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 November 2011 Survey returns.

Future workload (November 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	27
Stay the same	50
Increase	23
TOTAL	100
Balance	-4

(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 November 2011 stands at -4, rising for the second consecutive month, but still remaining in negative territory. Confidence about future overall workloads for architects remains fragile. Nevertheless overall workloads do at least appear to be stabilising again.

Practices in London (balance figure +11) remain more optimistic about future growth in the demand for architects' services than those located in the rest of the United Kingdom.

Large practices (51+ staff) are now increasingly confident that workloads will increase over the next quarter. This size group retuned a healthy balance figure of +33. In general small practices (1–10 staff), who returned a balance figure of -5, and medium practices (11–50 staff), with a balance figure of -2, are less confident about being able to increase their overall workloads.

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

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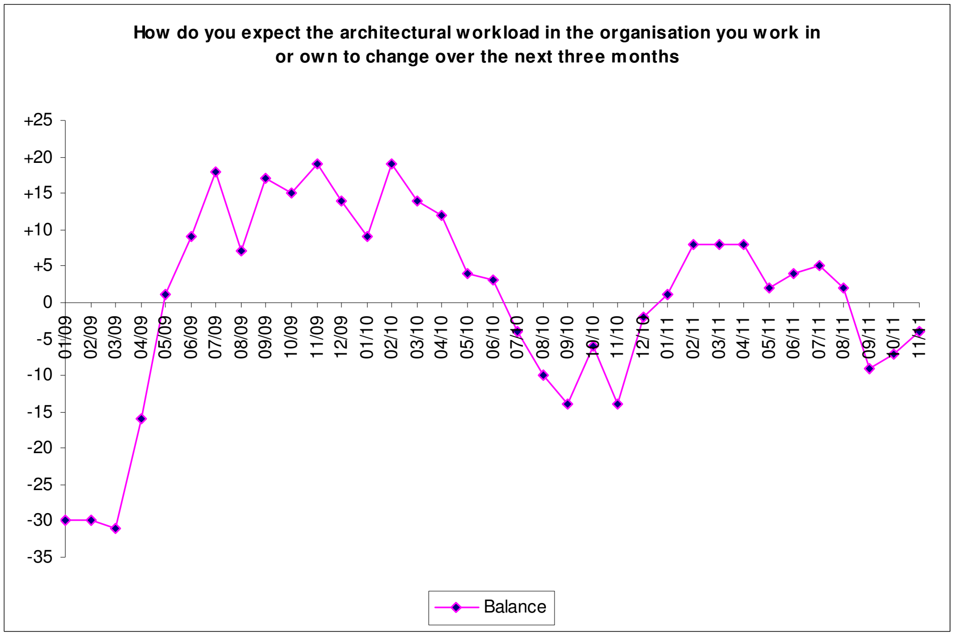

The public sector forecast (balance figure -19) improved slightly this month, but the commercial sector forecast (balance figure -8), community sector forecast (balance figure -13) and private housing sector forecast (balance figure -1) all edged downwards in November 2011.

The private housing sector remains the most resilient of all our sector forecasts, underpinned by relatively solid demand for bespoke residential refurbishment and extension work. Large practices continue to report an improvement in the outlook for work in the commercial sector.

