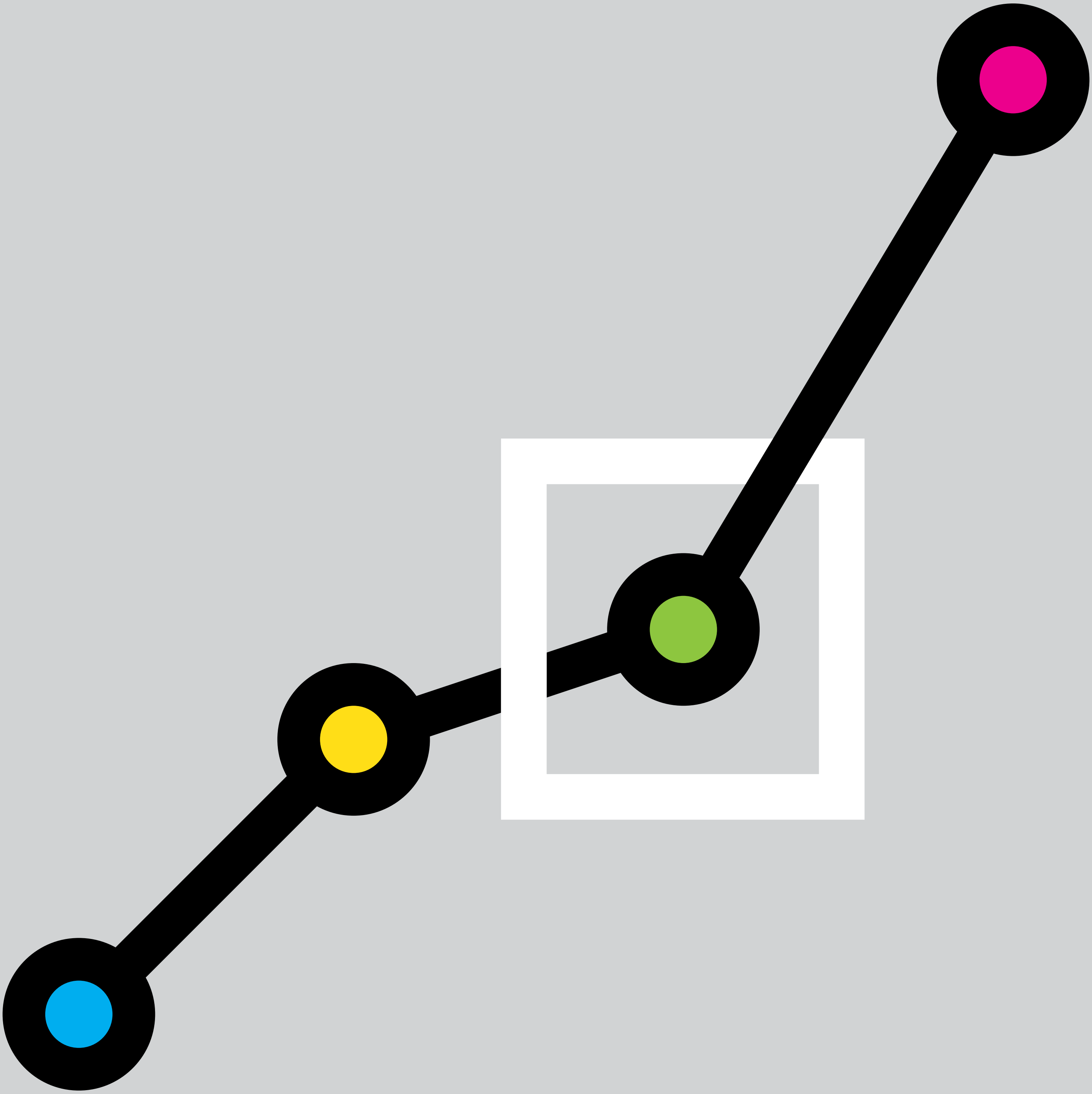
# Future Trends Survey:

May 2022



RIBA

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## 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 May 2022 survey returns.

RIBA Future Trends Workload Index
(May 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 | 16 |
| Stay the same | 56 |
| Increase | 29 |
| TOTAL | 100 |
| Balance | +13 |

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

In May, the RIBA Future Trends Workload Index rose by eight points to a balance figure of +13. In April, architects' optimism about future workload fell markedly. May sees a recovery.

