



State of the Archaeological Market 2018

Archaeological Market Survey 2017-18

Prepared for the Chartered Institute for Archaeologists and
the Federation of Archaeological Managers and Employers





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EXECUTIVE SUMMARY

This *State of the Archaeological Market* report is on the state of the market for archaeological services in the United Kingdom in 2017-18. It has been prepared by Landward Research Ltd on behalf of the Chartered Institute for Archaeologists (Cifa), FAME (Federation of Archaeological Managers and Employers) and Historic England.

The survey has gathered data via a questionnaire sent to FAME members and Cifa Registered Organisations, therefore the focus is primarily on the commercial archaeology sector, the principal component of the archaeological market supplying services to developers. In addition, some limited subsidiary data have been examined for the numbers of archaeologists employed by planning authorities, as this is also pertinent to understanding the state of the archaeological market.

The overall aims of this survey are to provide:

- a unique analysis of the archaeological sector as part of the overall UK economy;
- statistics that allow estimation of total value of the sector to the economy;
- data on indicative numbers of employed professional archaeologists;
- data for analysis of long-term sustainability for the sector;
- an indication of social benefit through outreach;
- data that can enable informed lobbying to help protect the UK's heritage; and
- to support planning effectively for the future so that the profession is sustainable and results in a benefit for society

Key Results of the Survey

In financial year 2017-18 commercial archaeology grew both in terms of the number of employees working in the sector and in terms of financial turnover. Profit levels increased.

In comparison, the construction industry grew by 10.0% in 2017 (increase in value in all new construction work in Great Britain in 2017¹), but across the wider entire UK economy "growth slowed in 2017 as inflation rose sharply"².

The numbers of people employed as professional archaeologists, both in applied commercial archaeology and across the entire archaeological sector in the UK, were higher 2017-18 than they had ever been before.

The sector's confidence in the future of the market was declining, and had been since 2015.

¹ Office for National Statistics. 2018. **Construction statistics: Number 19, 2018 edition.**

<https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/articles/constructionstatistics/number192018edition>

² PWC. 2018. **UK Economic Outlook March 2018.** <https://www.pwc.co.uk/economic-services/ukey/pwc-ukey-march18-full-report.pdf>

The majority of businesses in the sector expected to expand significantly in the next year (2018-19) (e.g. in premises, vehicles, capital equipment). Staffing levels increased alongside increases in average levels of turnover (turnover per staff member increased in 2017-18).

This meant that productivity levels were rising, a reversal of the situation in 2016-17.

Despite the sector's wariness about the future of the market (a major factor in which appears to be the UK's imminent departure from the European Union), businesses were investing both in staff and business expansion.

No figures are available for the sector's investment in research and development.

The sector continues to have limited confidence in planning policy frameworks, and does not consider that local planning authorities are being provided with sufficient professional advice.

Specific Results of Survey by Topic

Employment

- There were more people working as professional archaeologists in 2017-18 than at any time before.
- An estimated 4,908 people were working in UK applied, commercial archaeology in 2017-18. This was significantly more than immediately before the economic downturn of 2007-08, and can be considered to be the largest this workforce has ever been.
- It is estimated that the applied, commercial archaeological workforce grew by 12.8% in financial year 2017-18.
- In comparison with the previous year, the rate of workforce expansion had slowed slightly; the applied, commercial archaeological workforce had expanded by 13.2% in 2016-17.
- In 2017-18, the number of archaeological staff providing expert advice to local planning authorities increased by 1.0% (a gain of 1.9 FTE posts).
- Together, these changes combine to result in the net number of people working in professional archaeology in the UK growing by 8.9% in financial year 2017-18 to an estimated total of 6,812 individuals. This figure combines the numbers working in applied, commercial archaeology, curatorial archaeology (archaeologists advising local planning authorities) and all other areas of archaeological employment, such as academia, museums, NGOs and government agencies.
- 13% of the workforce in commercial archaeology in 2017-18 were from EU countries other than the UK. This represented a slight decline from the 2016-17 figure of 15%.

Financial Performance

- The average (mean) reported UK turnover for an applied archaeology company in 2017-18 was £2.6m, an increase of 8.5% over the year since March 2017.

