
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 July 2012 Survey returns.

Future workload (July 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	20
Stay the same	60
Increase	20
TOTAL	100
Balance	0

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

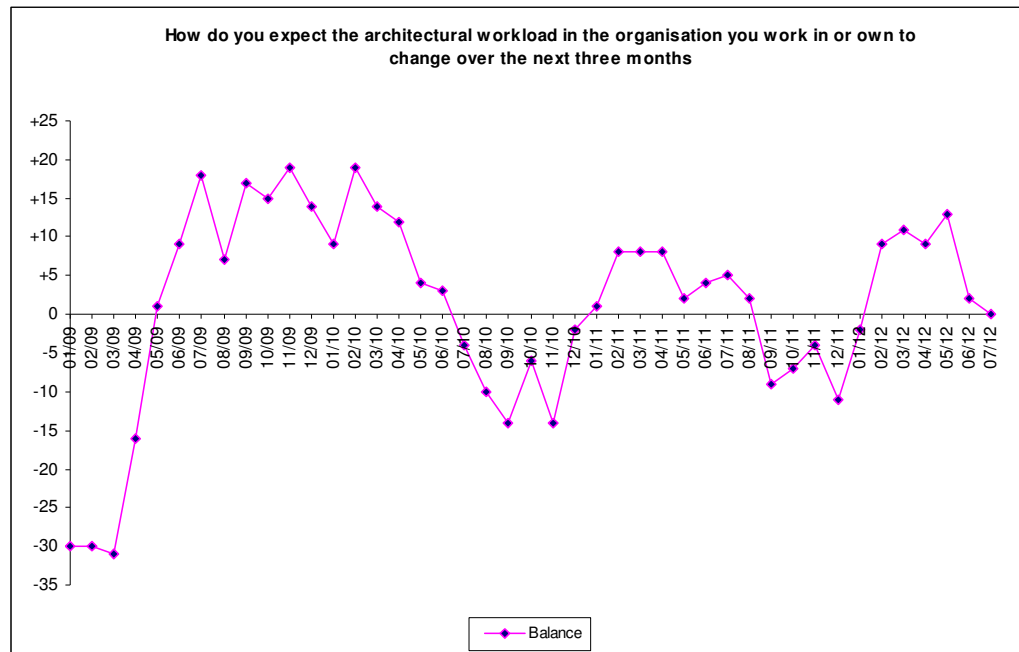
The RIBA Future Trends Workload Index for July 2012 stands at zero, down moderately from +2 in June 2012. Our practices continue to forecast that overall workloads will not increase above their current level in the short term.

Large practices (51+ staff) and medium sized practices (11 – 50 staff) continue to be more optimistic about future workloads forecasts than our small practices (1 – 10 staff), who returned a balance figure of -4 this month.

In terms of geographical analysis, London (balance figure +10) continues to be the most optimistic location, and Scotland (balance figure -20) and Northern Ireland (balance figure -60) are currently the most pessimistic about short term workloads.

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

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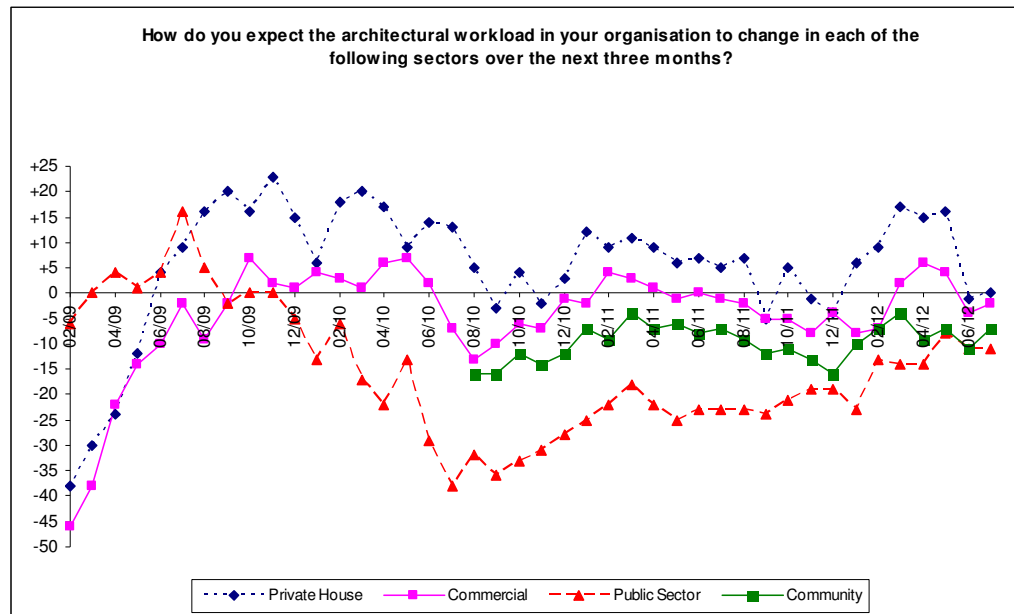


All four of our sector forecasts are relatively unchanged this month. The commercial sector forecast increased modestly from -4 in June 2012 to -2 in July 2012. The community sector forecast increased from -11 in June 2012 to -7 in July 2012, and the private housing sector forecast (balance figure zero) also improved marginally. The public sector forecast remained at -11.

Mirroring the overall RIBA Future Trends Workload Index, none of our individual sector forecasts are predicting growth in workloads over the next quarter.

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

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Future staffing levels (July 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	8
Stay the same	84
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.)

The RIBA Future Trends Staffing Index increased slightly to zero in July 2012, rising from -2 in June 2012. Although on balance practices are predicting that they will be able to maintain current staffing levels there remains little sign of any immediate prospects of growth in overall recruitment.

In July 2012, the percentage of our respondents reporting that they had personally been under-employed in the last month was 26%.

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

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Anecdotal comments received continue to be very mixed, but the overall situation could be described as stable at best. Our practices continue to report intense fee competition and lack of project financing. The high-end private residential market continues to be the one of the most active sectors, sustained by low interest rates and inward investment. The situation clearly remains very patchy with some practices describing conditions as extremely challenging whilst others report full order books.

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 210 practices took part in the Survey in July 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.