Twenty-nine per cent of practices expect workloads to increase in the coming three months, whilst fifty-six per cent expect them to remain the same. Sixteen per cent of practices expect workloads to decrease.

Overall, practices of all sizes expect workloads to increase, with larger practices being most confident about rising workload levels.

The Private Housing and Commercial sectors have both seen confidence rally. The Community and Public sectors, however, remain in negative territory.

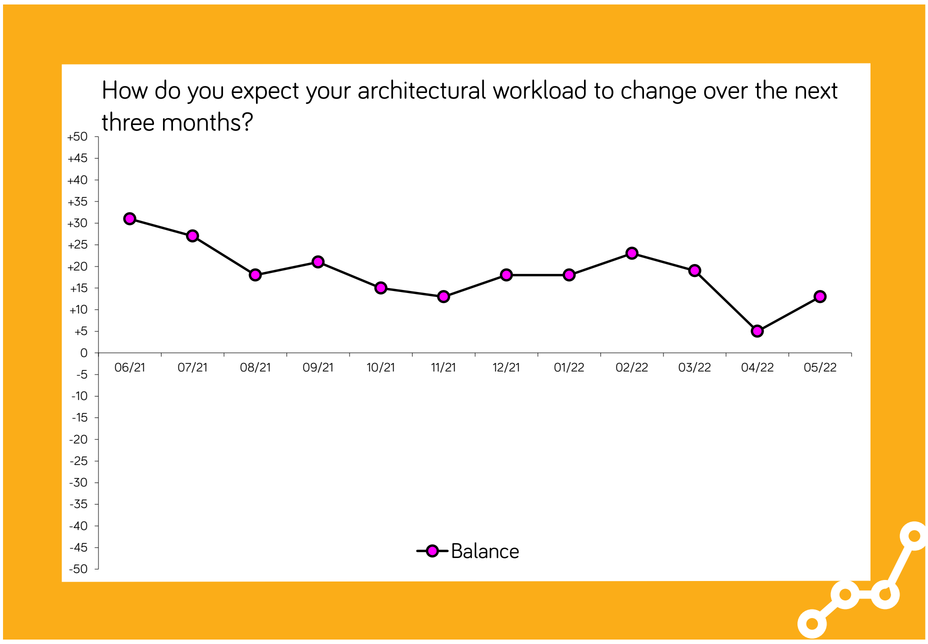
Except for the East Midlands, confidence has recovered across the UK, with London making up the ground it lost last month.

Whilst practices report workloads being lower than a year ago, the percentage reporting personal underemployment in the last three months has fallen from 17% to 12%.

With the broader economy stalling, and the construction industry facing acute challenges through project cost inflation, this month's figures may be a correction of the falls we saw last month, rather than a turning point into a period of strong growth.

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

**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 May 2022 RIBA Future Trends Workload Index in terms of practice size, region and sector:

In May, **small practices** (1 - 10 staff) posted a positive balance figure of +11, recovering 8 points from April's figure of +3.

**Large and medium-sized practices** (11+ staff) remain firmly positive about future workload, with a balance score of +23, a four point increase on last month.

Regional confidence has picked up after last month's falls, with only one region pessimistic about future work.

The Midlands & East Anglia has seen a fall in confidence this month, with practices, on balance, expecting decreasing workloads in the next three months. The region returned an index figure of -22, down from +6 in April.

Practices in London reverted to strong optimism about coming workloads. After three months of falling confidence, May saw a rising workload index figure of +22, up 14 points compared to April's figure.

The South of England also strongly recovered from last month's dip into negative territory, with a balance figure of +16 in May.

Wales & the West posted a balance score of +10, up from zero last month. It is now two years since the region posted a negative figure. The North of England also posted a positive balance. At +29 it is the most positive region this month. Since the first lock-down passed, Wales & the West and the North of England have consistently been the most positive regions

Three of the four work sectors have seen confidence rise.