- In 2017-18, less than 1% of the turnover of UK applied archaeology companies was generated from non-UK work.
- It is estimated that the total revenue generated by UK commercial archaeology in 2017-18 was approximately £239m, an increase of 21% on the previous year.
- Profit (or 'surplus') levels increased to an average of 7.5%, up from 5.2% in 2016-17 (and 2015-16).
- Salaries typically rose in line with inflation in 2017-18 (CPI at the census date was 2.4%).
- Charge-out rates rose by 2.7% on average, slightly higher than inflation and so likely to be directly in line with salary increases.
- Average turnover per member of staff in 2017-19 was £48,747, an increase from 2016-17 of 7.6%
- Many of the largest employers are constituted as not-for-profit organisations.

Market Sectors

- The overwhelming majority of income came from private sector clients (83%, a slight increase from 81% in 2016-17).
- The most important market sector continued to be residential development, which provided 36% of income (a decline from 42% in 2016-17), followed by transport, representing 14% of income (up from 6% in 2016-17 and considered to be reflecting the start of work for HS2 and A14), energy (including work on EA One) and commercial and industrial development.

Business Confidence

- While the sector in 2018 was still relatively confident, levels of confidence in future market conditions had declined since 2017.
- The majority of respondents in 2017 expected to maintain or increase staffing levels in 2017-18, and the sector overall was more confident of this than had been in 2017.
- While there was overall confidence that market conditions would not deteriorate in 2018-19, the sector was not as confident about the future as it had been one year before (confidence in this had been declining since the 2015 survey).
- Most respondents expected there would be no business failures in the sector in the next year.
- Respondents expected their businesses to expand in 2018-19.

Skills, Training and Qualifications

- As has been the case in every iteration of this survey except 2017, fieldwork skills were the area where skills loss was most frequently identified.
- As in 2017 and 2016, more respondents reported buying-in skills than reported losing them, with fieldwork skill and artefact / ecofact conservation being the areas where skills were most often bought in from subcontractors.

- It continues to be the norm for the areas where training was focussed to match reasonably closely to the areas where skills were being reported as being lost - so these skills gaps (skills that existing staff needed but lacked) were being tackled by investment in training. This has been the case since 2014.
- Employers continue to be supportive in principle of the NVQ in Archaeological Practice, and many would be interested in supporting an Apprentice in Historic Environment Practice.

Forms of Contract

- Respondents typically use either an exchange of letters/emails without detailed contracts or their own – or clients' – standard terms and conditions. Externally standardised contracts such as NEC and ICE are increasingly being used.

Perceptions

- Respondents were unsure whether the economic climate for development would improve in the next year (2018-19), and were less positive than they had been a year previously.
- Respondents were unsure whether or not their heritage teams would grow, but were more positive than they were in 2016-17. They were confident that their teams would not get smaller.
- Late payment of bills was considered to be slightly less problematic than it had been in 2016-17, but non-payment was considered to be more of a problem than it had been a year before.
- Respondents continued to be unsure about the assertions that "current national planning policy frameworks are making it easier to justify heritage work and revenue levels".
- Respondents now disagree with the statement that "current national planning policy frameworks weaken the case for heritage work and revenue levels", when in 2017 they were unsure about this.
- They continued to agree that a shortage of heritage staff in local planning authorities was a major constraint on heritage projects (which could affect income generation), although this was not as strongly felt as in 2017.

Response Rate

- Response levels were satisfactory; there was a slight decline in the percentage of organisations providing data (48.1% declining from 55.7% in 2017).

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1. INTRODUCTION

Economic changes that began in the autumn of 2008 impacted significantly upon archaeological practice in the UK.

The Chartered Institute for Archaeologists (CifA) and the Federation of Archaeological Managers and Employers (FAME) have collected data on employment and skills issues in applied archaeological practice since October 2008. A series of nine quarterly surveys were initially conducted, gathering and presenting data from October 2008 to April 2011, and subsequently, CifA and FAME commissioned Landward Research Ltd to gather data on a six-monthly basis and to present reports on the state of the archaeological market. The December 2012 report³ was combined with the sector wide *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13*⁴ report.

The effects of the economic situation began to directly impact upon commercial, applied archaeology from 2008 onwards. In 2010 and 2011, the changing economic effects began to be felt in the fields of archaeological services to local authorities, in national heritage agencies and in universities. The full effects of these changes on employment patterns within archaeology were not made clear until results of the pan-sectoral *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13* project revealed the profundity of change with a considerable depth of job losses across the whole sector.

The reports on those earliest surveys are available on the CifA website via the [Recession – managing and planning](#) page and on the FAME website <http://www.famearchaeology.co.uk/>.

