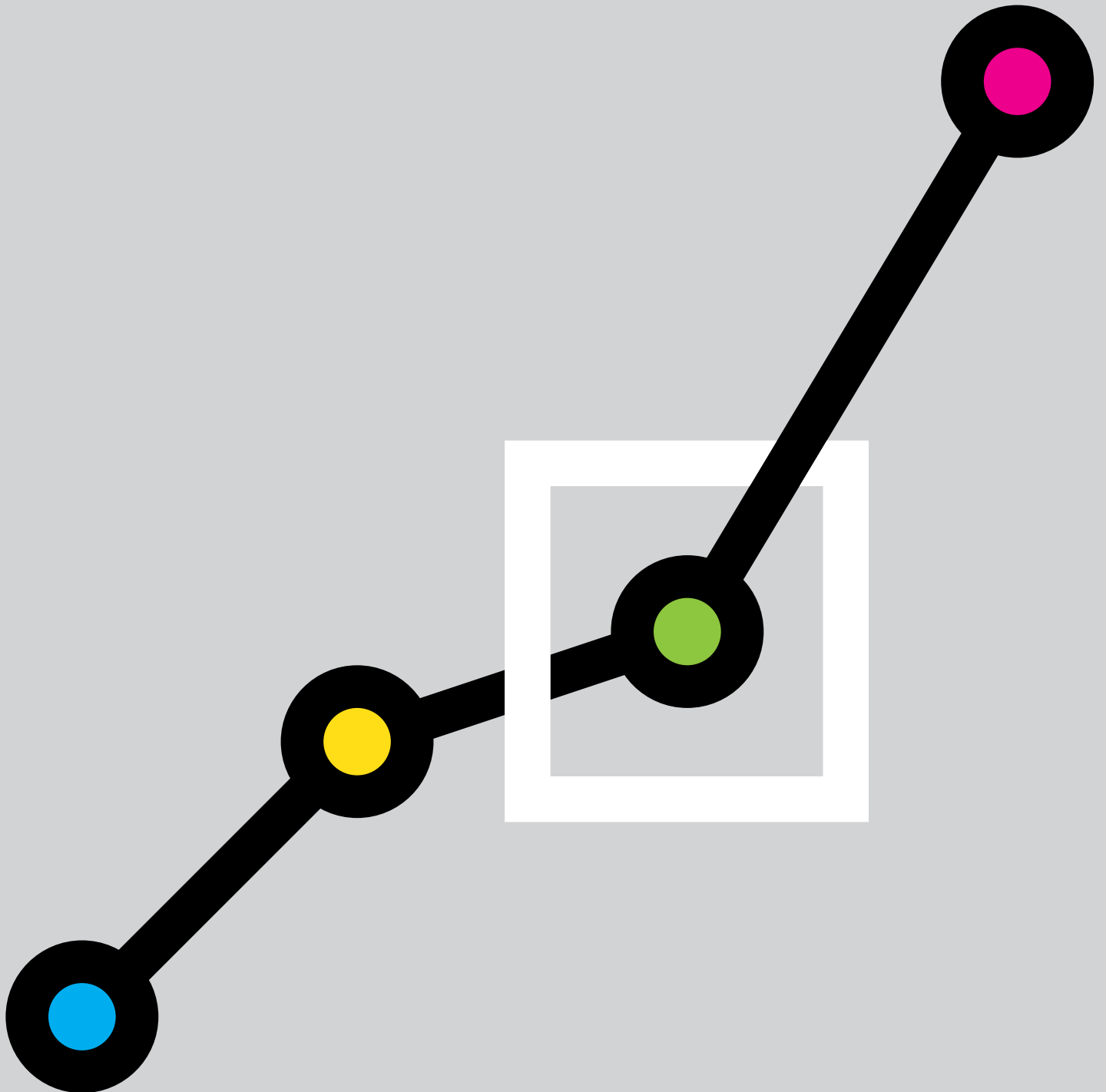


Future Trends Survey:

November 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

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

RIBA Future Trends Workload Index (November 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	28
Stay the same	51
Increase	21
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.

At -6, the November RIBA Future Trends Workload Index remains negative for the fifth month, but has risen by two balance points. A negative balance indicates an overall expectation of falling workloads among architects.

Twenty-eight per cent of architects' practices expect a decline in workloads over the next three months, while twenty-one per cent anticipate an increase. Fifty-one per cent expect stable workloads.

This negative outlook among the profession aligns closely with continued pessimism about the near-term future of the housing sector. However, after October's large fall in expectations for future work, this month's two-point rise marks a slight improvement in outlook.

All monitored workload sectors have posted a negative Workload Index this month, however, all have seen an improvement when compared to October.

The regional picture is mixed. Although most regions' view about future work is more pessimistic than last month, others report an improved or consistent in outlook.

Current workloads again remain lower than a year ago, with a reported 10% year-on-year decrease overall.

Twenty-two per cent of architects reported personal underemployment in November, a one per cent improvement from last month.

At -3, the RIBA Staffing Index has risen 1 point but remains in negative territory.

