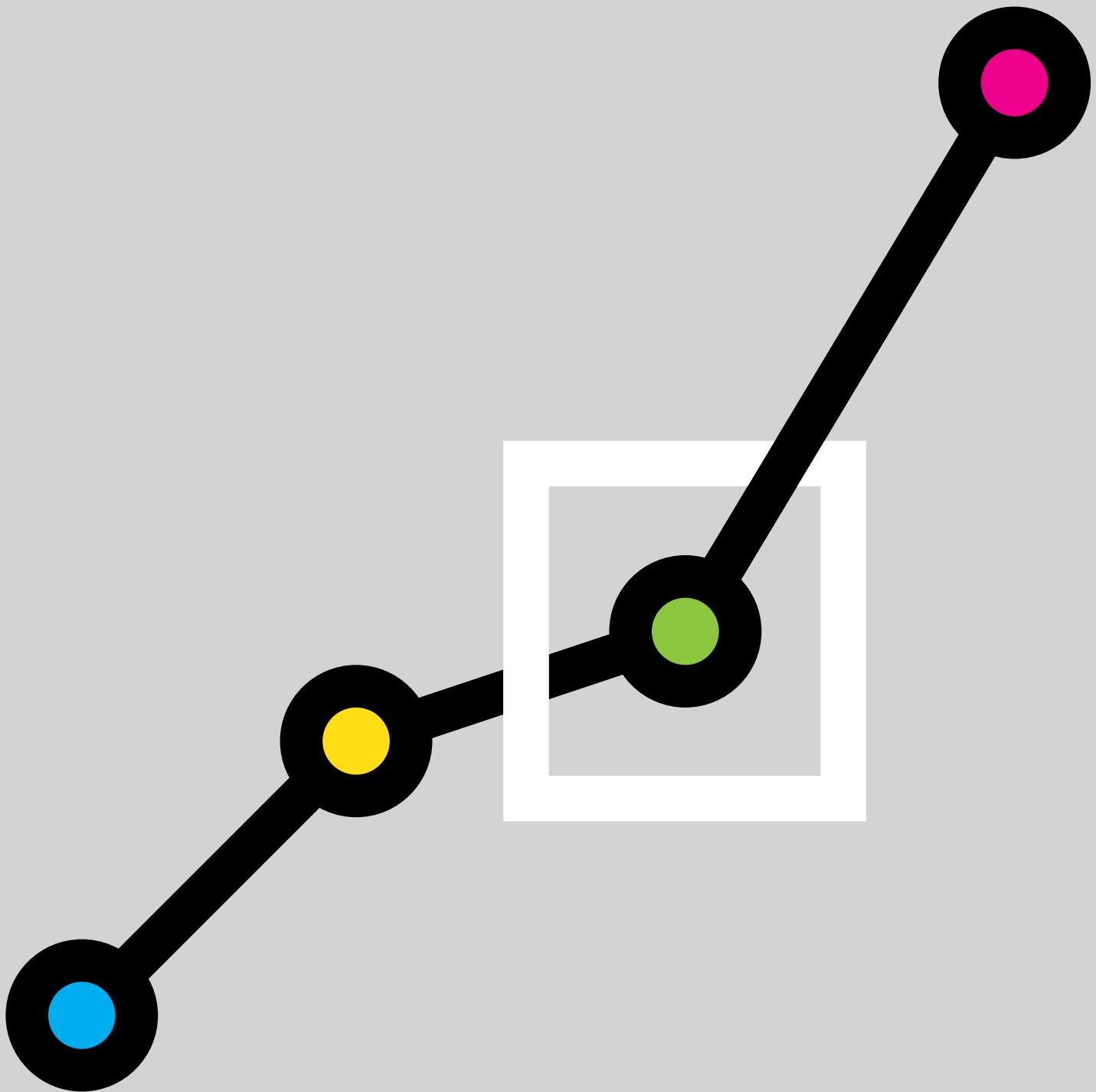


Future Trends Survey:

November 2022



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 November 2022 survey returns.

RIBA Future Trends Workload Index (November 2022)

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	34
Stay the same	54
Increase	12
TOTAL	100
Balance	-21*

(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.

In November, the RIBA Future Trends Workload Index returned a balance figure of -21, a very slight fall when compared to last month's figure of -20. Architects remain pessimistic about future workloads.

Twelve per cent of practices expect workloads to increase in the coming three months and fifty-four per cent expect them to remain the same. Over a third (34%), however, expect workloads to decrease.

All the monitored work sectors remain in negative territory, with the Private Housing sector again returning the most pessimistic workload index figure.

In line with falling confidence in the housing sector, small practices remain the most pessimistic about future workloads; smaller practices tend to do proportionally more housing and small-scale domestic work than larger ones.

After seeing confidence soften over the last few months, large and medium-sized practices posted a combined negative workload balance figure in November.

Confidence continues to be weak across the country, with all regions expecting workloads to fall.

Workloads are 8% lower than they were a year ago. Levels of personal underemployment have risen.

