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 September 2012 Survey returns.

Future workload (September 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	23
Stay the same	57
Increase	20
TOTAL	100
Balance	-3

(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 September 2012 stands at-3, falling from +4 in August 2012. It is striking that 57% of respondents expect no change in workloads over the next quarter, reinforcing the perception that the market for architects' services is relatively stable at its current levels but with few immediate prospects of any short term increase in overall workloads.

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).

In terms of geographical analysis, London (balance figure +9) continues to appear to be generally more resilient than other parts of the United Kingdom, but this month also saw a significant upturn in the workload forecast for the Midlands and East Anglia (balance figure +14).

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

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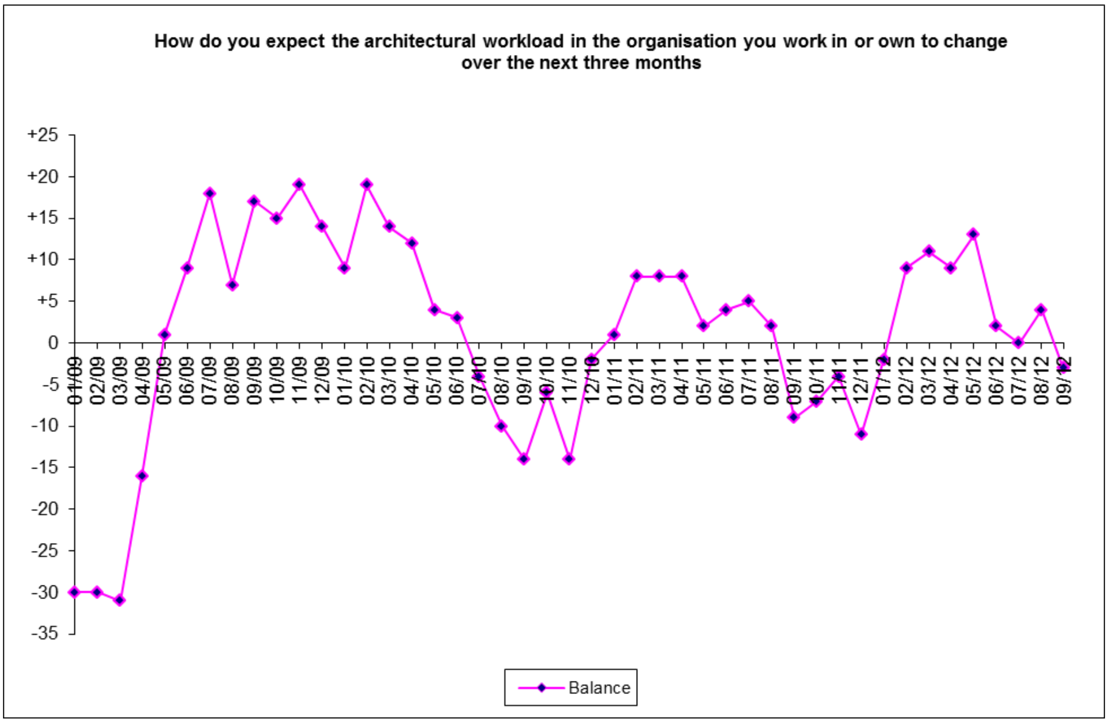

Our sector forecasts saw relatively little movement this month.

The commercial sector forecast (balance figure -5) and the private housing sector forecast (balance figure zero) were both unchanged. The community sector forecast improved slightly from -9 in August 2012 to -6 in September 2012. The public sector forecast also improved marginally, standing at -7 in September 2012 compared with -9 in August 2012.