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



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

The outlook of **Small practices** (1 - 10 staff) deteriorated further in November, with a Workload Index of -12 compared to -9 in October; the seventh successive month where small practices have had a negative outlook. Thirty per cent of small practices anticipate falling workloads over the next three months, while 18% expect an increase. The majority, 52%, anticipate stable workloads.

The outlook for **Large and medium-sized practices** (11+ staff) is optimistic and improving. October sees a combined Workload Index of +24, a 22-point rise when compared to October's figure of +2. Thirty-nine per cent of medium and large practices expect their workloads to grow, 16% anticipate a reduction, and 45% expect workloads to hold steady.

The regional picture is somewhat mixed this month.

Wales & the West has returned to a positive outlook in November, posting a +2 Workload Index, a rapid turnaround from last month's regional post-pandemic low of -31.

London's outlook is negative but steady this month. In October the capital edged into negative territory with a -3 workload balance. It's the same -3 balance this month.

The outlook for the South of England has worsened, from -8 in October to -9 in November), as has the outlook for the Midlands & East Anglia (from -8 to -19) and the North of England (+9 to -4).

All four monitored sectors have returned a negative Workload Index figure this month, however, all four sectors have also seen an improvement in outlook.

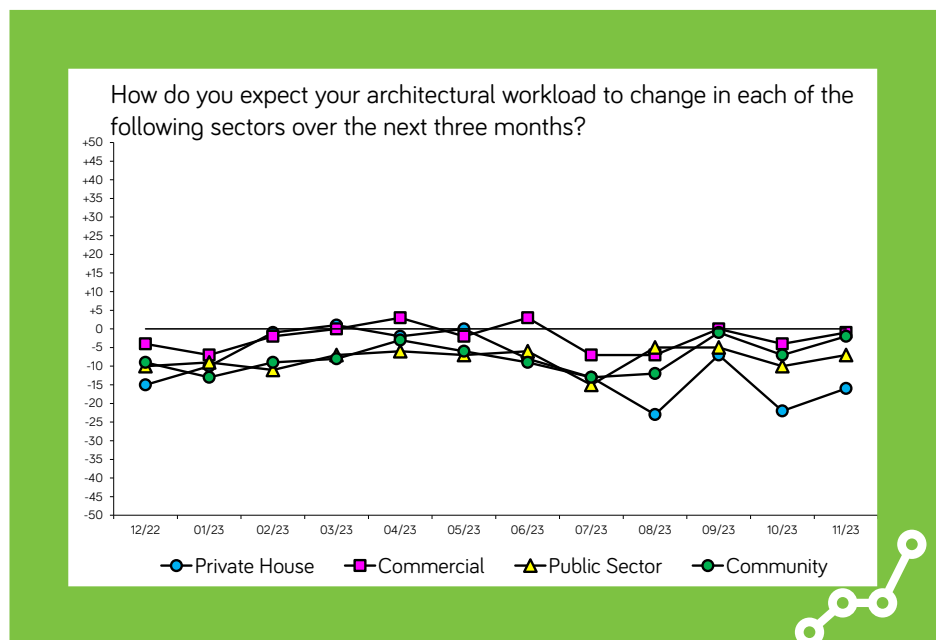
The outlook for the **private housing sector** has risen from -22 in October to -16 in November. Thirty per cent of practices still expect to see further falls in Private Housing workload, although 14% anticipate housing workloads to improve.

The outlook for the **commercial sector** has also improved this month, with a -1 Workload Index figure, up from -4 last month.

The **public sector** also sees a modest lessening of pessimism; up from -10 in October to -7 this month.

Pessimism about workloads in the **community sector** has also moderated, with a balance score of -2, up from -7, in October.

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



RIBA Future Trends Staffing Index
(November 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	86
Increase	5
TOTAL	100
Balance	-3

(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 -3, the **RIBA Future Trends Permanent Staffing Index** remains in negative territory this month. On balance, practices anticipate employing fewer permanent staff over the next three months. In October, the staffing Index was -4.

Nine per cent of practices anticipate employing fewer permanent staff over the next three months, while 5% expect to employ more. Eighty-six per cent anticipate no change in the number of permanent staff.

The staffing outlook among medium and large-size practices (11+ staff), has improved and moved back into positive territory, with a combined Staffing Index figure of +5, up from -2 last month.

Small practices (1 - 10 staff) continue to expect declining staffing levels, with a Staffing Index figure of -5 in November, down one point from last month's figure of -4.

Looking across the regions, all but one anticipate falling permanent staff levels.

The North of England (-9), the South of England (-2), and London (-1) and the Midlands & East Anglia (-6) have all seen their staffing outlook remain in negative territory.