The Chartered Institute for Archaeologists continues to need up-to-date research to be best able to support their membership by informing the Institute and its members about the effects of the economic situation on archaeology. The Federation of Archaeological Managers and Employers also seeks to provide market intelligence to its members to help them plan their business. The fact that both organisations have commissioned this survey also demonstrates the value of the information for advocacy of archaeology at Westminster and national parliaments.

Together with Historic England, CifA and FAME have commissioned Landward Research Ltd to continue to analyse and evaluate the state of the market for archaeological services, examining employment, turnover, market segmentation and other relevant topics.

This exercise is being carried out on an annual basis over five years, collecting data for the entire UK for every year from 2013-14 up to and including 2017-18. The report presented here is primarily based on data gathered from FAME member organisations and CifA

³ Aitchison, K. 2013. State of the Archaeological Market December 2012. Landward Research Ltd. <https://landward.eu/wp-content/uploads/2013/10/State-of-the-Archaeological-Market-December-2012.pdf>

⁴ Aitchison, K. & Rocks-Macqueen, D. 2013. *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13*. Landward Research Ltd. <http://www.landward.eu/Archaeology%20Labour%20Market%20Intelligence%20Profiling%20the%20Profession%202012-13.pdf>

Registered Organisations, who are considered to represent the majority of employers working in commercial, client-funded applied archaeology.

The data gathered applied on the 31st March 2018, and so this report is on the situation at the end of financial year 2017-18.

Throughout, comparisons are made with the results of the *Archaeological Market Survey 2017*⁵ and *Archaeological Market Survey 2016*⁶ projects, both of which gathered data from the same survey population as the current report (FAME members and CifA Registered Organisations).

Data have also been incorporated from the Historic England / ALGAO / IHBC report on local authority staff resources⁷ regarding archaeological staff advising local planning authorities in England.

One change was made to the survey in 2018. A new question was introduced in the Business Confidence section, asking about the effects of client business failures on their projects.

1.1 Responses

In total, 99 organisations were asked to provide responses; 81 CifA Registered Organisations and 59 FAME members. Most of these organisations (41) are both CifA ROs and members of FAME.

The questionnaire sought data that applied on 31st March 2018, the end of financial year 2017-18. Links to the questionnaire were initially sent to potential respondents on 18th August 2018, with automated reminder and follow-up emails encouraging completion being sent periodically until the survey was closed on 12th November 2018.

A total of 59 responses were received, although nine were duplicate entries, so the total number of useable responses was 50, a response rate of 50.5% - a decline from the 2017 response rate of 55.7% (the 2016 response rate was 56.4%).

Not every respondent answered every question.

⁵ Aitchison, K. *Archaeological Market Survey 2017*. Landward Research Ltd. <https://landward.eu/wp-content/uploads/2017/12/Archaeological-Market-Survey-2016-17-101117.pdf>

⁶ Aitchison, K. *Archaeological Market Survey 2016*. Landward Research Ltd. <http://landward.org/landward/wp-content/uploads/sites/6/2016/11/Archaeological-Market-Survey-2016.pdf>

⁷ Lloyd-James, O. 2018. *The Tenth Report on Local Authority Staff Resources*. Historic England / Association of Local Government Archaeological Officers / Institute of Historic Building Conservation. <https://historicengland.org.uk/images-books/publications/tenth-report-la-staff-resources/tenth-report-la-staff-rs-hiesources/>

1.2 FAME Membership

is your organisation a member of FAME?

35 of the 47 respondents to this question were FAME members (70% of the respondents to the survey, 59% of the FAME membership).

1.3 CifA Registered Organisations

is your organisation a CifA Registered Organisation?

39 of the 47 responses to this question were from CifA Registered Organisations (78% of the respondents to the survey). This represented 48% of CifA Registered Organisations.

1.4 Constitution

The questionnaire asked about how respondent organisations were legally constituted. As in previous surveys, the majority of responses came from private limited companies (32 of the 51 respondents to this question). The survey allowed respondents to check as many categories of constitution as applied; eight indicated that they were both limited companies and registered charities, and one respondent indicated that their organisation was both part of a local planning authority and 'other'.

This means that the total number of responses for 2018 (51 respondents providing 57 responses) is greater than the number of respondents.