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



Looking at the November 2022 RIBA Future Trends Workload Index in terms of practice size, region and sector:

The outlook among **small practices** (1 - 10 staff) has broadly held steady, with an Index score of -25, up from -26 last month. Thirty-five per cent of small practices expect workloads to decrease although 11% expect them to grow.

On balance, **large and medium-sized practices** (11+ staff), have dipped into a negative outlook this month, returning a combined balance figure of -2. Large practices (50+ staff) remain more pessimistic about future work than medium-sized practices (11 to 50 staff).

Pessimism about future work continues to be country-wide. All regions have again posted a negative workload-index score this month.

Confidence in London remains low but has rallied somewhat. The capital has returned a balance figure of -26, a rise of 6 balance points when compared to October's figure of -32.

Outside London, the South of England (-35), Wales & the West (-26), and the North of England (-22), have each fallen further into negative territory this month. Whilst posting a negative Workload Index score of -12, the outlook of practices in the Midlands & East Anglia improved in November.

All the monitored work sectors continued to post a negative Index balance this month, although the outlook for the public sector has shown a slight improvement.

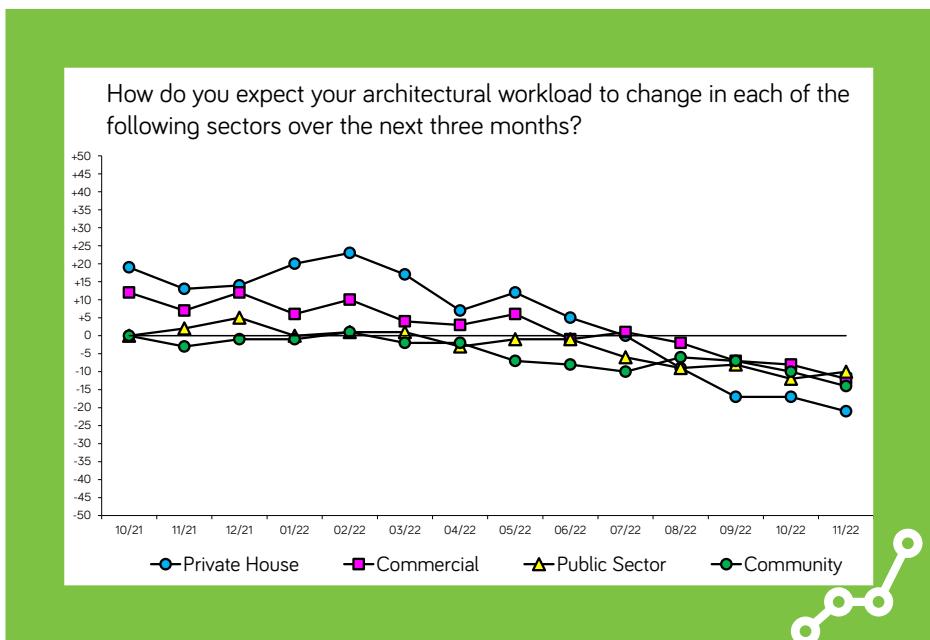
The **private housing sector** has fallen again, to post a balance figure of -21, down four points when compared to last month. Thirty-two per cent of practices expect workload in this sector to deteriorate in the next three months.

The **commercial sector** fell four more points this month, returning a figure of -12, down from -8 last month.

The outlook for the **public sector** has improved this month, with a balance figure of -10, compared to -12 last month.

The **community sector** has deteriorated further, with a balance score of -14 in November, a fall of 4 points since October.

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



RIBA Future Trends Staffing Index (November 2022)

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

Permanent Staff	%
Decrease	8
Stay the same	85
Increase	8
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.)

* Values do not total 100 due to rounding.

In November, the **RIBA Future Trends Permanent Staffing Index** returned to negative territory (-6) after a recovery in October, when the Index stood at zero.

Eleven per cent of practices expect to employ fewer permanent staff over the coming three months, and 6 per cent expect to employ more. Eighty-three per cent expect their permanent staffing levels to stay the same.

The proportion of practices anticipating falling workloads (34%) exceeds the proportion expecting staff reductions (11%).

Medium and large-size practices (11+ staff) have become negative about future staffing levels, with a combined Staffing Index figure of -10. Small (1 - 10 staff) practices continue to expect falling permanent staff numbers with an Index figure of -5.

In November, all regions returned negative outlook, with London the most likely to see falling permanent staffing levels.

London has fallen back to post a Staffing Index figure of -13. The Midlands & East Anglia (Staffing Index -5) and the North of England (-4) remained in negative territory this month. After posting positive figures last month, Wales & The West (-5) and the South of England (-5) have fallen into negative territory this month.

