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 December 2013 Survey returns.

Future workload (December 2013)

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	10
Stay the same	50
Increase	40
TOTAL	100
Balance	+30

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

There was little change in the RIBA Future Trends Workload Index this month, which fell back very slightly, standing at +30 in December 2013 compared with +31 in November 2013. Only 10% of UK practices expect workloads to reduce over the next quarter with the remainder expecting them to stay the same or increase.

In terms of geographical analysis, London (balance figure +41) was the most upbeat of the UK nations and regions this month, but all areas remained positive about future prospects.

In terms of practices by size, medium-sized practices (11 – 50 staff) remained the most optimistic about prospects for workloads over the next quarter, returning a balance figure of +44.

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

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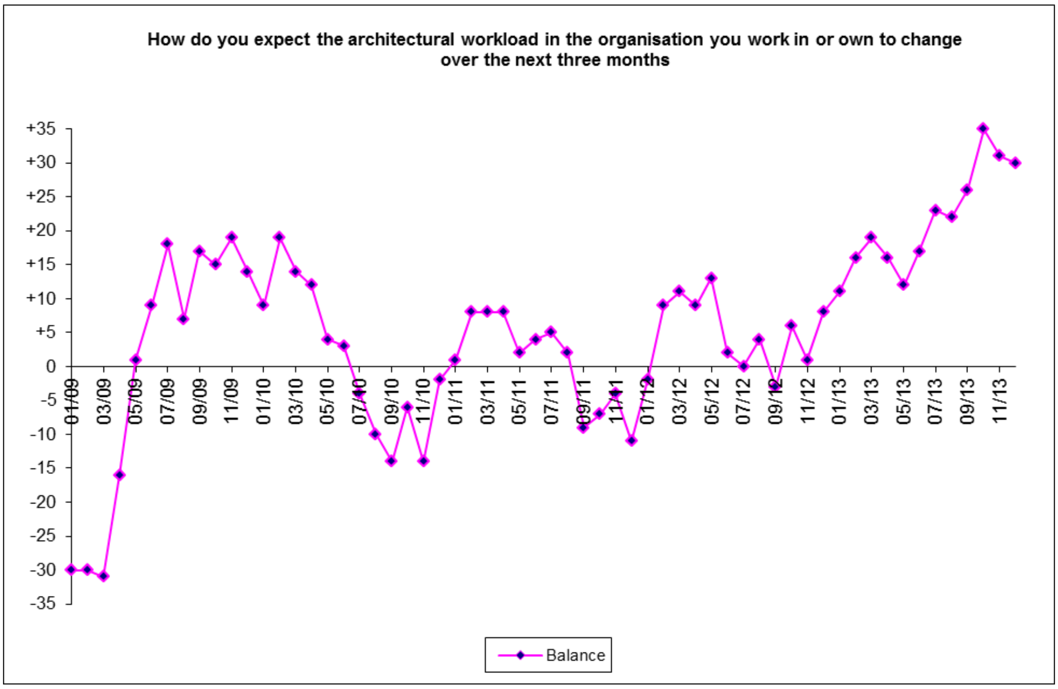

In terms of sector analysis, the private housing sector workload forecast remains the most buoyant, increasing a little to +31 in December 2013, up from +29 in November 2013.

Somewhat disappointingly the important commercial sector workload forecast fell back to +11 in December 2013, down from +18 in November 2013. Both the community sector workload forecast (balance figure +4) and the public sector workload forecast (balance figure -1) were also down a little this month.

It would appear that the current recovery is largely being driven by a widespread strengthening of the private housing sector and a pick-up in commercial projects in London and the South of England.