How is your organisation legally constituted?

please check multiple categories if appropriate

constitution	Archaeological Market Survey 2018		Archaeological Market Survey 2017		Archaeological Market Survey 2016	
	March 2018	March 2018	March 2017	March 2017	March 2016	March 2016
private limited company (ltd)	32	63%	33	61%	30	53%
registered charity	9	18%	8	15%	12	21%
constituent part of a local planning authority	8	16%	4	7%	5	9%
constituent part of a university	2	4%	5	9%	8	14%
other	5	10%	8	15%	6	11%
public limited company (plc)	1	2%	0	0%	2	4%
total respondents	51		54		57	

Using the numbers of staff reported as being employed on 31st March 2018 (managerial, professional, technical and administrative), the organisations that identify as being registered charities were, on average, the largest organisations in the sector (as was the case in the *Archaeological Market Surveys 2017* and *2016*).

staff numbers by organisational legal constitution

constitution	orgs	total staff	avg staff
registered charity	9	1412.94	157.0
private limited company (ltd)	31	2265.95	73.1
constituent part of a university	2	83	41.5
public limited company (plc)	1	27	27
other	4	59.5	14.9
constituent part of a local planning authority	8	111.27	13.9

(orgs = number of organisations providing both staffing data and information on constitution)

Note that this table includes deliberate double counting – each of the organisations that identified as falling under two categories has been included under both headings; also note that not all organisations provided both information on staffing and their legal constitutions.

The data continue to show (as was the case in 2017 and 2016) that while private limited companies were the most common form of enterprise represented, in this sector the majority of employees worked for not-for-distributable profit organisations (registered charities, constituent parts of local planning authorities, constituent parts of universities).

Most of the large employers in this sector had not-for-profit constitutions. This has been identified as a potential barrier to effective competition within a market economy⁸.

⁸ Hinton, P. and Jennings, D. (2007) 'Quality management of archaeology in Great Britain: present practice and future challenges', in Willems, W.J.H. and Van den Dries, M. (eds) *Quality Management in Archaeology*, pp. 100-112, Oxford: Oxbow Books.

1.5 Location of Head and Subsidiary Offices

Respondents were asked about the locations of both their head office and of any subsidiary offices which were being included in their answers.

where is the head office of your organisation located?

head office location	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
East Midlands	3	6%	5	9%	3	5%
East of England	6	13%	7	13%	9	16%
Greater London	2	4%	4	7%	4	7%
North East England	3	6%	1	2%	2	4%
North West England	4	8%	2	4%	4	7%
South East England	6	13%	8	15%	8	14%
South West England	7	15%	8	15%	7	12%
West Midlands	4	8%	4	7%	3	5%
Yorkshire and the Humber	3	6%	4	7%	2	4%
Scotland	3	6%	6	11%	9	16%
Wales	3	6%	3	6%	3	5%
Northern Ireland	1	2%	1	2%	0	0%
outside the UK – in the EU	1	2%	1	2%	3	5%
outside the UK – not in EU	2	4%	0	0%		
total	48		54		57	

The reported distribution of head offices has not changed substantially over the period from 2016 to 2018; variation over that time is likely to represent reporting or non-reporting by respondents. There are organisations headquartered in all parts of the UK (and outside the UK) working in the sector.

20 of 48 respondents in 2018 reported having subsidiary offices, comparable with 2017 when 22 of 54 did. The 20 respondents had a total of 64 subsidiary offices.

Of those that reported having subsidiary offices, the numbers of these ranged between one and twelve, with an average of 3.2 for each organisation that reported that they had such offices.

are you also answering on behalf of any subsidiary offices? if so, please indicate where they are located?

subsidiary office location	Archaeological Market Survey 2018		Archaeological Market Survey 2017		Archaeological Market Survey 2016	
	March 2018		March 2017		March 2016	
East Midlands	7	11%	4	8%	7	9%
East of England	3	5%	3	6%	7	9%
Greater London	3	5%	2	4%	8	11%
North East England	3	5%	2	4%	4	5%
North West England	7	11%	6	12%	6	8%
South East England	11	17%	6	12%	5	7%
South West England	6	9%	5	10%	8	11%
West Midlands	6	9%	0	0%	9	12%
Yorkshire and the Humber	6	9%	7	14%	8	11%
Scotland	7	11%	8	16%	7	9%
Wales	3	5%	3	6%	4	5%
Northern Ireland	1	2%	0	0%	1	1%
outside the UK – in the EU	1	2%	2	4%	1	1%
outside the UK – not in EU	0	0%	1	2%		
total	64		49		75	

