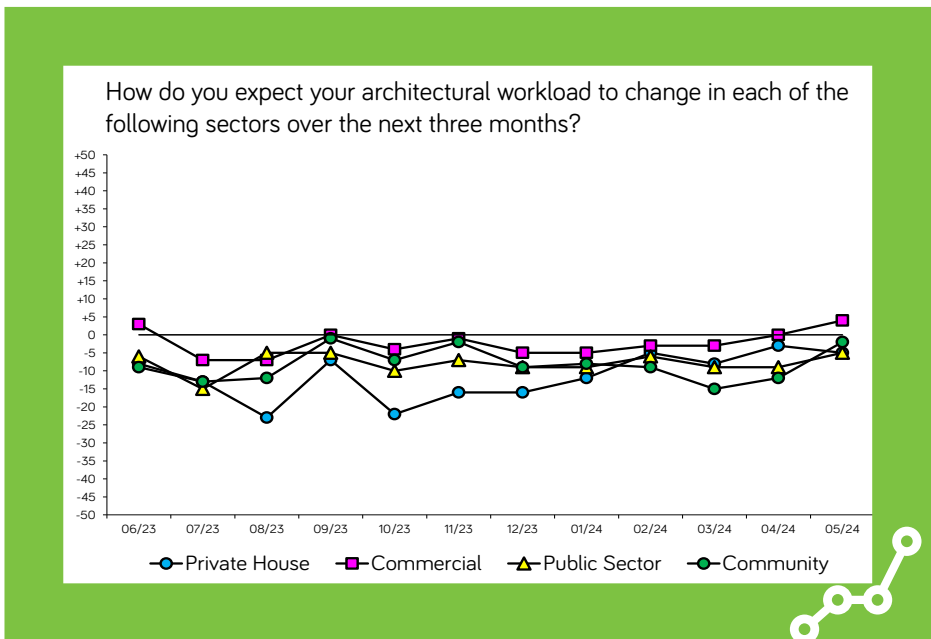
Although still negative, the outlook for the **community sector** has picked up this month, with a Workload Index figure of -2, compared with -12 last month.

The outlook for **private housing** has, however, fallen back somewhat this month. With a negative balance of -5 (following -3 in April), the continued expectation is for housing workloads to reduce in the coming three months.

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

Three of the four monitored sectors see

The regional picture has seen widespread



RIBA Future Trends Staffing Index
(May 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	9
Stay the same	81
Increase	10
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.

The RIBA Future Trends Permanent Staffing Index has returned a zero balance figure in May, the same as last month. The zero figure again 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 an increase in permanent staff in the coming three months, with 9% expecting a reduction. The majority, 81%, expect no change in their permanent staffing levels.

Small practices (1 - 10 staff) are more likely to anticipate staff reductions this month, with a Staffing Index figure of -2, the same as last month.

Large and medium-sized practices (11+ staff) anticipate permanent staff to increase, with a Staffing Index figure of +15.

The regional staffing outlook is broadly flat, with two exceptions.

The Staffing Index is zero in London, the North of England, and Wales and the West. There is a steady recruitment picture in these regions, with practices as likely to reduce staff numbers as increase them.

The Midlands & East Anglia (Staffing Index +6) and the South of England (+3) expect increasing permanent staff levels in the coming three months.

