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 June 2014 Survey returns.

Future workload (June 2014)

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	12
Stay the same	42
Increase	46
TOTAL	100
Balance	+34

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

The RIBA Future Trends Workload Index increased marginally this month, standing at +34 in June 2014 compared with +33 in May 2014. Overall confidence levels amongst our participating practices about the level of future workloads remain very strong.

This recovery in confidence levels continues to be widespread across the whole of the UK, with Scotland topping the leader board in June 2014 with a balance figure of +50, closely followed by the Midlands and East Anglia (balance figure +48) and London (balance figure +42).

In terms of practice size, small practices (1 – 10 staff) with a balance figure of +28, medium-sized practice (10 – 50 staff) with a balance figure of +77, and large-sized practices (51+ staff) with a balance figure of +44, are all reporting positive balance figures for workload forecasts.

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

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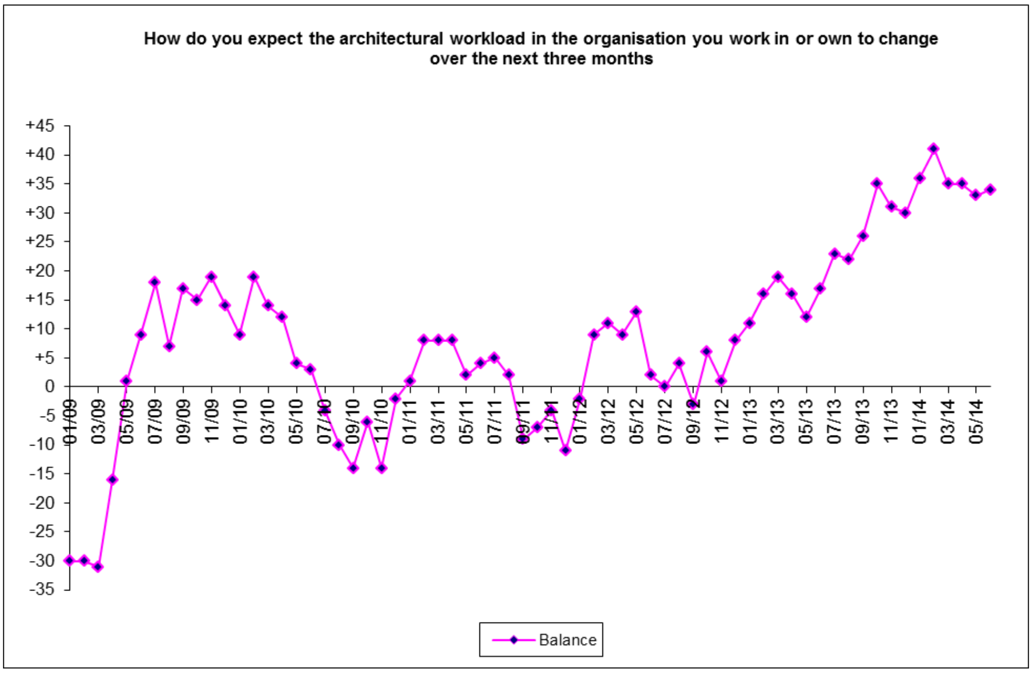
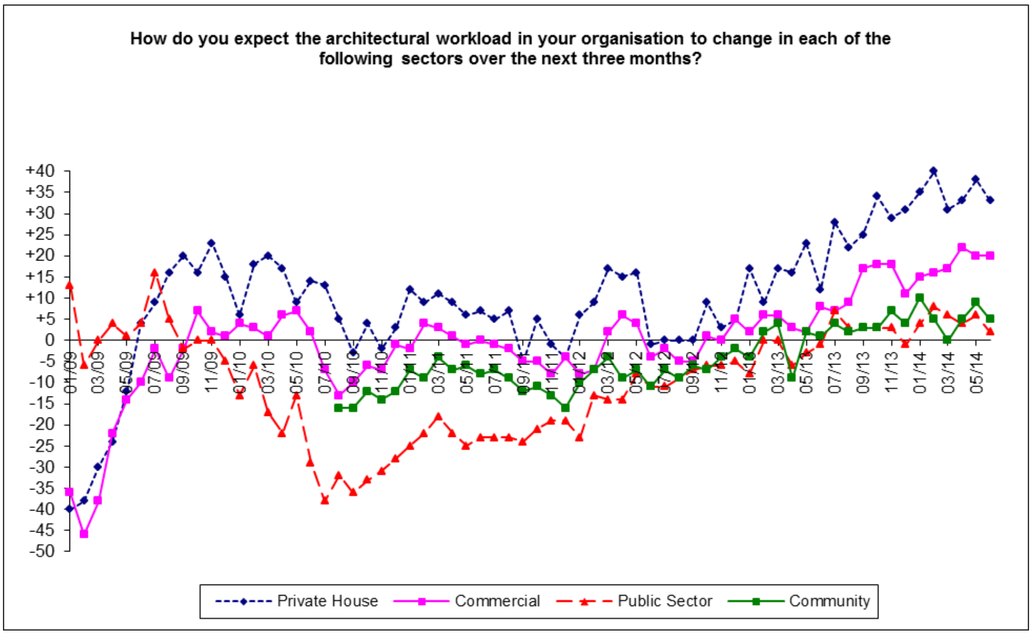