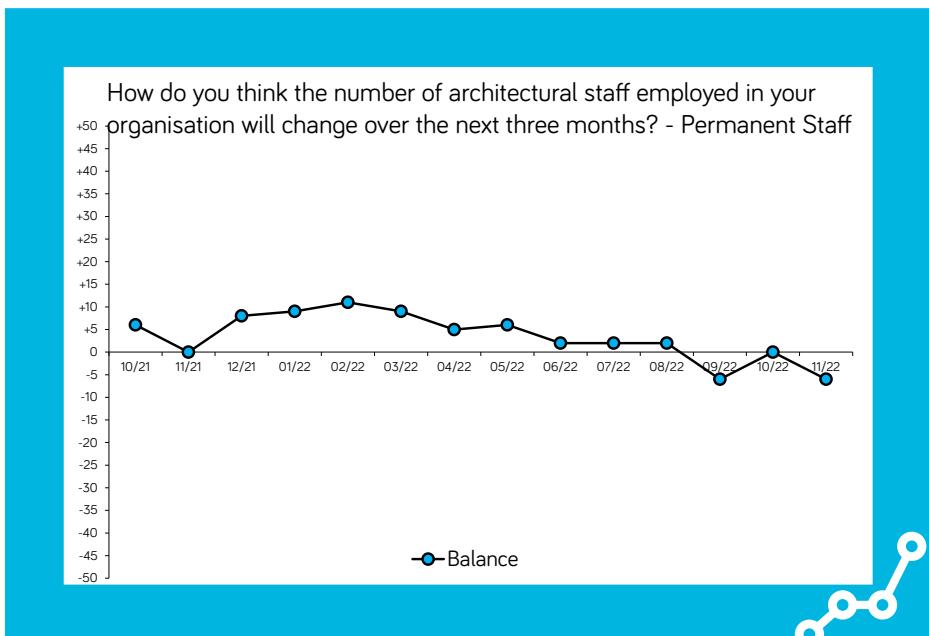
The **Temporary Staffing Index** fell to -6 this month, a fall of 5 points compared to the balance figure of -1 in October.

Levels of **personal underemployment** have increased this month, with 21% reporting personal underemployment, compared to 13% in October.

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 (November 2022)

In November, the RIBA Future Trends Workloads Index showed confidence in future workload levels continue to fall. Growth is not anticipated in any of the regions or sectors monitored by RIBA Future Trends.

The rate of deterioration in outlook has slowed, however, dropping by just one balance point this month. Workload remains eight per cent lower than a year ago.

Commentary from practices reflects a challenging time for many (but not all) practices.

Long-standing issues like project cost inflation and trades-person availability remain. On the upside, the rate of construction product inflation looks to be starting to fall.

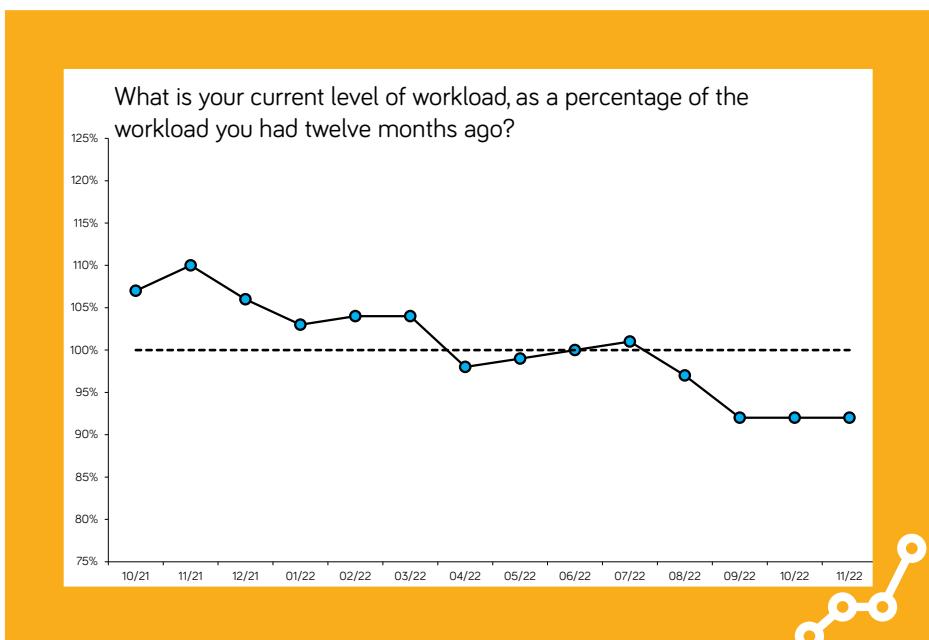
Many practices again describe how local planning delays are causing projects to slow, stall, or be abandoned altogether.

Practices also tell us how the recent interest rate rise has caused planned funding for some projects to fall through. Small-scale domestic work is under pressure from reduced disposable income, higher construction costs, and mortgages becoming either unavailable or more expensive.

Taken against a backdrop of an economy entering recession the effects of these issues are leading to fewer new enquires, a reduced pipeline of work, and pressure on fees.

In contrast, some practices describe how some project types, such as high-end domestic projects or retail-supporting warehouses, continue to provide a steady work stream.

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 256 practices took part in the Survey in November 2022. 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.