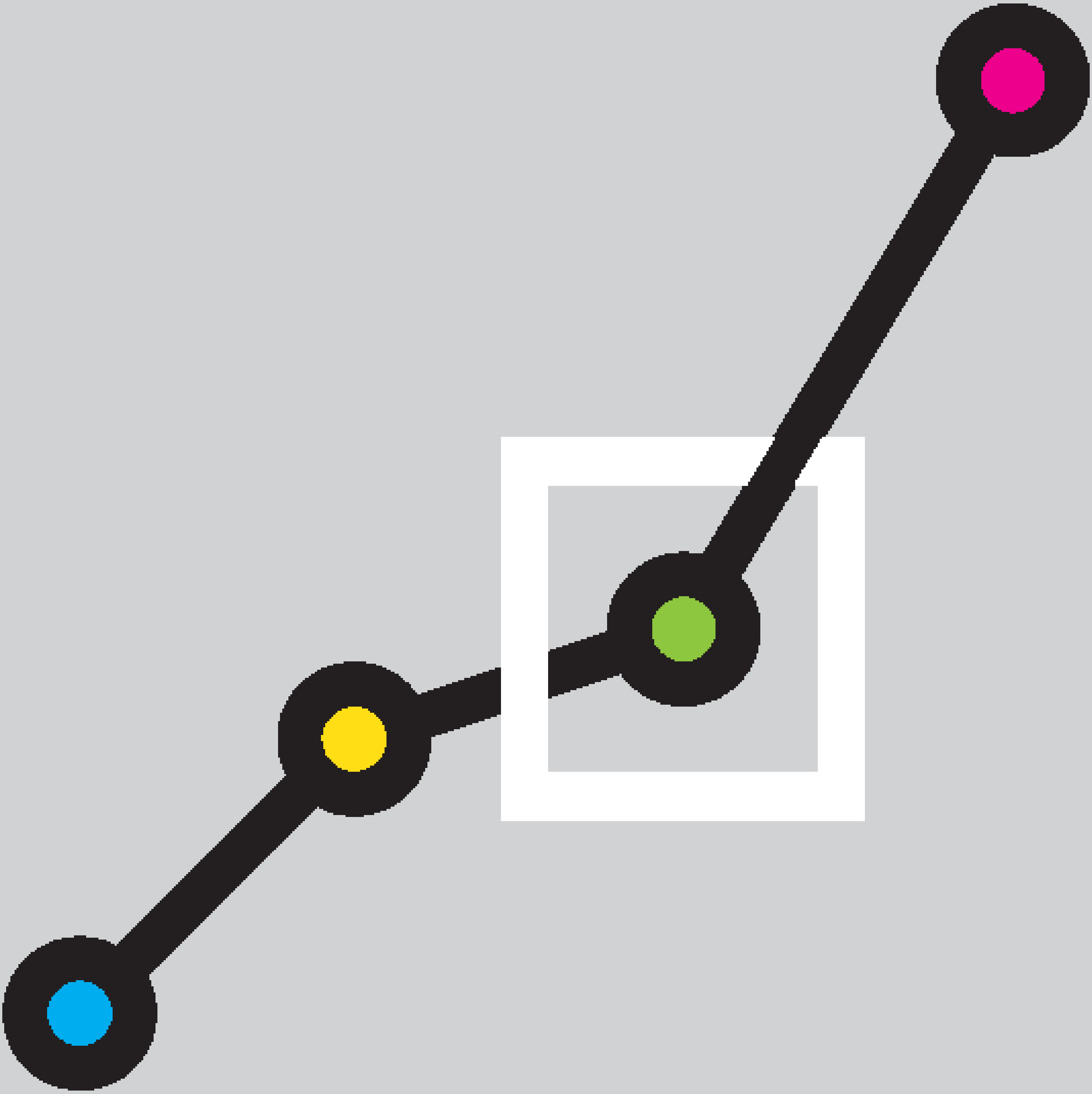
Future Trends Survey:

February 2018



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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 2018 Survey returns.

