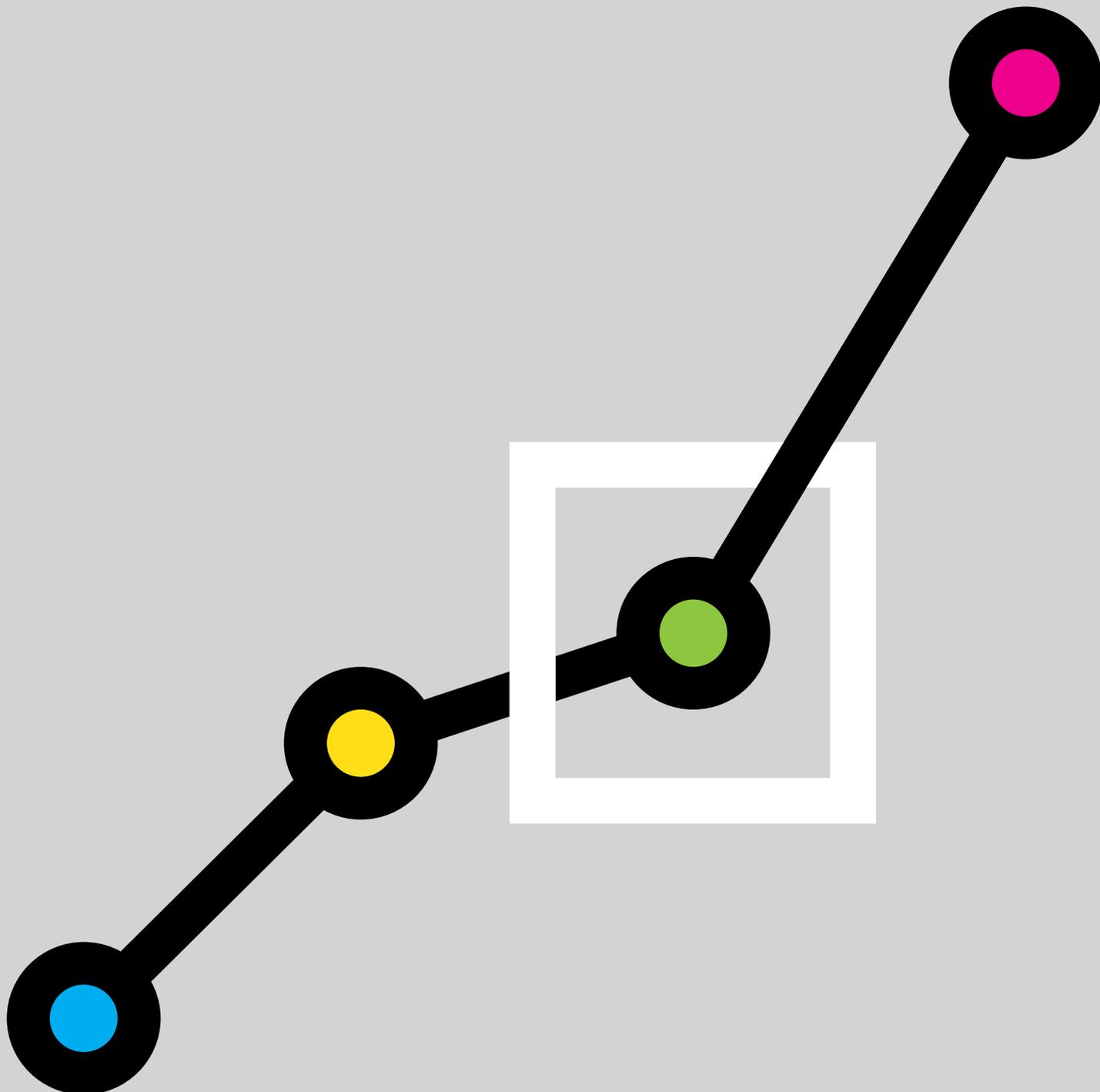


Future Trends Survey:

September 2019



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 September 2019 Survey returns.

RIBA Future Trends Workload Index (September 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	24
Stay the same	54
Increase	21
TOTAL	100
Balance	-4*

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

**'Increase' minus 'Decrease' does not equal the 'Balance' figure due to rounding.*

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.