total numbers of offices reported by location

all offices location	head offices	subsidiary offices	total	
East Midlands	3	7	10	9%
East of England	6	3	9	8%
Greater London	2	3	5	4%
North East England	3	3	6	5%
North West England	4	7	11	10%
South East England	6	11	17	15%
South West England	7	6	13	12%
West Midlands	4	6	10	9%
Yorkshire and the Humber	3	6	9	8%
Scotland	3	7	10	9%
Wales	3	3	6	5%
Northern Ireland	1	1	2	2%
outside the UK – in the EU	1	1	2	2%
outside the UK – not in EU	2	0	2	2%
total	48	64	112	

The data cannot be disaggregated in terms of the numbers of individuals working at different offices, so this means that the geographical distribution of staff can only be presented on the basis of the head office locations.

In general, these figures can be seen as an accurate distribution of working archaeologists in the UK, with the highest numbers of archaeologists occurring in the highest areas of general population (Greater London and South-East England), together with South-West England with two relatively large companies being headquartered there.

Annual changes since 2016 appear to be much more closely related to which organisations completed this question, rather than to significant relocations of workforces.

staff numbers by head office location

location	Archaeological Market Survey 2018 March 2018			Archaeological Market Survey 2017 March 2017			Archaeological Market Survey 2016 March 2016		
	orgs	staff		orgs	staff		orgs	staff	
East Midlands	3	123	5%	5	93.4	5%	3	91.2	5%
East of England	6	143.82	6%	6	172.2	8%	4	138.6	7%
Greater London	2	522	20%	4	594.6	29%	4	476	25%
North East England	3	39	2%	1	33	2%	2	108	6%
North West England	4	183	7%	2	27	1%	3	25	1%
South East England	6	387.5	15%	6	463.2	23%	5	385.4	20%
South West England	7	579.29	23%	6	307.5	15%	7	429.7	22%
West Midlands	4	51	2%	2	31.6	2%	3	37.8	2%
Yorkshire and the Humber	3	261.6	10%	3	24	1%	1	14	1%
Scotland	3	151	6%	5	224	11%	8	190.9	10%
Wales	2	33.5	1%	2	33	2%	2	16	1%
Northern Ireland	1	17	1%	1	3	<1%	0	0	0%
outside the UK – in EU	1	30	1%	1	21	1%	0	0	0%
outside the UK – not EU	1	27	1%	0	0	0%			
total	46	2548.71		44	2027.5		42	1912.6	

(orgs = numbers of organisations providing staffing data & head office location)

1.6 Years Trading

Respondents were asked when their organisations began trading.

In which year did your organisation begin trading (in applied archaeology)?

started operating	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
1900s						
1910s						
1920s						
1930s						
1940s						
1950s						
1960s					1	2%
1970s	8	18%	7	13%	8	15%
1980s	6	13%	4	8%	4	7%
1990s	11	24%	17	33%	15	27%
2000s	11	24%	10	19%	15	27%
2010s	9	20%	14	27%	12	22%
total	45		52		55	

As was the case in 2017, no respondent organisations were formed before 1970, and the overwhelming majority began trading since 1990. Nearly half of the respondent organisations had been founded since 2000. The median year for starting trading across the 45 respondents was 1996 (half had been trading for at least 22 years, and half less).

Examining the data for trading starts by organisational constitutions, organisations founded in the 1970s are typically both registered charities and limited companies; limited companies have become the preferred model over time, with the majority of organisations founded in the decades since 1990 using this model.

foundation dates by constitutional bases

	plc	ltd company	charity	part of lpa	part of university	other
1970s	0	5	5	3	0	0
1980s	0	3	2	3	0	1
1990s	0	7	1	1	1	1
2000s	1	9	0	0	1	0
2010s	0	6	0	1	0	2

(nb some organisations checked more than one constitutional base)

2. STAFF NUMBERS

Respondents were asked about staffing levels on March 31st 2018, covering both UK and non-UK based staff. They were also asked about non-UK based staff, the types of contracts used, relative levels of staff turnover and whether they thought departing staff had left the sector or not. They were also asked for retrospective data to ensure consistency with the previous *Archaeological Market Survey 2017*.

By comparing like-with-like figures (employment figures provided by individual employers for the numbers of staff they employed in 2018 and 2017), it is estimated that the sectoral workforce (commercial, applied archaeology) grew by a total of 12.8% in the year since the previous survey (by comparison, the sectoral workforce grew by a comparable amount - 13.2% - in the previous year).