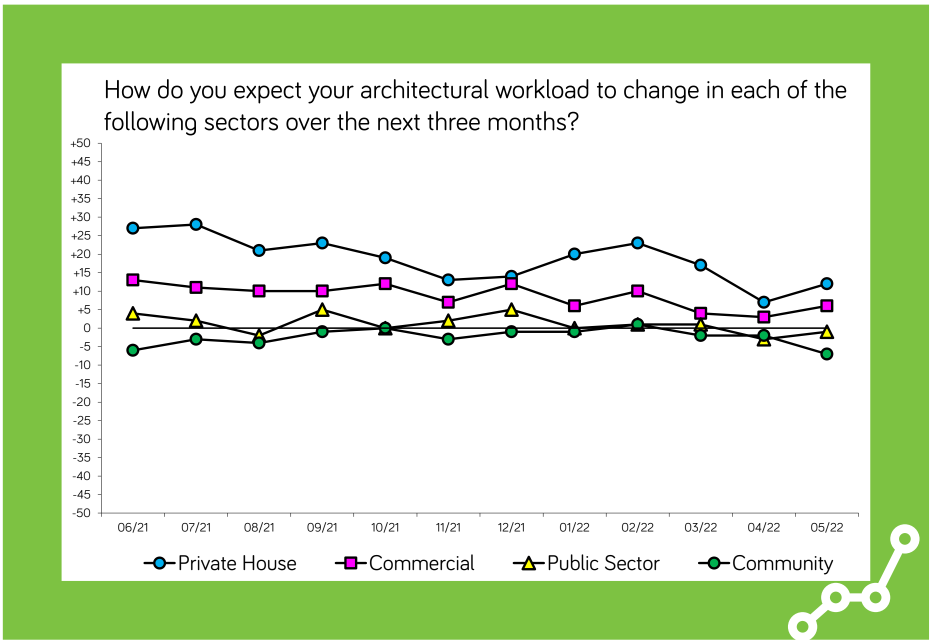
In May, the **private housing sector** posted a balance figure of +12, up 5 points from last month's figure of +7.

The **commercial sector** rallied somewhat in May, with a balance figure of +6, up 3 points from last month.

At -1, the **public sector** remained in negative territory this month, albeit rising 2 balance points on last month's figure of -3.

The outlook for the **community sector** remains subdued, falling 5 points in May to post a balance figure of -7.

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



RIBA Future Trends Staffing Index
(May 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 | 6 |
| Stay the same | 83 |
| Increase | 12 |
| TOTAL | 100* |
| Balance | +6 |

(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 May, the RIBA Future Trends Permanent Staffing Index returned a balance figure of +6, up 1 point when compared to April. Practices are recruiting.

Twelve per cent of practices expect to employ more permanent staff over the coming three months whilst six per cent expect to employ fewer. Eighty-three per cent expect permanent staffing levels to stay the same.

With workloads expected to grow, Medium and Large-size practices (11+ staff) anticipate increased permanent staff, with a combined staffing Index figure of +19. This is down on last month's figure. Nevertheless, a quarter of larger practices anticipate increased permanent staff levels in the next three months.

On balance, smaller practices (1 - 10 staff) also anticipate employing more staff, although with a lower permanent staffing index figure of +4.

In May the regional picture for permanent staffing is mixed, with Midlands & East Anglia falling further into negative territory.

The South of England (balance score +13), Wales & The West (+10), London ( +7), and the North of England (+4) all posted positive balance figures, suggesting growing permanent staff levels.

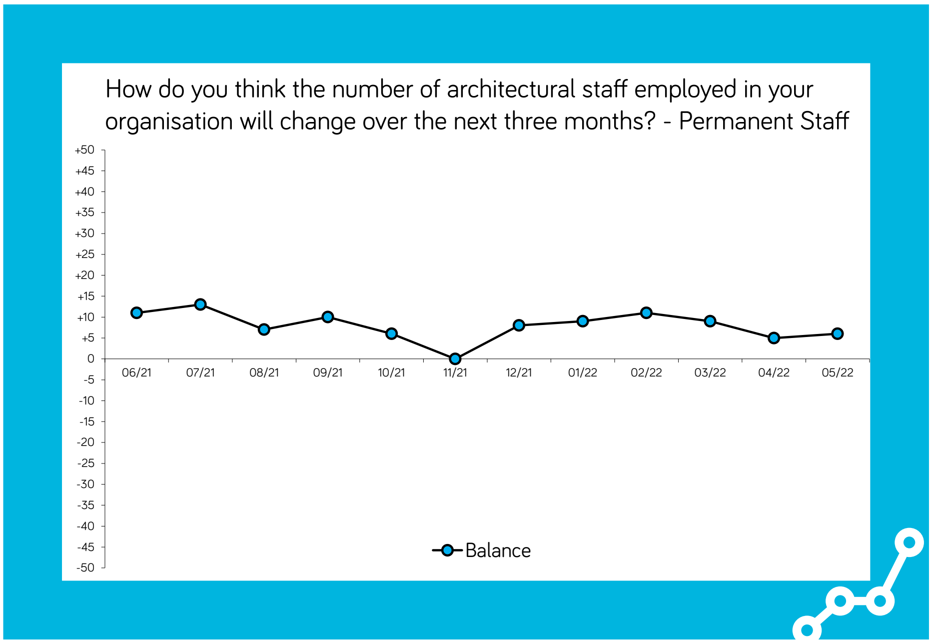
Practices in the Midlands & East Anglia, expect to employ fewer permanent staff, with a balance score of -6.

