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. 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 February 2012 Survey returns.

Future workload (February 2012)

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	21
Stay the same	49
Increase	30
TOTAL	100
Balance	9

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

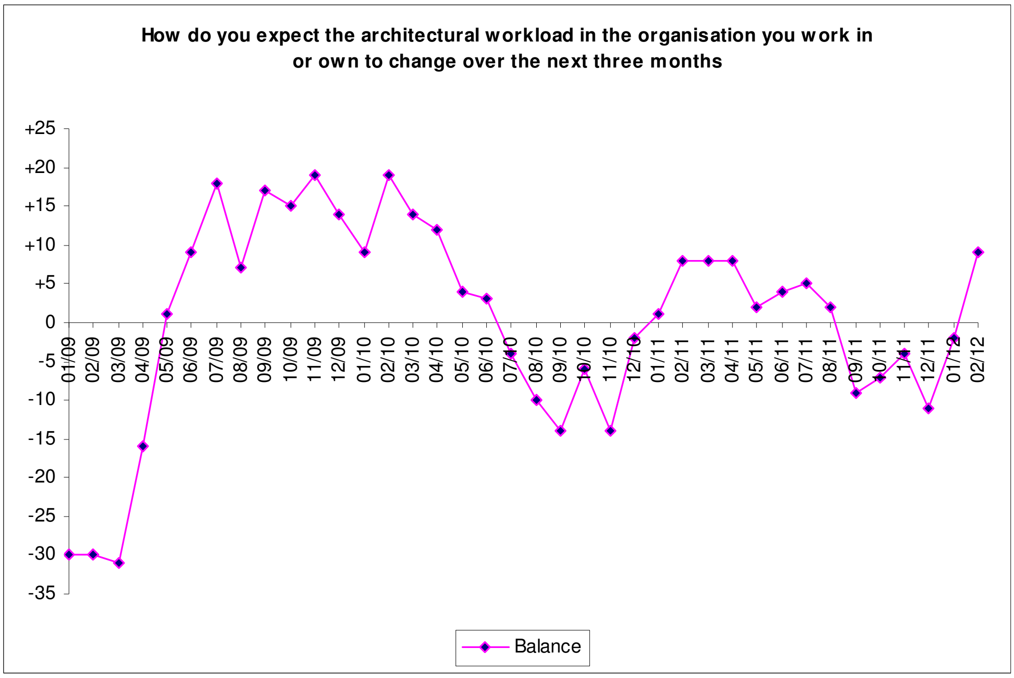
The RIBA Future Trends Workload Index for January 2012 stands at +9, rising significantly for the second consecutive month and entering positive territory for the first time since August 2011. Although it is important not to read too much significance into just two consecutive monthly increases, the Index has now risen by 20 balance points, and this may be an early indicator of practices seeing signs of a more optimistic future outlook. If this trend maintains momentum in the next two to three months, then this may be a significant sign that the medium-term outlook for the architects' profession is indeed improving.

Medium sized practices (11 – 50 staff) were the most positive this month about future workload levels, returning a balance figure of +42. Large practices (51+ staff) returned a balance figure of +33, but small practices (1 – 10 staff) were more cautious with a balance figure of +4.

In terms of geographical analysis, most of the nations and regions in the United Kingdom returned positive balance figures in February 2012. Only practices in the North of England (balance figure -7) and Northern Ireland (balance figure -20) returned figures in negative territory.