Separately, the number of archaeologists providing curatorial services to local planning authorities (technically, the number of full-time equivalent “archaeological specialists providing advice to local authorities”) in England grew by 1% in the year to April 2018⁹.

No figures are available for the numbers of archaeologists working in “other” contexts (neither commercial nor curatorial), and so those figures have had to be assumed to have remained unchanged.

When figures from these three sources are combined, it is estimated that the entire archaeological profession working in the UK grew over the course of financial year 2017-18 from a total of 6,253 to 6,812 professional archaeologists on 31st March 2018, an increase of 8.9%.

This total is higher than the number that was calculated for August 2007, the previously recorded peak, immediately before the global economic crisis led to considerable job losses in archaeology – nearly 20% of posts in commercial archaeology were lost in the 18 months from August 2007.

2.1 Employment

The survey asked a series of questions about staffing levels, enquiring about the numbers of staff working on 31st March 2018 and asking how many of them were fee-earners. Respondents were also asked about non-UK based fee-earning staff.

Following the UK government’s 2016 decision to take the UK out of the European Union, a question has been asked since the 2017 survey regarding the nationalities of staff members, primarily to identify how many were EU citizens.

⁹ Lloyd-James, O. 2018. *The Tenth Report on Local Authority Staff Resources*. Historic England / Association of Local Government Archaeological Officers / Institute of Historic Building Conservation. <https://historicengland.org.uk/images-books/publications/tenth-report-la-staff-resources/tenth-report-la-staff-resources/>

2.1.1 Total Staff

How many full-time staff were based in your UK offices on 31 March 2018?

Please include all full-time or full-time equivalent staff, together with part-time staff, using estimates of full-time equivalency - for example, a member of staff working 2.5 days a week should be counted as 0.5.

How many UK members of staff (FTE) did your organisation have one year ago, on 31 March 2017 - the census date for the previous Heritage Market Survey?

total UK staff (managerial, professional, technical and administrative)	Archaeological Market Survey 2018 March 2018			Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
	Mar 18	Mar 18 (also providing 2017 data)	Mar 17 (reported in 2018)	Mar 17	Mar 16 (reported in 2017)	Mar 16	Mar 15 (reported in 2016)
number providing data	47	36	36	48	42	42	42
total	2699.71	1686.89	1495.35	2110	1772.38	1912.55	1740.41
average	57.44	46.86	41.54	43.96	42.20	46.65	42.45

Data are also presented for comparison purposes that were gathered in the predecessor *Archaeological Market Survey 2017* and the *Archaeological Market Survey 2016* (which both collected directly comparable data from FAME Member Organisations and CIfA Registered Organisations).

Directly comparing data from the 36 organisations that provided data to this survey for both March 2018 and March 2017 – *columns Mar 18 (also providing 2017 data) and Mar 17 (reported in 2018)* in table above – shows that the total workforces of those organisations increased in size by 12.8% in the year between the survey dates (in absolute terms, eight had smaller workforces, eight had not changed in size and twenty had grown).

Only one organisation had lost more than ten staff; by contrast, seven had gained at least ten new staff members.

This increase in workforce size – of 12.8% over one year - can be taken as a benchmark for the overall growth of the applied archaeological sector's workforce in 2017-18. This is a significant amount of growth, and is comparable to the rate of growth reported in 2017 (13.2%).

Applying this as a multiplier to the total workforce size reported for 2017, it is estimated that in total 4,908 people were working in the commercial archaeology sector in March 2018.

2.1.2 Staff Nationalities

Of your UK-based staff, how many were:

	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017	
British (UK subjects)	2,321.64	85%	1,744.05	83%
Nationals of other EU states	361.16	13%	305.6	15%
Nationals of other countries (non-UK, non-EU)	63.91	2%	40.2	2%
total	2,746.71		2,089.85	

2018 n=47.

Note inconsistency between total in this table and table presented under 2.1.1; several respondents provided data for this question that did not match the total number of staff provided for 2.1.1

13% of people working in UK applied archaeology in 2018 were non-UK EU citizens; a further 2% of the archaeological workforce were neither from the UK nor the EU.

By comparison, in 2017, 15% of the workforce were non-UK EU citizens, and 2% were from elsewhere in the world.