The RIBA Future Trends Workload Index balance figure dropped four points in September 2019. It fell from a balance figure of 0 in August to -4 in September.

As the possibility of a no-deal Brexit draws closer, so the Future Workload Index falls.

This is only the fourth time since 2013 that the index has fallen into negative territory. On the three previous occasions, the index recovered to a positive balance in the following month. Whether it does so this time looks to be dependent on an orderly resolution of the Brexit process.

In the September survey, we also assessed the readiness of architectural practices for a no-deal Brexit. We did not find high levels of preparedness.

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



Has your practice undertaken any preparation for a 'no-deal' Brexit? (%)

Preparations across all areas where disruption is expected	7
Preparations across a selected number of key areas only	6
Very few preparations	30
No preparations at all	57
TOTAL	100

Small practices (1 - 10 staff) are more likely to have made 'no preparations at all' (60%).

Sixty-one per cent of practices with more than 10 staff have made some preparations, though for 43% this is 'very few preparations'.

Of those who have undertaken no preparations, only 5% intend to do so.

The RIBA provides detailed guidance and advice on Brexit that can be accessed on www.architecture.com.

Analysing the September 2019 RIBA Future Trends Workload Index in terms of practice size, and region we can see the following:

Small practices (1 - 10 staff) recorded a four-point fall in their balance figure. The balance figure in September was -8, down from -4 in August.

Medium-sized practices (11 - 50 staff) continue to be positive, returning a balance figure of +24, up four points on last month's figure of +20.

Large practices (51+ staff) continue to return a positive balance figure.

For the **regions**, the pessimism among London practices remains, with a balance figure of -15 in September, down from -8 in August.

The South of England also remains downbeat, recording a balance figure of -8 in September, though this is up from August's figure of -15.

The outlook of practices in Wales & the West has recovered this month, up from -15 balance figure in August to 0 in September.

The Midlands & East Anglia positive balance figure has fallen from +19 in August to +6 in September.

Over the last few months, the North of England has been among the most optimistic of regions in its workload outlook. This remains true. However, its positive balance has reduced this month. The North of England returned a +6 balance figure in September, markedly down on August's figure of +29.

In terms of **different work sectors**, in September we have again seen an overall drop in confidence in all sectors. All of the four sectors we monitor returned a negative balance figure.

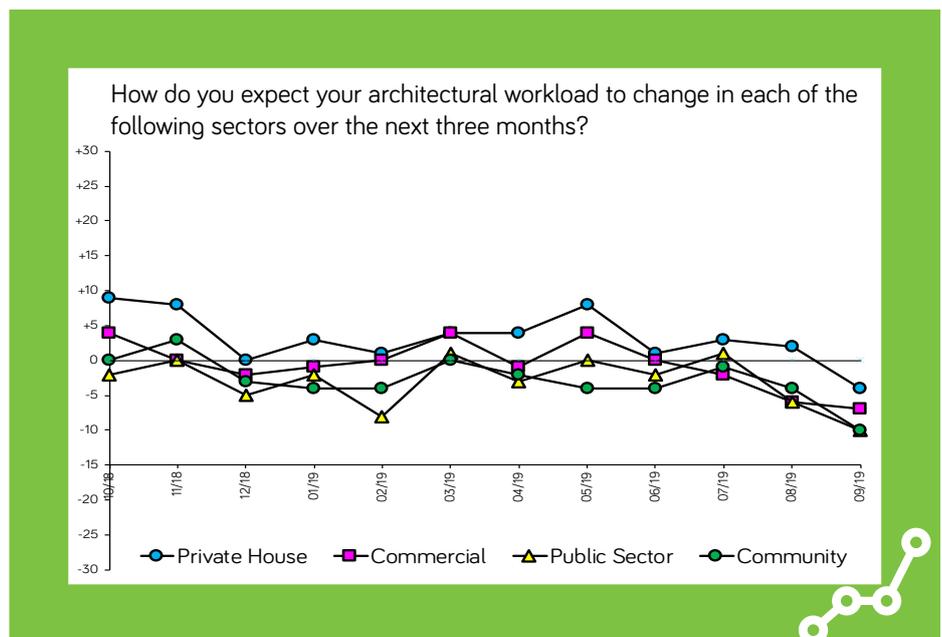
The **private housing sector** fell six points, returning a balance figure of -4 in September. The private housing index figure was last negative in June 2012.