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

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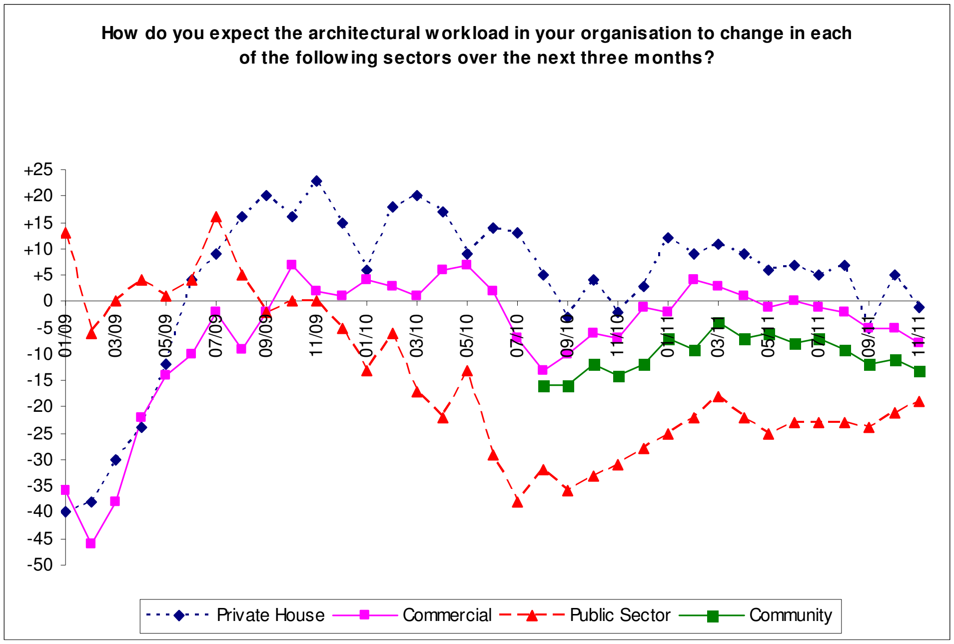

Future staffing levels (November 2011)

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

Permanent Staff	%
Decrease	13
Stay the same	78
Increase	9
TOTAL	100
Balance	-4

(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 -4 in November 2011, increasing from-8 in October 2011. This suggests that there still remains insufficient overall confidence for practices in general to increase their staffing levels. However, large practices (51+ staff) did return a positive balance figure, indicating that some practices in this size category may undertake recruitment in the New Year.

When asked about how the number of temporary staff employed is likely to change over the next three months our practices also returned an overall balance figure of -4.

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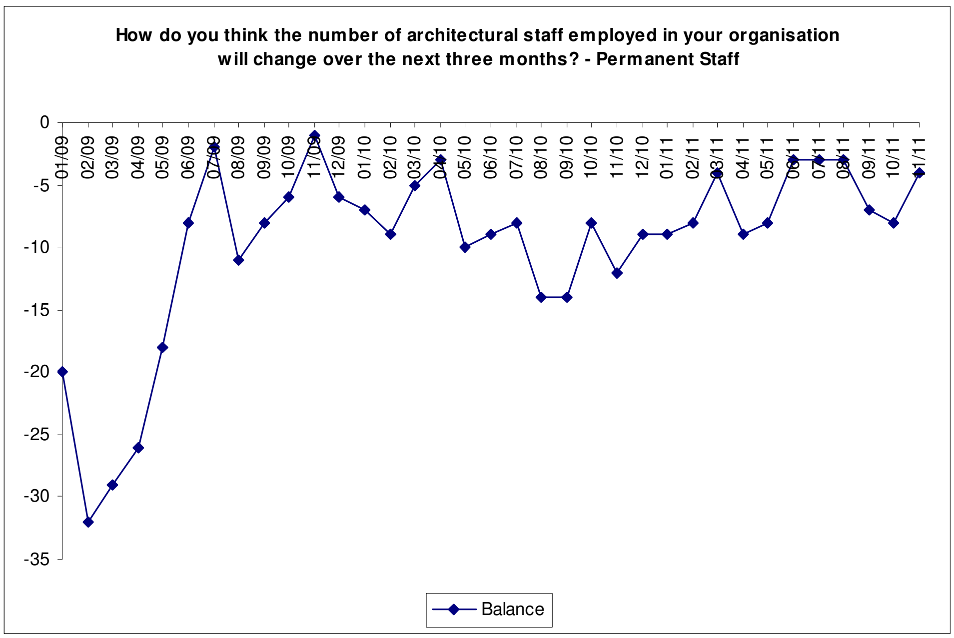
When asked if they had personally been under-employed in November 2011 30% of our respondents reports that this was the case, compared with 33% in October 2011.

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



In their anecdotal comments, our practices continue to describe challenging trading conditions and difficulties in forecasting future cashflow. A number of practices report that bank lending for projects remains hard for clients to secure and there are signs of a return to high levels of late payment of fees.

Bespoke housing, conservation and some specialist health and elderly care sectors appear to be amongst the better performing sectors at present. Some practices report increased levels of feasibility work for commercial projects, as developers make preparations for future projects, but these are not yet always coming through as full commissions.

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 244 practices took part in the Survey in November 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.