The relative proportion of European citizens working in UK applied archaeology remains high, but has declined slightly over the year since 2017.

At the time of the *Profiling the Profession 2012-13* survey¹⁰, the only previous time that comparable data were gathered, 3% of the entire archaeological workforce's countries of origin were European Union states (other than the UK). A further 4% of the workforce in 2013 were originally from countries in the rest of the world.

2.1.3 Total Fee Earners

As well as being asked about the total numbers of all staff, respondents were also asked about the number of fee-earning staff, defined as "*Fee-earners: members of staff whose time can be billed to clients*".

UK-based fee earners working full-time

total staff	total fee-earners	
1,960.39	1,852.29	94%

n=41

Data only used from respondents providing positive numbers of staff and of fee-earners.

Fee earners therefore made up 94% of the workforce at the respondent organisations; this is an increase from the 2017 figure of 85% (and equivalent to the 2016 figure of 94%)

¹⁰ Aitchison, K. & Rocks-Macqueen, D. 2013. **Archaeology Labour Market Intelligence. Profiling the Profession 2012-13.** <http://www.landward.eu/wp-content/uploads/sites/6/2013/10/Archaeology-Labour-Market-Intelligence-Profiling-the-Profession-2012-13.pdf>. Table 81.

2.1.4 “Overseas” Staff

Respondents were asked how many of their full-time staff were permanently based outside the UK on 31st March 2018.

Only four respondents reported having fee-earners based outside the UK, with a total of 81 FTE staff.

The results for this question fluctuate significantly year by year, depending on which organisations answer it.

One of the four organisations that identified that they had fee-earners outside the UK reported having more non-UK fee-earners than were based in the UK.

Number of fee-earners permanently based outside the UK

	fee-earners outside UK	fee earners in UK (only organisations with non-UK fee earners)	n=
2018	40	466.44	4
2017	20.1	20.2	2
2016	10.5	253.7	4

2.1.5 Total Employment in UK Archaeology

This is the only part of this report which incorporates data from sources other than the survey of CifA Registered Organisations and FAME members.

The most recent comprehensive survey of employment in all areas of UK archaeology was *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13*, which incorporated data from *State of the Archaeological Market December 2012*.

Subsequent iterations of the survey of FAME members and CifA Registered Organisations in 2013-14, 2014-15, 2015-16 and 2016-17 allowed these data to be updated, and now this report presents an updated estimate of the total number of people working in applied, commercial archaeology, which can be combined with the most recent estimates for curatorial archaeology¹¹ to produce an overall estimate for the entire sector in 2018.

Extrapolating from results received on the assumption that the reporting FAME members and CifA ROs represent the large part, but not the entirety, of commercial archaeology (as identified in *Profiling the Profession 2012-13*, the last time that data were gathered from non-FAME / CifA RO operators), this report estimates that 4,908 individuals were working in commercial archaeology in March 2018, an increase of 557 individuals (12.8%) over the period since March 2017. This represents continuing rapid growth in commercial archaeology which the sector has been experiencing from 2014 onwards.

¹¹ Lloyd-James, O. 2018. *The Tenth Report on Local Authority Staff Resources*. Historic England / Association of Local Government Archaeological Officers / Institute of Historic Building Conservation. <https://historicengland.org.uk/images-books/publications/tenth-report-la-staff-resources/tenth-report-la-staff-resources/>

Since 2017, the commercial sector's staffing levels have been higher than the peak recorded in 2008 (immediately before economic deterioration began to affect the sector in that year).

The most recently published survey of staffing in local planning authorities in England¹² considered that the number of archaeologists advising LPAs in England in early 2018 was 264.7, an increase of 1.0% over the previous year; there is not believed to have been an equivalent rate of change outside England. This represents an increase of 1.9 FTE posts. In total, 409 people are considered to be working in curatorial archaeology across the entire UK.

As no new data are available for archaeological employment in "other" sectors, the figures from *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13* (December 2012) are repeated unchanged here.