There was little change this month in our workload forecast analysis by sector. The private housing sector (balance figure +33) and the commercial sector (balance figure +20) currently appear to offer the best prospects for increases in medium-term workloads, but all of our sector forecasts remain in positive territory.

The biggest growth in actual workloads by value now appears to be occurring in the commercial sector, following a long period in which the private housing sector has tended to lead the way, and this appears to be a country wide trend.

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



Future staffing levels (June 2014)

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	72
Increase	22
TOTAL	100
Balance	+16

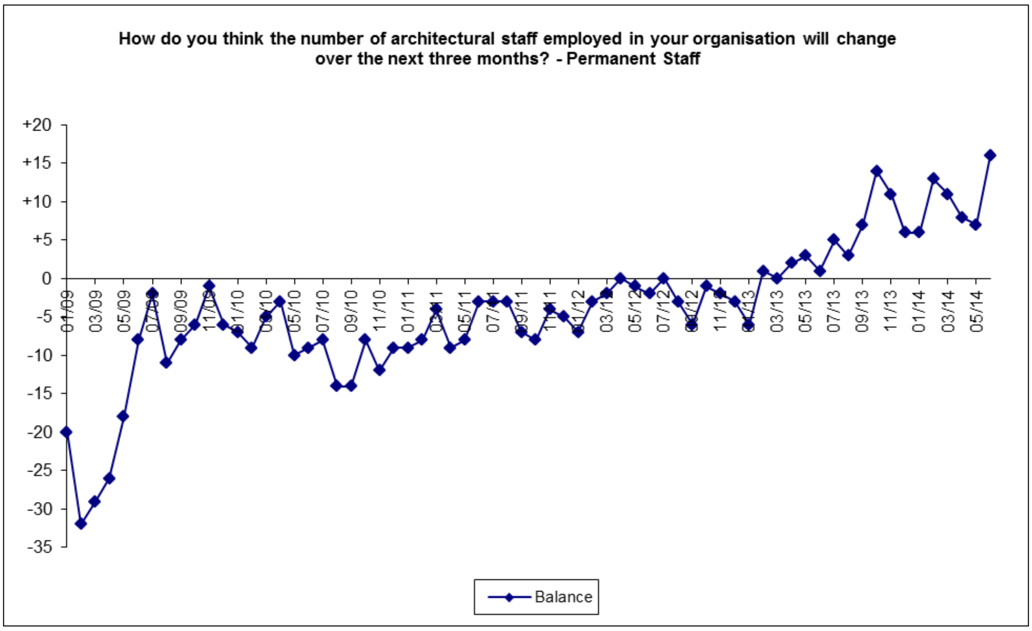
(The definition for the balance figure is the difference between those expecting to employ more permanent staff in the next three months and those expecting to employ fewer.)

The RIBA Future Trends Staffing Index rose significantly this month, increasing to +16 in June 2014 compared with +7 in May 2014. This is the highest figure for our main staffing forecast since we began the RIBA Future Trends monthly survey in January 2009. The great majority of practices (94%) expect their staffing levels to either stay the same or increase during the next quarter.

Although we have not yet witnessed a significant increase in actual overall staffing levels, there is growing anecdotal evidence of greater willingness to hire. Paul Chappell from *RIBA Appointments* has seen an 80% increase in positions advertised on www.ribaappointments.com in the year to date, and an even higher number via their agency service. Also positive is the number of new adverts coming from outside the south east of England. Paul reports that architectural staff who have stayed in roles during the recession are now becoming more confident to test the market, and those with the right experience are often receiving a number of job offers to choose from.

In June 2014, the percentage of our respondents reporting that they had personally been under-employed this month was up slightly at 17%. This suggests that there remains spare capacity in the profession which is still constraining overall jobs growth.

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



Anecdotal commentary received suggests that the overall market outlook for architects' services continues to improve steadily. However, our practices are still reporting that margins often remain very tight and that maintaining adequate cash flow continues to be a challenge 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 197 practices took part in the Survey in June 2014. 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.