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

Memorandum

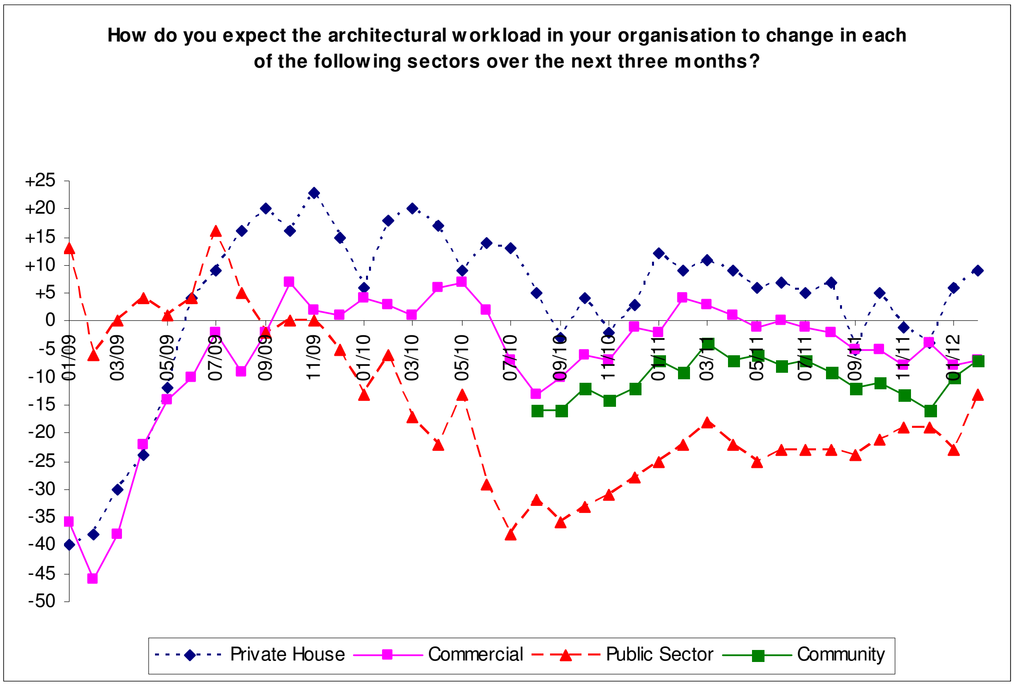


With regard to sector forecasts, the private housing forecast (balance figure +9) remains the most optimistic. The other sector forecasts (commercial, community and public sector) remain in negative territory, but all showed some improvement this month.

Large practices continue to see some grounds for optimism in the commercial sector and there appears to be some increase in activity by medium sized practices in the private housing sector.

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

Memorandum



Future staffing levels (February 2012)

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	81
Increase	8
TOTAL	100
Balance	-3

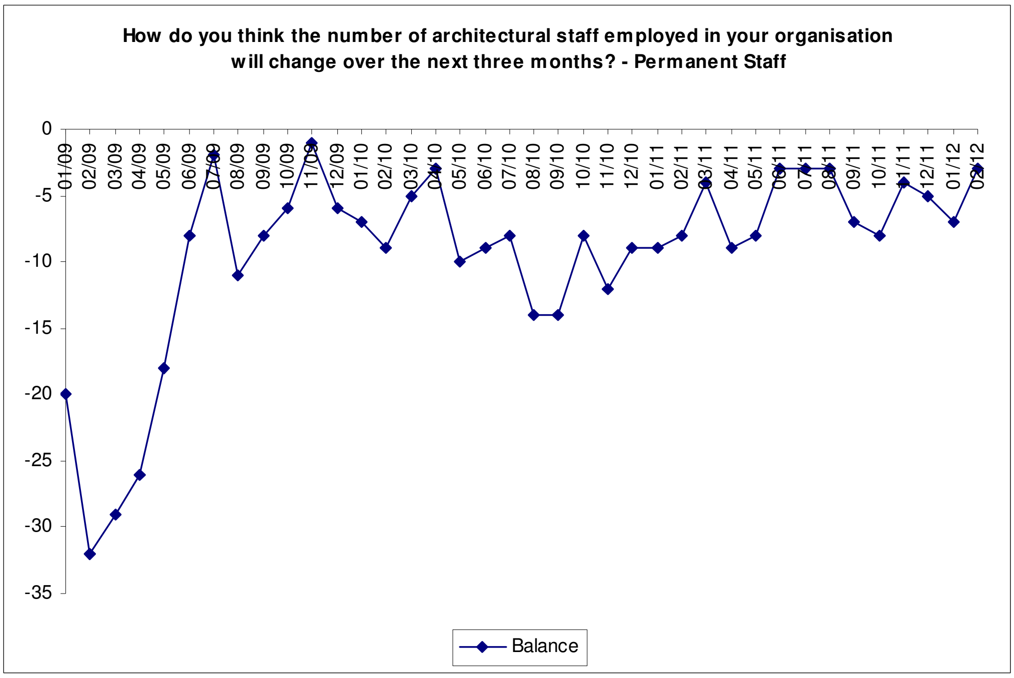
(The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.)

The RIBA Future Trends Staffing Index for February 2012 is -3, rising from -7 in January 2012. Medium sized practices (11 – 50 staff), with a balance figure of +8, are currently more optimistic about being able to increase future staffing levels than small and large practices. Overall it is clear that the profession is not yet sufficiently confident about future workload levels to be able to recruit new staff in any significant numbers in the short term.

When asked if they had personally been under-employed in February 2012, 25% of our respondents replied yes; this is the same figure as that returned in January 2012.

Memorandum

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



In their anecdotal comments, many practices continue to report intense fee competition, delayed payment of fees, shortage of development funding and general uncertainty about future prospects. However, we are beginning to detect a small shift in the balance of the feedback received, with a number of practices reporting that they have experienced a significant increase in work since the New Year and some taking on new staff. The anecdotal evidence currently being received therefore seems to support the gradual uplift in general confidence levels suggested by the numerical returns to the RIBA Future Trends Survey.

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 February 2012. 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.