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 May 2013 Survey returns.

Future workload (May 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	17
Stay the same	54
Increase	29
TOTAL	100
Balance	+12

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

The RIBA Future Trends Workload Index fell back again slightly for the second consecutive month in May 2013 to +12, down from +16 in April 2013. However, our key monthly workload indicator remains firmly in positive territory, with more practices predicting an increase rather than a reduction in overall workloads over the next three months. Medium-sized practices (11 – 50 staff) with a balance figure of +22 are more confident about future workload prospects than small practices (1 – 10 staff) who returned a balance figure of +10.

In terms of geographical analysis, all the nations and regions in the UK except for Northern Ireland returned positive balance figures this month, with the South of England (balance figure +16), the Midlands and East Anglia (balance figure +26) and Scotland (balance figure +17) being the most optimistic.

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

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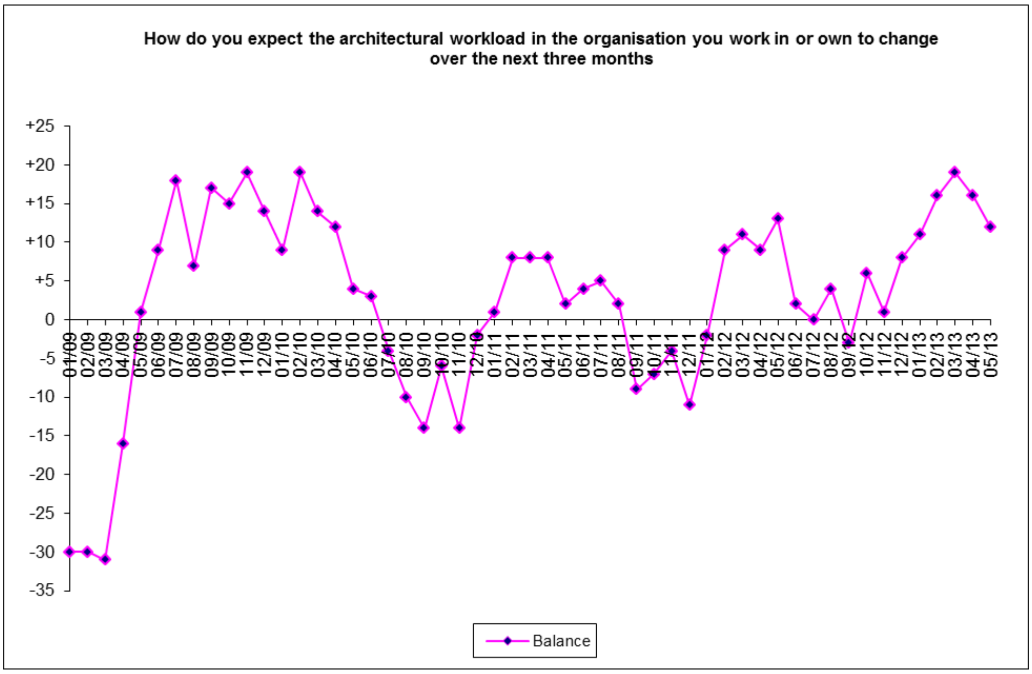

In terms of sector forecasts, the private housing sector forecast saw a significant increase in May 2013 (balance figure +23) from its April 2013 level (balance figure +16), reflecting other recent positive economic indicators in relation to the housing market. The commercial sector forecast saw little change (balance figure +2, down marginally from +3 in April). The public sector forecast (balance figure -3) and the community sector forecast (balance figure +2) both improved this month.

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

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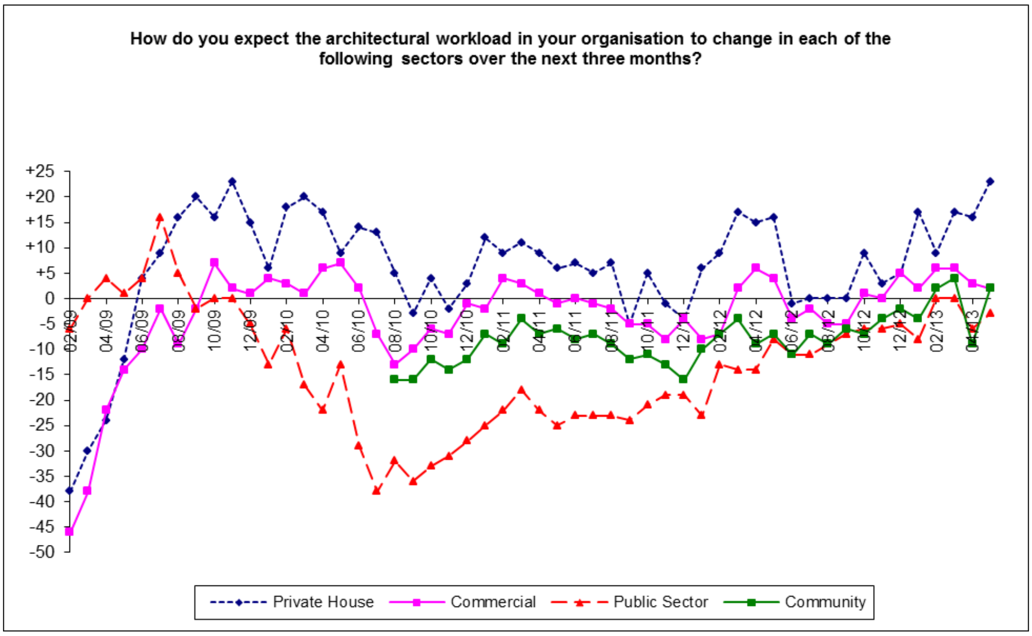