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

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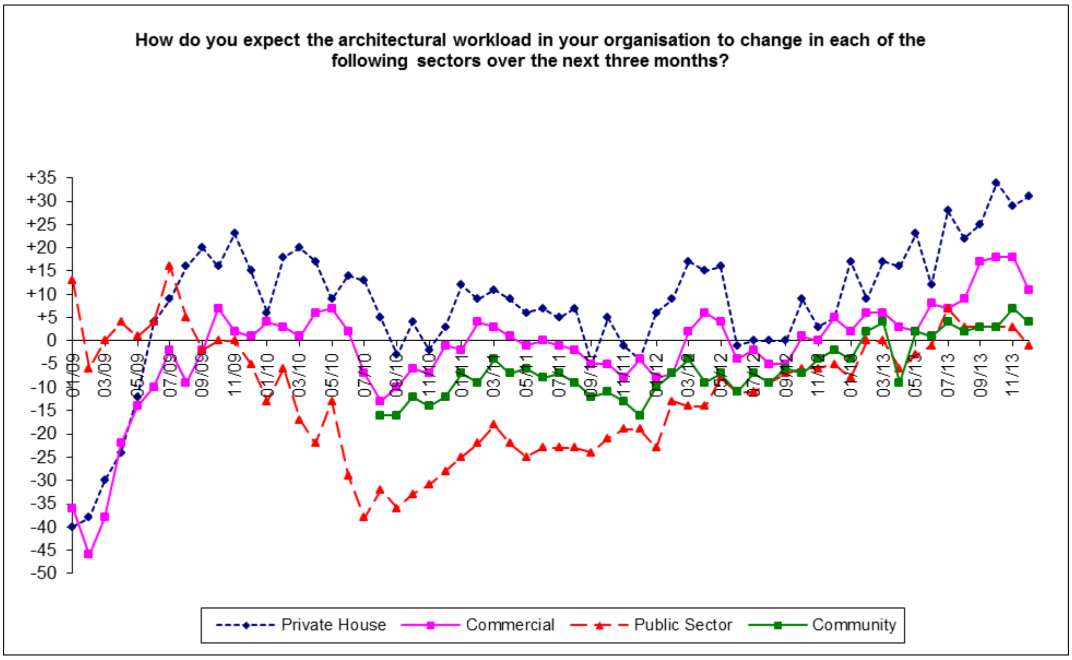

Future staffing levels (December 2013)

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

Permanent Staff	%
Decrease	6
Stay the same	82
Increase	12
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 stands at +6 in December 2013, falling from +11 in November 2013. This perhaps indicates a slight reduction in overall confidence levels, following a series of previous upward movements in this Index, but it nevertheless remains firmly in positive territory. Medium-sized practices (11 – 50 staff) were the most optimistic this month about their ability to sustain higher staffing levels in the medium term, returning a balance figure of +22.

In December 2013, the percentage of our respondents reporting that they had personally been under-employed in the last month fell to 17%, suggesting that the amount of spare capacity within the architects' profession is gradually reducing.

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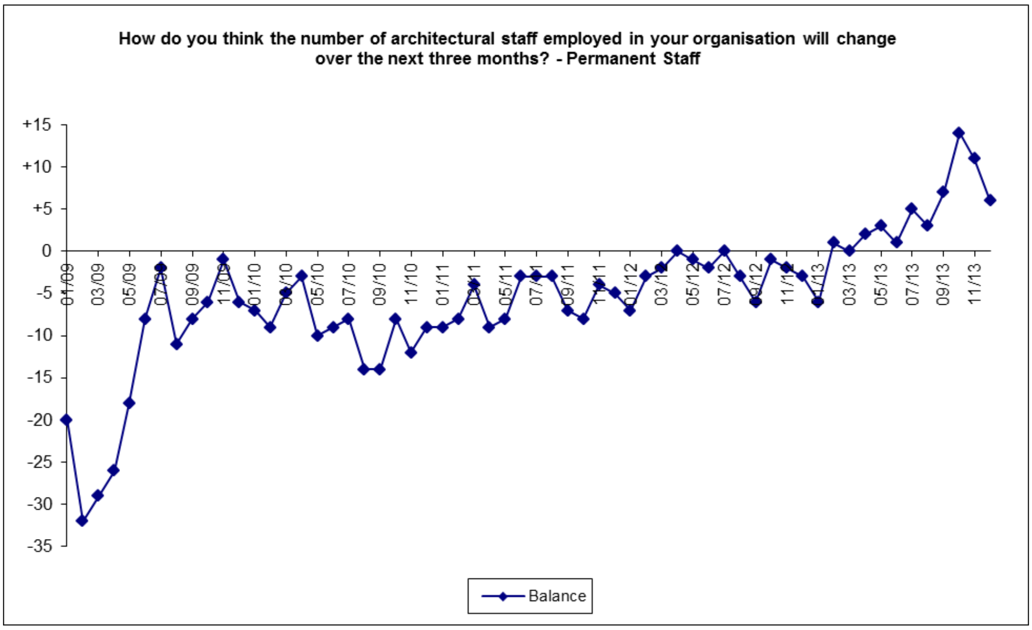
The following graph plots the RIBA Future Trends Staffing Index over time:



A common feature of much of the anecdotal commentary received this month is that whilst a significant number of practices are seeing an upswing in both the levels of enquiries and work in progress there is little sign yet of any corresponding increase in general fee levels, and achieving reasonable profit margins remains challenging for many.

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 206 practices took part in the Survey in December 2013. 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.