The **commercial sector** declined slightly further in September, from a balance figure of -6 in August to -7 in September.

The workload predictions for the **community sector** fell four points this month to -10.

The **public sector** also returned a balance figure of -10, falling a further four points from its balance figure of -6 in August.

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



RIBA Future Trends Staffing Index
(September 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	6
Stay the same	86
Increase	9
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 recovered this month, rising from 0 in August to +3 in September. Only a small proportion of practices expect change; eighty-six per cent of practices expect their level of permanent staff to 'stay the same', suggesting a 'wait and see' approach.

Small practices (1 - 10 staff), with a balance figure of 0 are the most cautious about acquiring new staff.

Both medium-sized practices (11 - 50 staff) and large practices (51+ staff) returned positive Staffing Index figures, suggesting that more of these practices will be increasing headcount, rather than reducing it.

The anticipated demand for temporary staff in the next three months, however, remains subdued. The September workload balance for temporary staff remains negative, at -2 points.

With 22% of respondents citing a lack of work leading them to be personally underemployed, there is spare professional capacity among UK practices.

The commentary received shows an architectural profession continuing to deal with Brexit uncertainty. Whilst a very few express a wish to leave the EU as soon as possible, many more are unequivocal about Brexit bringing significant difficulties to current architectural practice.

There is overall clarity; a no-deal, disorderly Brexit will be bad for UK architecture.

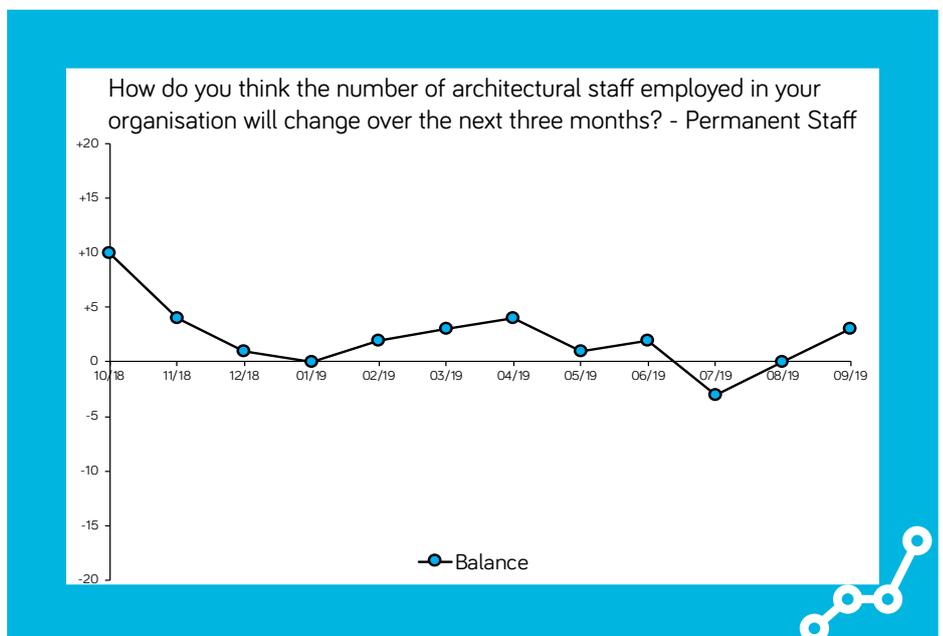
The negative impacts of Brexit are covered in detail in the commentary. These range from a reduction in small private housing work, due to client uncertainty, to wider concerns about the supply of materials and labour, should we have a disorderly, no-deal Brexit. Clients remain cautious, projects are failing to move beyond early-stage design, and enquiries are fewer.

There is significant uncertainty about what meaningful preparations for a no-deal Brexit can be undertaken.

Nevertheless, by diversification, by demonstrating the value of the profession and by a focus on client needs, UK architects remain resilient.

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 199 practices took part in the Survey in September 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.