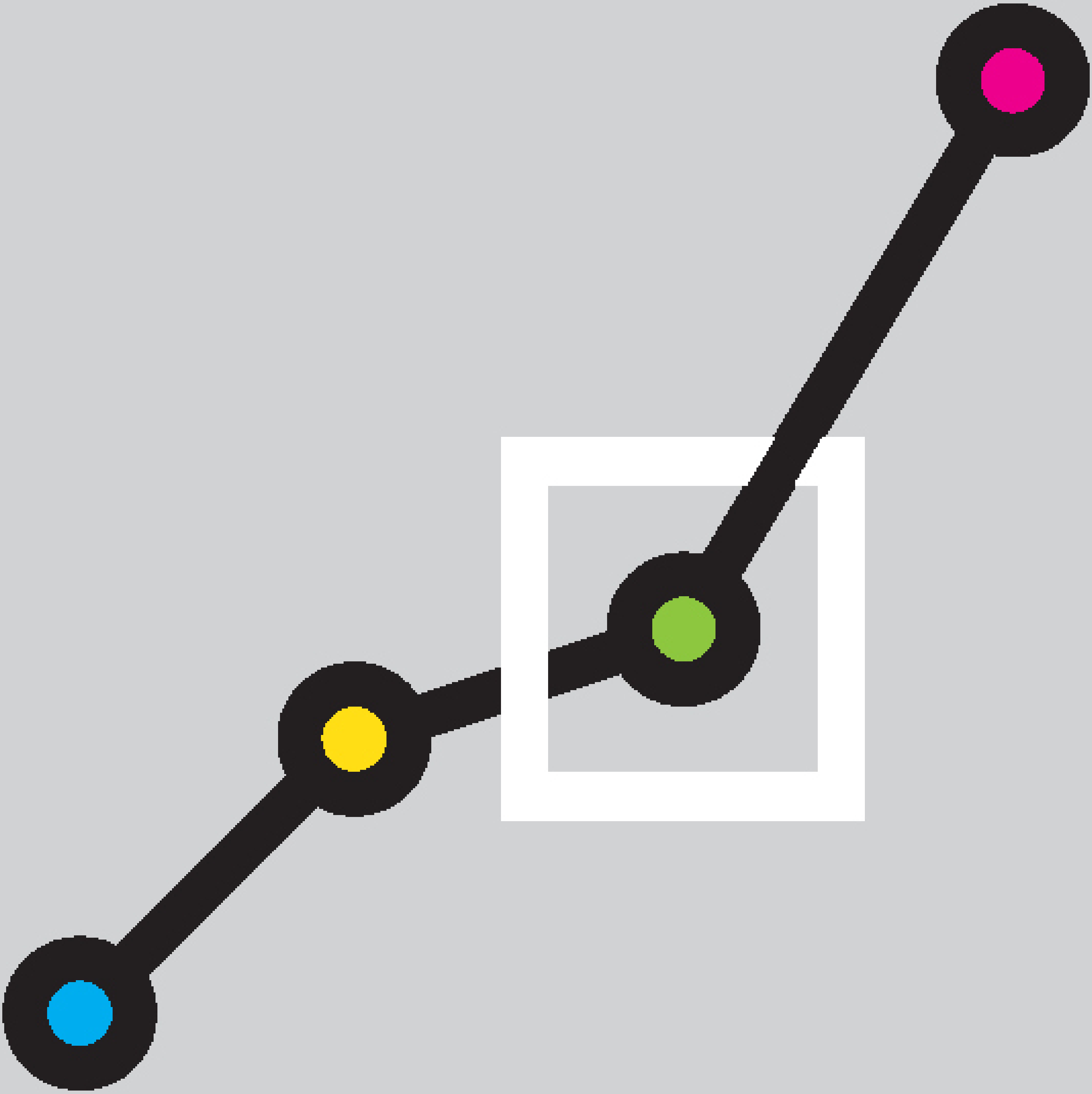
Future Trends Survey:

February 2019



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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 February 2019 Survey returns.

Future workload (February 2019)

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	22
Stay the same	52
Increase	26
TOTAL	100
Balance	+4

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

The RIBA Future Trends Workload Index bounced back a little from its low last month, rising to +4 in February 2019 from -3 in January 2019.

In terms of geographical analysis, practices in London (balance figure -10), Wales and the West (balance figure -6) and the Midlands and East Anglia (balance figure -3) remain downbeat about future workloads.

Practices in the South of England underwent a change in sentiment about future workloads, returning a balance figure of +18 in February 2019, up from -6 in January Howvever, the North of England remains by far the most optimistic location, with a balance figure of +30.

Each quarter we ask our participating practices about the value of their work in progress compared with 12 months ago. This quarter workloads were 6% lower than in the equivalent period in 2018, suggesting that the market for architectural services is now shrinking quite signficantly on an annualised basis.

