RIBA

Memorandum

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. Practices are also 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 December 2011 Survey returns.

Future workload (December 2011)

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	29
Stay the same	53
Increase	18
TOTAL	100
Balance	-11

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

The RIBA Future Trends Workload Index for December 2011 stands at -11, falling from -4 in November 2011. Confidence about future overall workloads for architects remains fragile and the outlook is characterised by a high degree of uncertainty, but actual levels of work in progress have stabilised in recent months.

In terms of geographical analysis, practices in London and the South of England are the most optimistic about future growth in demand for architects' services, whilst those in Northern Ireland remain the most pessimistic.

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

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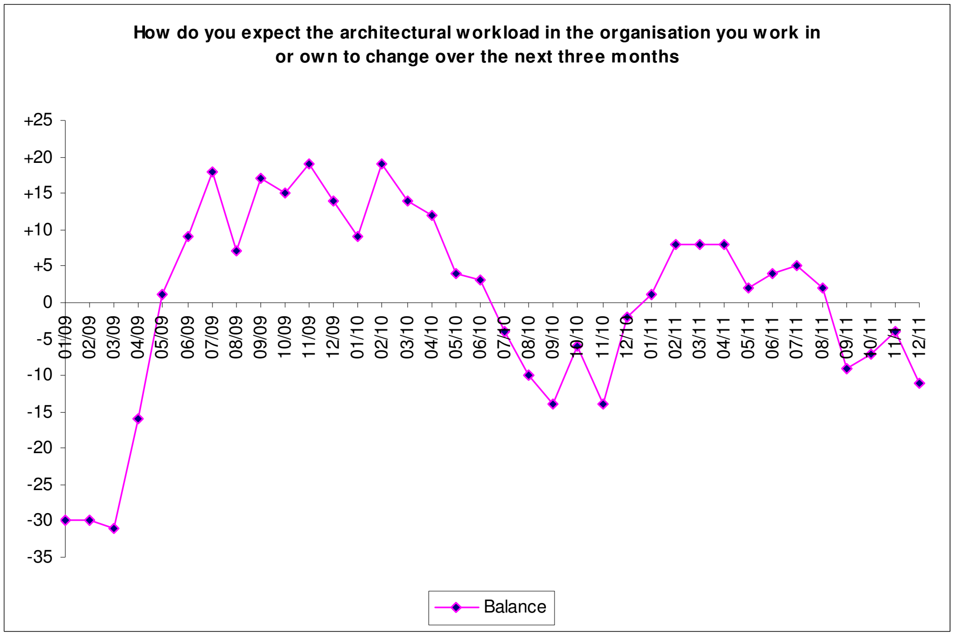

The public sector forecast (balance figure -19) is unchanged this month, but the commercial sector forecast (balance figure -4) edged upwards. No sector forecast is predicting an overall increase in workloads over the next quarter, although medium size practices (11 – 50 staff) are evidently beginning to see some growth opportunities in the commercial sector. It also worth noting that despite the substantial reductions in workloads since 2008, overall architectural work levels are still running at approximately two thirds of those seen at the height of the construction boom, and the profession continues to make a major contribution to the UK economy.

It seems clear that the best future prospects for increased workloads in the medium term are in the private housing sector, which has consistently been the most resilient of our sector forecasts, and in the commercial sector. Public sector work remains under pressure and we have not yet detected any real resurgence in the community sector.

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

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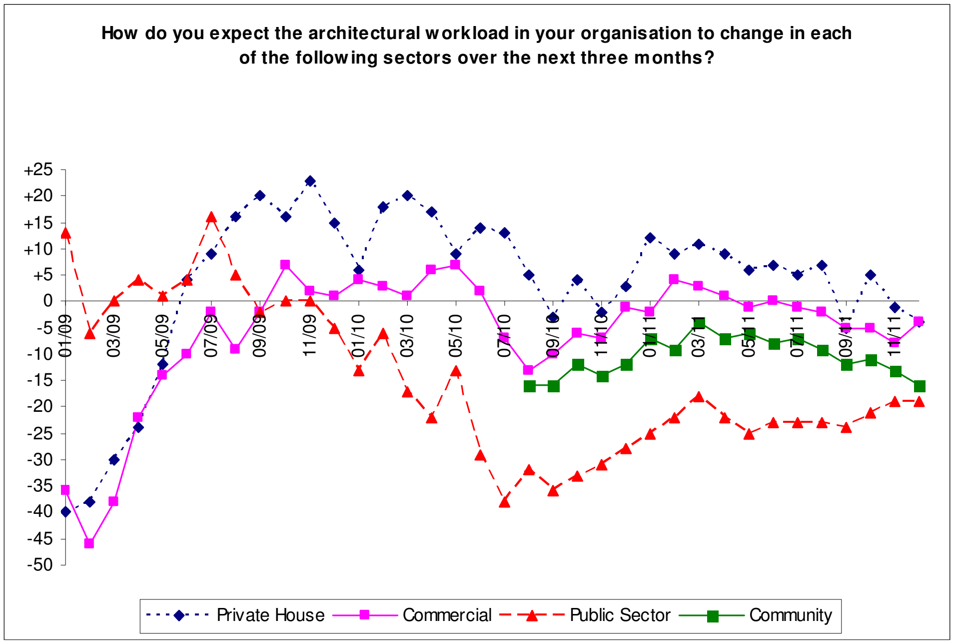