Future workload (February 2018)

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	16
Stay the same	51
Increase	33
TOTAL	100
Balance	+17

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

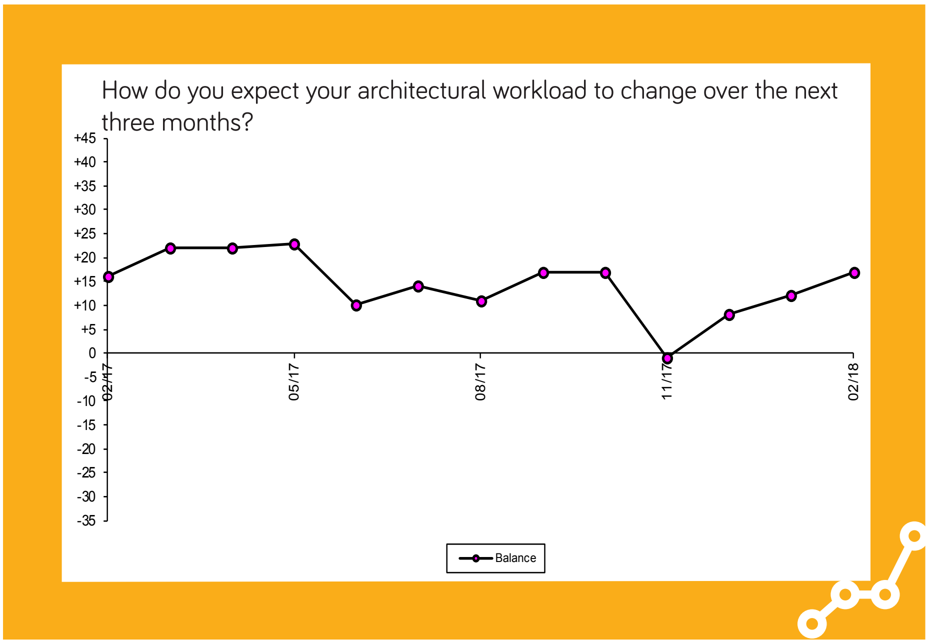
The RIBA Future Trends Workload Index continued its recovery this month, rising further from +12 in January 2018 up to +17 in February 2018; the third consecutive monthly increase since its pre-Christmas low.

In terms of geographical analysis the picture remains mixed. Northern Ireland returned the lowest balance figure this month of zero. Practices in London also continue to be relatively pessimistic about medium term workloads, with a balance figure of just +1. By contrast practices in the South East returned a balance figure of +21, Wales and the West +22, the Midlands and East Anglia +27 and the North of England +32.

Analysing the February 2018 workload forecast data in terms of practice size, large practices (51+ staff) experienced a dip in confidence, returning a balance figure of zero, medium-sized practices (11 - 50 staff) with a balance figure of +8 were more upbeat, but it was small practices (1 - 10 staff) that were most confident this month, with a balance figure of +18.

