Future Trends Survey:

November 2016

RIBA
Architecture.com

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 November 2016 Survey returns.

Future workload (November 2016)

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	57
Increase	26
TOTAL	100
Balance	+9

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

The RIBA Future Trends Workload Index dipped this month, falling to +9 in November 2016, down from +16 in October. Nevertheless our key workload index remains firmly in positive territory.

In terms of geographical analysis, it is in London (balance figure zero) that practices continue to be most cautious about future workloads. Elsewhere the outlook is seen to be more optimistic, with the Midlands and East Anglia (balance figure +21) remaining at the top of the leader board.

Analysing the November data in terms of practice size, large practices (51+ staff), with a balance figure of +33, continue to show an upswing in confidence levels. Small practices (1 – 10 staff) returned a balance figure of +4, but it is medium-sized practices (11 - 50 staff), with a balance figure of +36, that are most positive about future work prospects.

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

Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.

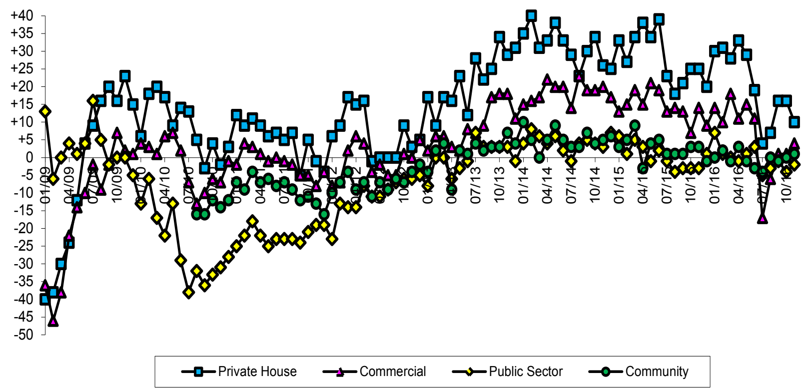
In terms of different work sectors, the commercial sector workload forecast increased to +4 in November 2016, up from +1 in October. However, the private housing sector workload forecast was down slightly, standing at +10 in November compared with +16 in October.

The public sector workload forecast saw a marginal improvement, up to -2 in November from -4 in October, but remains in negative territory. Clearly our participating practices anticipate little change in overall public sector demand for architectural services in the medium term.

The community sector forecast also increased marginally this month, rising to +1 from zero last month.

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

How do you expect your architectural workload to change in each of the following sectors over the next three months?



Future staffing levels (November 2016)
How do you think the number of permanent architectural staff employed in your organisation will change over the next three months?

Permanent Staff	%
Decrease	9
Stay the same	80
Increase	11
TOTAL	100
Balance	+2

(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 crept up one balance point this month, rising to +2 in November 2016 from +1 in October.

The overall sense is of an employment market that is currently broadly in balance, with little evidence of any immediate skills shortage. The overwhelming majority of practices expect to have the same or larger staffing complements three months from now.; only 9% anicipate having fewer staff.

At the same time there is no sense of an overheated employment market, and 15% of our correspondents reported that lack of work this month had led to them being personally under-employed, suggesting that there remains some spare capacity within the profession.

This month it was medium-sized practices (11 - 50 staff), with a balance figure of +28, that were the most positive about future staffing levels.

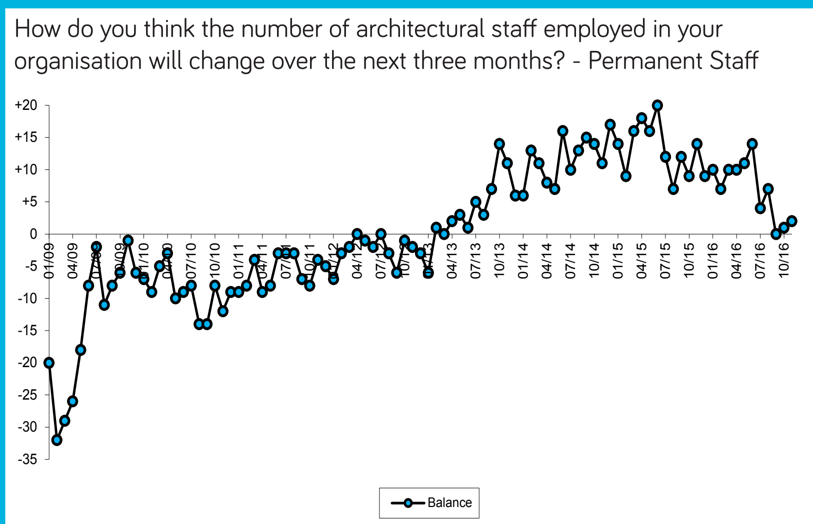
Commentary received from our participating practices this month can perhaps generally be best characterised as an expression of cautious optimism.

The private housing sector, particularly in the South of England and the Midlands and East Anglia, clearly remains buoyant. A number of correspondents indicated that they had detected some greater caution on the part of investors in the commercial office market.

There was quite a bit of commentary this month that noted increases in tender prices for construction work.

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

Notes
The balance figure is plotted here. 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 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 196 practices took part in the Survey in November 2016. 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@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.