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

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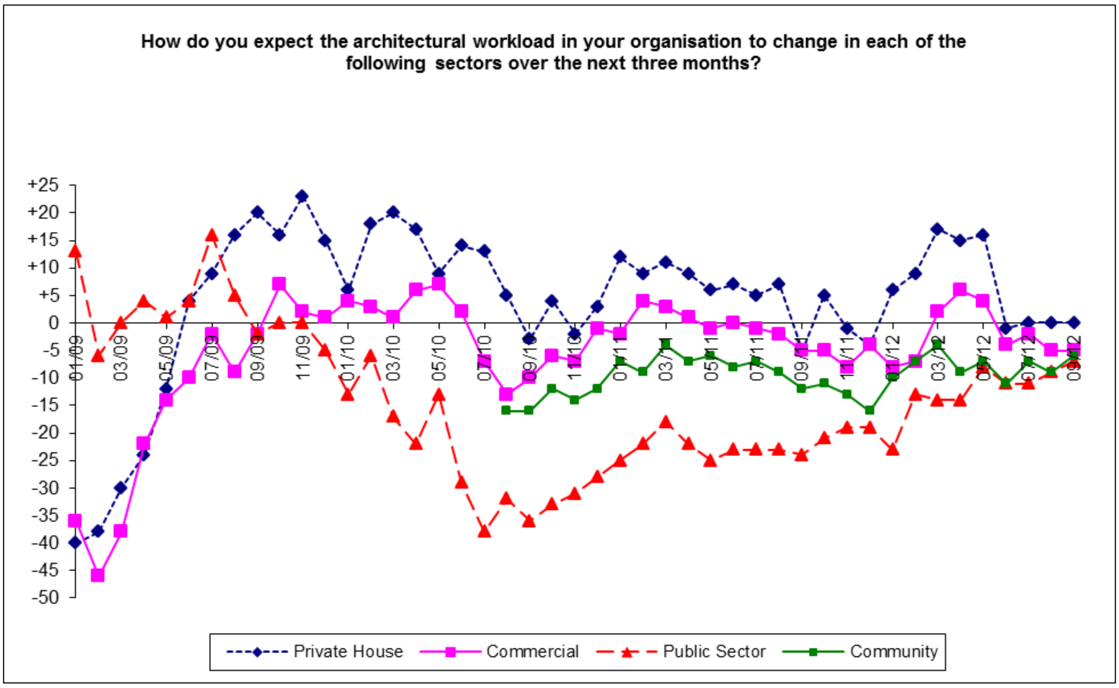

Future staffing levels (September 2012)

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

Permanent Staff	%
Decrease	10
Stay the same	86
Increase	4
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.)

The RIBA Future Trends Staffing Index decreased a little to -6 in September 2012, falling from a balance figure of -3 in August 2012. The fact that 86% of respondents reported that they expect their staffing levels to be unchanged over the coming quarter continues to reflect a situation in which practices are generally able to retain current staff but remain very cautious about recruitment of additional employees.

In September 2012, the percentage of our respondents reporting that they had personally been under-employed in the last month was 24%.

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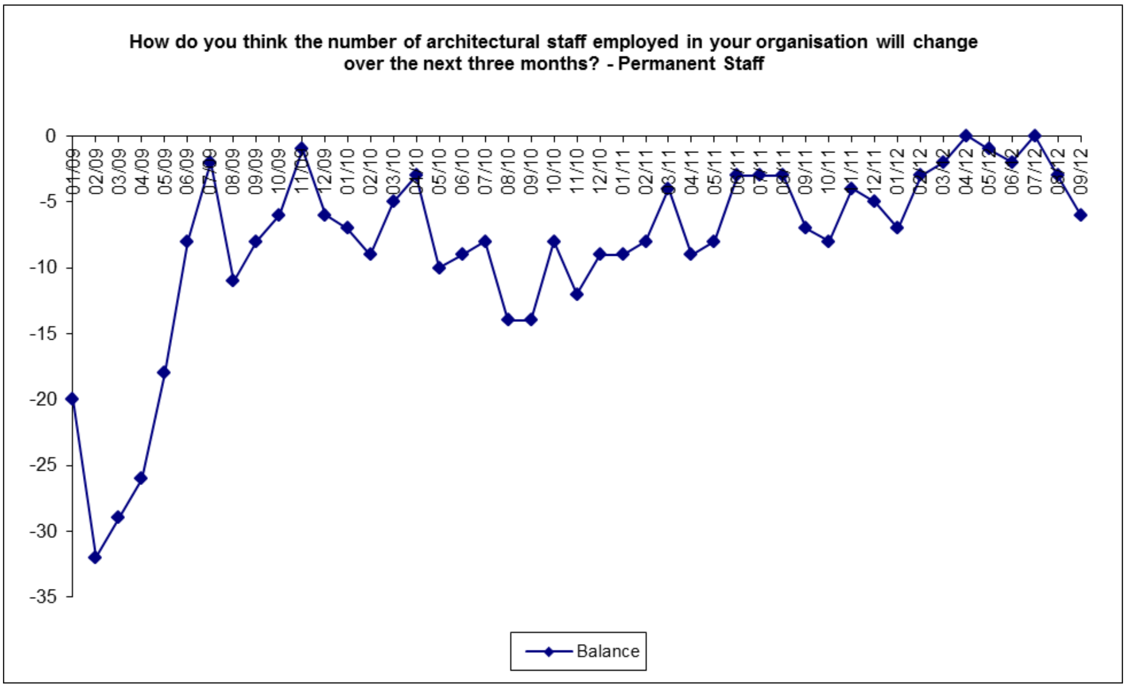
The following graph plots the RIBA Future Trends Staffing Index over time:



Anecdotal comments received continue to report intense fee competition and difficulties in obtaining funding for projects from lending institutions. The most recurrent theme remains the general uncertainty about the future outlook and the lack of predictability in relation to medium term workload and income forecasts.

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 199 practices took part in the Survey in September 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.