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.

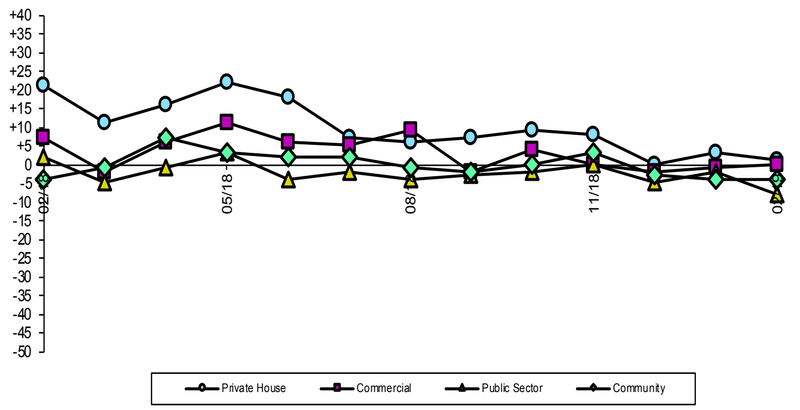
In terms of different work sectors, there wasn't a great deal of change in February 2019.

The private housing sector workload forecast fell back a bit this month, standing at +1 in February 2019, down from +3 in January. By contrast the commercial sector forecast picked up slightly this month, rising to a balance figure of zero, up from -1 last month. The community sector workload forecast (balance figure -4) was unchanged.

The public sector workload forecast experienced the biggest movement this month, fallling back to -8 in February 2019, down quite sharply from -2 in January, suggesting that our participating practices remain sceptical about any signficant uplift in public sector commissions in the short to medium term.

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 (February 2019)
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	82
Increase	10
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 also recovered a little this month, climbing to +2 in February 2019, up from zero in January, but the employment market for salaried architects still seems to be somewhat stagnant..

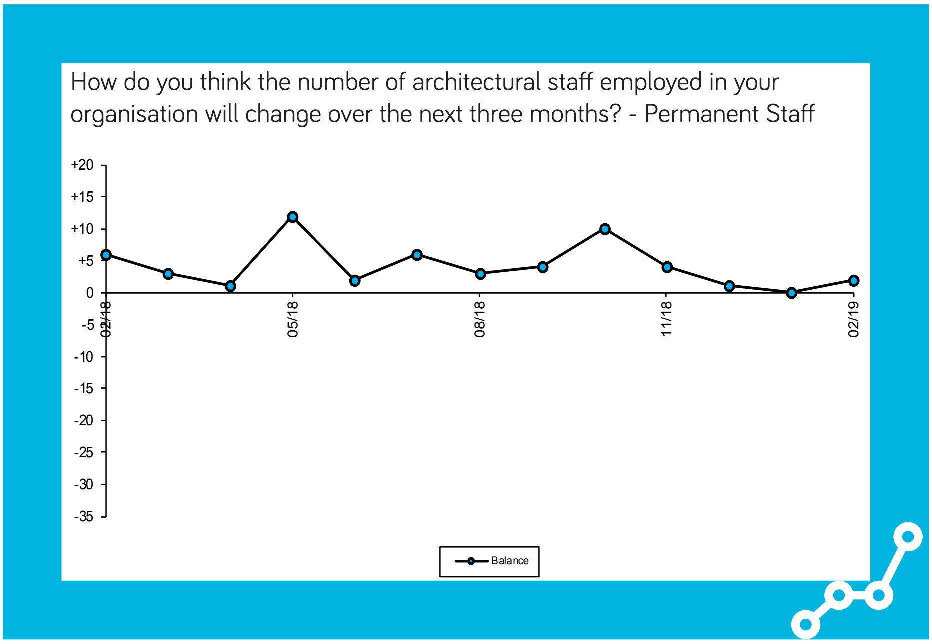
Each quarter we ask our participating practices about their current permanent staffing levels compared with 12 months ago. This quarter they reported overall staffing levels 3% lower than the same period in 2018, demonstrating some shrinkage in the employment market.

February 2019 seems to be the month when the political uncertainty over Brexit really hit home hard for the architectural profession. Many of our participating practices reported a stall in enquiries and evidence of increasing reluctance from clients to commit to projects. Quite a few practices also reported a significant drop off in job applications and speculative CVs from EU students and architects.

There were more positive commentaries from some, but the overal mood and tenor of the anecdotal reports received was of frustration at the increasingly evident impact of the Brexit impasse. A number of practices commented that the political and economic context created a difficult service proposal environment, leading to slow decision making by prospective clients and renewed pressure on fees.

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 233 practices took part in the Survey in February 2019. 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.