The Temporary Staffing Index rose very slightly this month, with a balance score of +2 in May compared to +1 in April.

Levels of personal underemployment fell back in May. In April, 17% reporting being personally underemployed in the previous month. This month it is 12%.

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
(May 2022)

Architects remain optimistic about future workloads. Many practices plan to recruit. After a notable dip in confidence last month, the RIBA Future Trends Workload Index has recovered, rising by 8 points, to +13.

This uptick in confidence is driven by the private housing sector, and assisted by the commercial sector. Practices remain resilient.

However, this optimism comes against a backdrop of continued economic uncertainty, and deteriorating growth forecasts for the UK. The challenges the profession faces have not gone away and we can expect the coming months to be challenging for architects, the construction industry, and the wider economy.

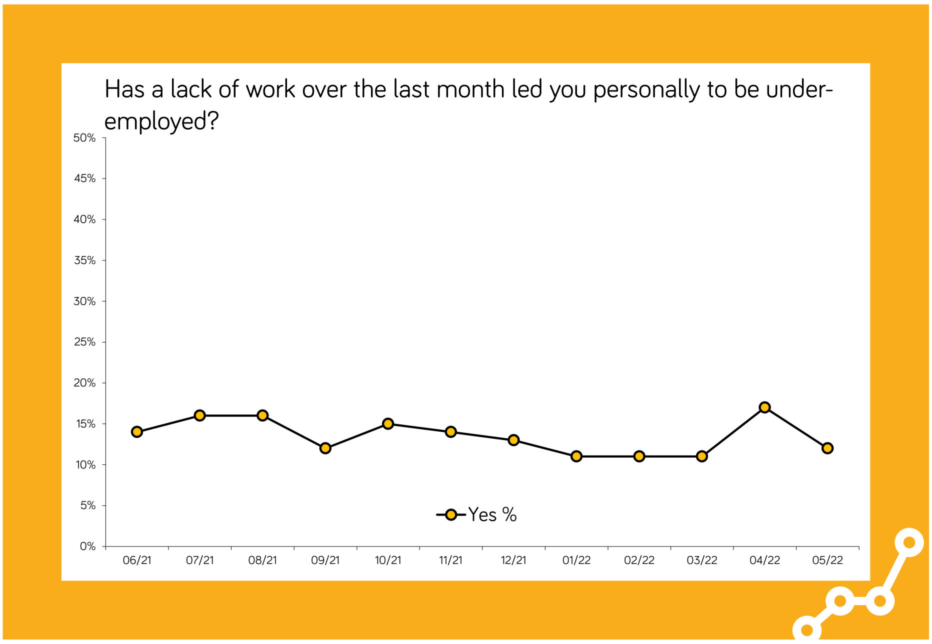
The commentary received in May, gives a mixed picture. Some practices report strong levels of enquires, and those enquiries turning into commissions. Domestic work and commercial continues to be in demand. However, some report falling enquiries.

Practices report the effects of project cost inflation; enquiries failing to translate into appointments, and projects at tender cancelled, as project costs become clearer to clients.

Delays in the planning process continue to put a brake on project delivery, with Nutrient Neutrality legislation causing significant delays to projects in protected sites and areas.

The following graph plots the levels of personal underemployment over time:

**Notes**
The percentage of respondents telling us that they were personally underemployed in the last month, due to a lack of work, is plotted here.




*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 190 practices took part in the Survey in May 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.*