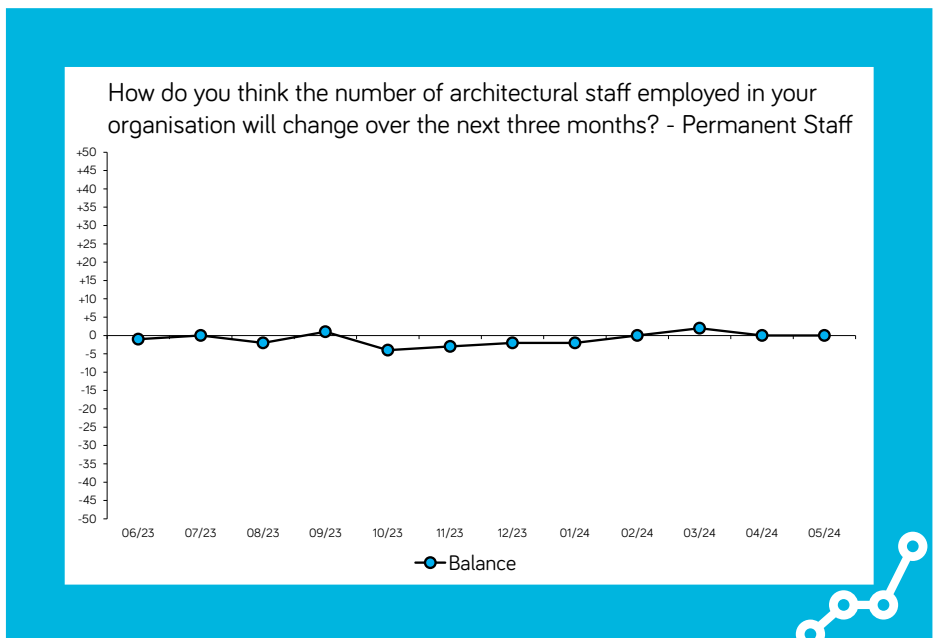
The Temporary Staffing Index is again positive, with a balance of +2, up from +1 in April.

Levels of personal underemployment have fallen slightly this month, with 23% of respondents reporting a lack of work over the last month leading to personal underemployment, compared with 25% in April.

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 (May 2024)

The Architects' outlook continues to improve as the RIBA Future Trends Workload Index rises four points to +6 this month. The long stretch of subdued outlook, from mid-2023 to early 2024, looks increasingly behind the profession.

The positive outlook seen in the Commercial sector is welcome, though the continued weakness of the housing sector remains a concern.

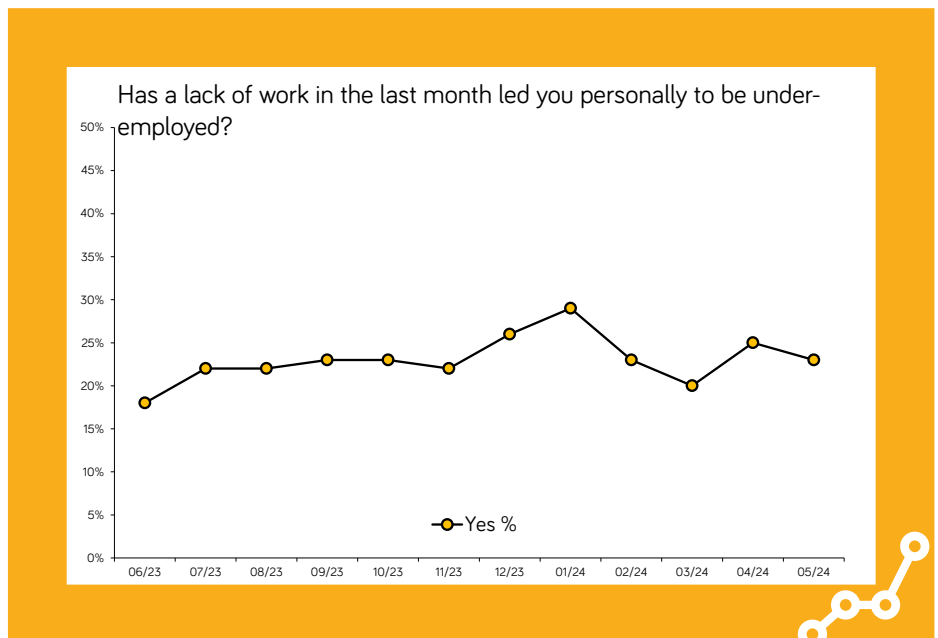
Although the overall outlook is on the up, caution is still needed. By historical standards, practice outlook remains weak. The regional picture is varied, permanent staff recruitment subdued, personal underemployment remains high, and workloads are lower than a year ago.

The commentary received in May indicates an improving market for some but a mixed picture overall.

Practices continue to describe various challenges to the profession, including planning delays, downward fee pressure, and an unwillingness from clients and developers to commit to projects. Cash flow is an increasing issue as projects progress slowly or clients pay late.

Nevertheless, some practices report increased enquiries, slowly returning confidence in the domestic sector, and, locally, improvement in the speed of planning application progress.

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 228 practices took part in the Survey in May 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.