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

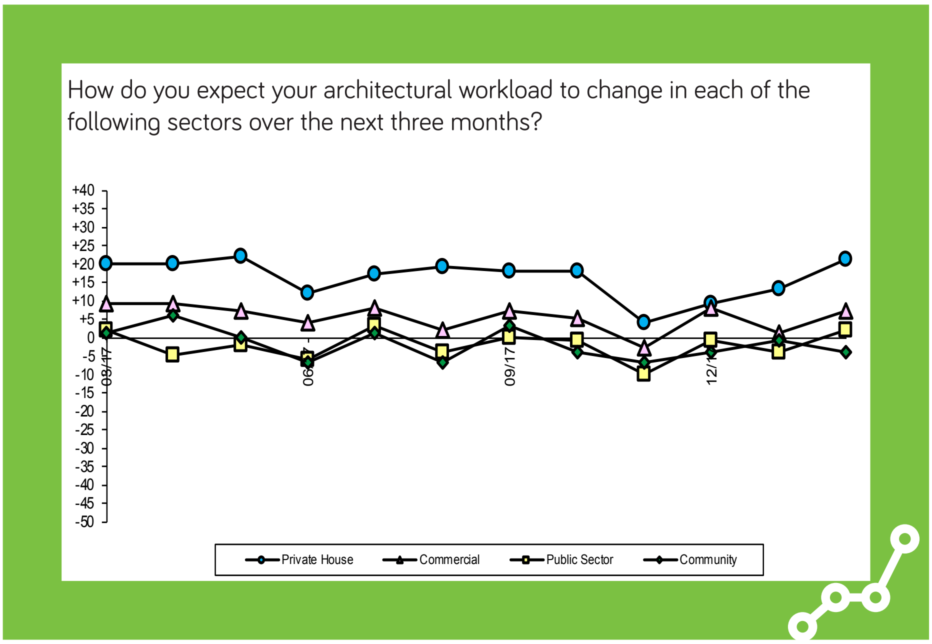
Notes
The balance figure is plotted here. The definition for the balance figure is the difference between those expecting more work and those expecting less.



In terms of different work sectors, it was mainly a positive picture this month. The private housing sector workload forecast remains the most upbeat of our sector forecasts and continued its upward momentum, rising to +21 in February 2018, up from +13 in January 2018. The commercial sector workload forecast was also on the rise, with a balance figure of +7 in February 2018, up from +1 in January 2018.

Although relatively weaker the public sector workload forecast (balance figure +2) was back in positive territory. Only the community sector forecast moved downwards, standing at -4 in February 2018 compared with -1 in January.

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



Future staffing levels (February 2018)

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

Permanent Staff	%
Decrease	10
Stay the same	74
Increase	16
TOTAL	100
Balance	+6

(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 was marginally higher this month, standing at +6 in February 2018 compared with +5 in January.

This month large practices (51+ staff), with a staffing balance figure of zero, became less confident about their ability to increase staffing levels in the medium term. Medium-sized practices (11 - 50 staff) with a balance figure of +13 were much more positive about future staffing levels, whilst small practices (1 - 10 staff) with a balance figure of +5 were somewhat more cautious.

Commentary received from our participating practices continues to suggest a reasonably steady if not growing market.

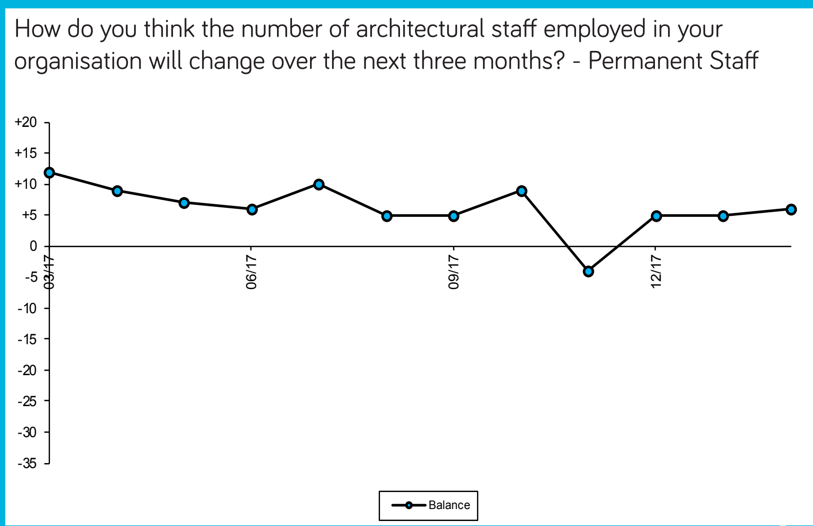
We continue to receive feedback that fairly intense fee competition remains a drag on profitability in some sectors.

The private housing sector continues to be the main engine of any growth; a number of practices have commented that a fast developing build to rent market is important to their current and future workloads.

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 226 practices took part in the Survey in February 2018. 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.