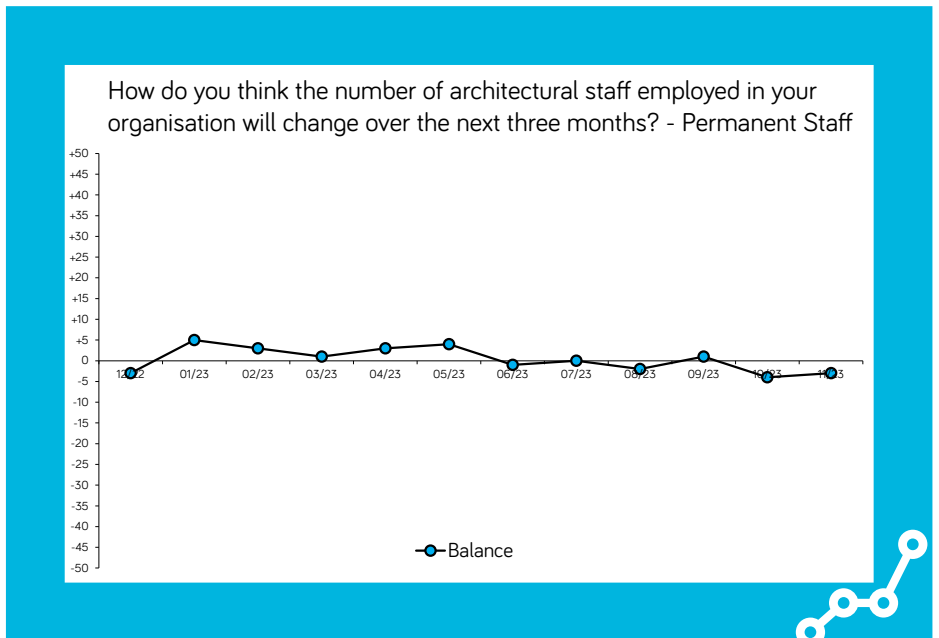
In line with an expected increase in future work levels, Wales & the West has returned a positive (+4) Staffing Index figure this month.

Although negative, the **Temporary Staffing Index** recovered marginally this month, posting a -5 Index figure, compared to -6 last month.

Levels of **personal underemployment** fell slightly, with 22% of architects reporting personal underemployment in the past month, one per cent fewer than 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 (November 2023)

November's RIBA Future Trends show a profession that remains pessimistic about future workloads. However, the outlook has stabilised with a slight improvement this month.

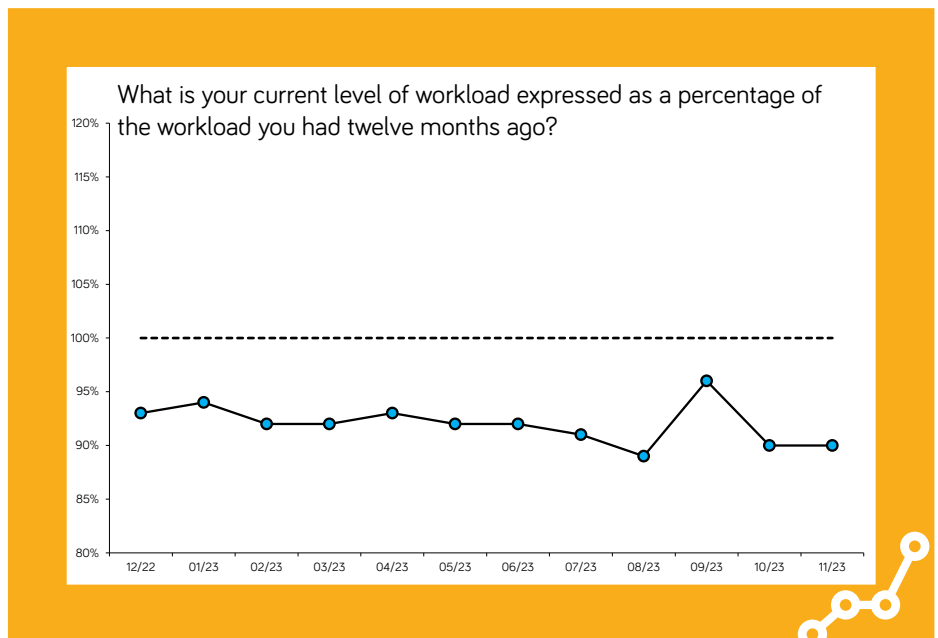
The related pressures of raised interest rates, increased project costs, and project finance continue to weigh down on new commissions. The housing sector is significantly under-performing, although this month sees a slight improvement in outlook. With inflation falling, and early signs of that interest rates stabilising, there may be further improvement in the coming months.

The optimism gap between small and large practices has increased again, after narrowing last month. Medium and large practices are optimistic about future work and account for the majority of practice revenue. Overall practice revenue may be holding up, even as many small practices face an intensely challenging market.

Commentary from practices this month continues to highlight ongoing challenges to the profession from elevated project costs, protracted planning delays, and fee competition (from both within and outside the profession).

Practices describe a challenging market, with fewer enquiries and new commissions. However, some practices are reporting early signs of an improving market, with more enquiries, and more opportunities for commissions from overseas.

The following graph plots current level of workload expressed as a percentage of the workload of 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 270 practices took part in the Survey in November 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. 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.