Future staffing levels (May 2013)

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

Permanent Staff	%
Decrease	8
Stay the same	81
Increase	11
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 increased marginally to +3 in May 2013 compared with +2 in April 2013 and remaining in positive territory, but the equivalent index for temporary staffing decreased (down to +1 in May 2013 from+6 in April 2013). Actual staffing levels remain stable, but there remains significant caution about increasing staff numbers in the short to medium term.

Practices based in the South of England and the Midlands and East Anglia are currently most likely to consider increasing the number of staff they employ during the next quarter.

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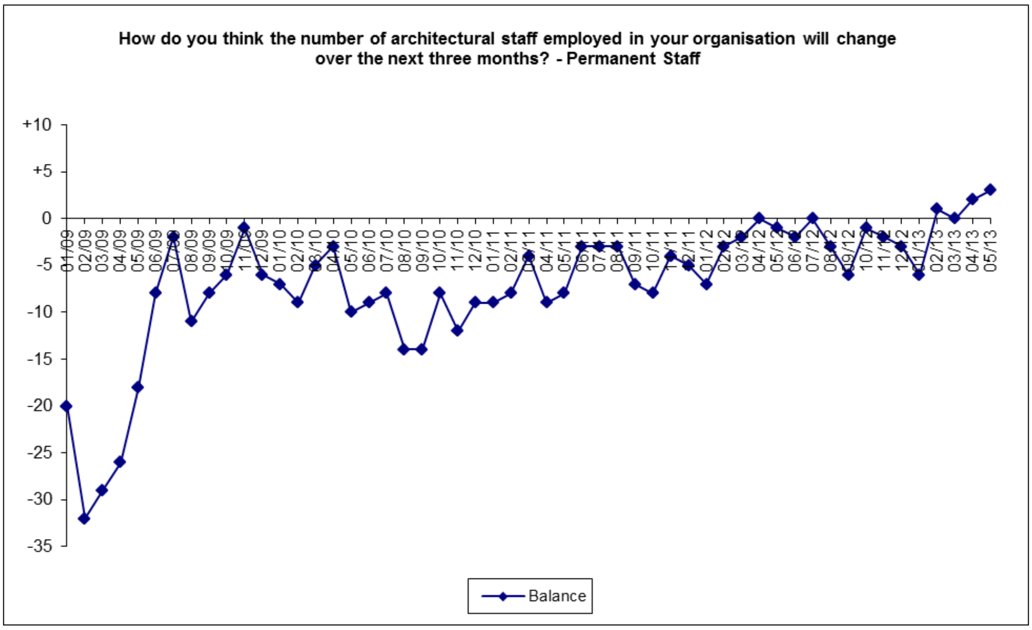
In May 2013, the percentage of our respondents reporting that they had personally been under-employed in the last month was 25%, improving a little from 29% last month.

Our practices report that they are currently employing 5% more students than this time last year; this greater confidence about taking on year-out and post-Part 2 students is a very positive sign and suggests some improvement in the outlook for those seeking to establish their careers in architecture.

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



The anecdotal commentary we receive continues to paint a very mixed picture with experiences varying greatly depending upon location and sector expertise.

The bespoke housing sector continues to remain robust, indeed to be very strong in some locations, and some specialist areas such as conservation are reported to be performing well. Access to funding continues to appear to be a challenge for many developer clients and there is not yet any real sign of a significant overall pick up in the commercial sector, with some practices reporting an increase in enquiries and commissions, but others commenting that the market remains intensively competitive.

Although our main RIBA Future Trends Workload Index has been returning positive figures throughout the last twelve months the outlook seems to remain uncertain for many practices.

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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 252 practices took part in the Survey in May 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.