Future staffing levels (December 2011)

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

Permanent Staff	%
Decrease	11
Stay the same	83
Increase	6
TOTAL	100
Balance	-5

(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 RIBA Future Trends Staffing Index is virtually unchanged at -5 in December 2011, compared with -4 in November 2011. Practices located in London (balance figure +5) are more likely to be recruiting staff during the next quarter than those in the rest of the United Kingdom.

When asked about how the number of temporary staff employed is likely to change over the next three months our practices where somewhat less cautious, returning an overall balance figure of -1. General employment prospects continue to remain subdued in the architects’ profession.

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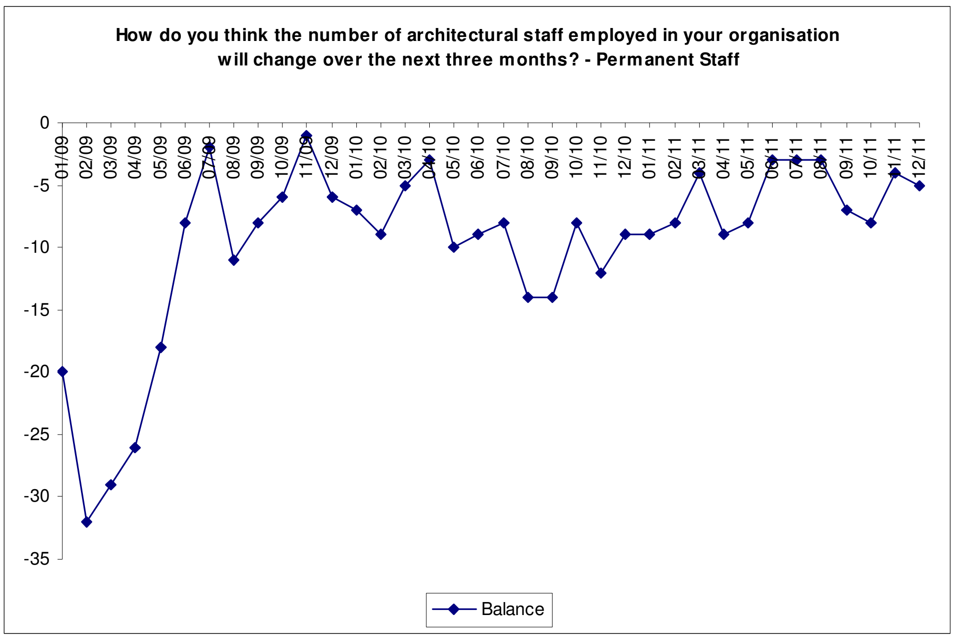
When asked if they had personally been under-employed in December 2011 26% of our respondents reported that this was the case, a significant improvement from the figures returned of 30% in November 2011 and 33% in October 2011.

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



In their anecdotal comments, our practices continue to report intense fee competition, restrictions in bank lending, and uncertainty over the general economic outlook as all contributing to conditions which remain challenging. A number of contributors have continued to identify delays and unnecessary complexity and inconsistency in the planning application validation process as a source of frustration in getting projects up and running.

Many practices are concerned that whilst funding for some major public sector infrastructure projects is being maintained, cuts to mainstream housing, education and health programmes, areas which potentially have a more immediate social and economic benefit, are more extensive, and they question whether a better balance could be struck in terms of current Government capital investment.

Since starting the RIBA Future Trends Survey in January 2009, we have been monitoring specific employment levels for women architects. In January 2009 women made up 28% of the architectural staff in the practices in our survey, whilst in December 2011 this figure was 21%, suggesting that the recession has had a significantly disproportionate impact on employment levels for women working in architecture.

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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 232 practices took part in the Survey in December 2011. 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@inst.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.