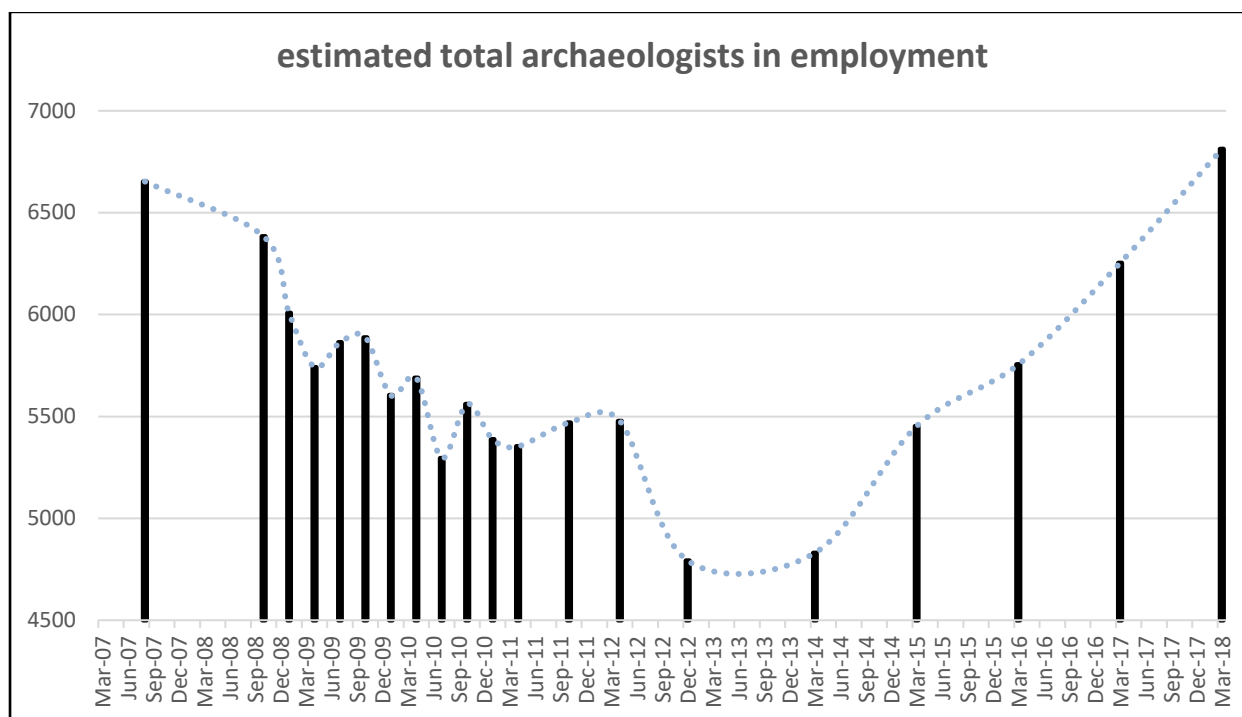
For all sectors combined there was an increase of 8.9% in the number of people working in UK archaeology between March 2017 and March 2018.

There are now more professional archaeologists in the UK than there have been at any time before, exceeding the peak recorded immediately prior to the global economic downturn which began in 2007-08.

total numbers of archaeologists in employment in the UK, 2007-2018

	Aug-07	Oct-08	Jan-09	Apr-09	Jul-09	Oct-09	Jan-10	Apr-10	Jul-10	Oct-10	Jan-11	Apr-11	Oct-11	Apr-12	Dec-12	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
curatorial	512	505	505	505	505	505	505	485	485	485	485	442	442	440	485	439	459	416	407	409
other	2105	1972	1943	1914	1886	1857	1829	1800	1771	1743	1714	1686	1628	1571	1495	1495	1495	1495	1495	1495
commercial	4036	3906	3561	3323	3472	3526	3270	3404	3669	3333	3189	3225	3399	3467	2812	2896	3498	3844	4351	4908
total	6653	6383	6009	5742	5863	5888	5604	5689	5925	5561	5388	5353	5469	5478	4792	4830	5452	5755	6253	6812

¹² *ibid.*



Following the global economic downturn that began in 2008 and an associated loss of jobs in UK archaeology, post-collapse growth in UK archaeological employment began in 2013-14, rapidly accelerated in 2014-15 and the sector as a whole has continued to experience rapid growth in staff numbers, driven overwhelmingly by the commercial sector. In total, in 2018, there are more professional archaeologists working in the UK than there were in 2007 or at any time before.

Curatorial archaeology grew slightly in 2017-18 after many years of ongoing reductions to the total numbers of staff working in curatorial archaeology (since 2007, the numbers of curatorial archaeologists have declined by 20.1%). These curatorial losses are significant, as an overwhelming majority of respondents to this survey, together with surveys conducted in 2015, 2016 and 2017 considered that "a shortage of heritage staff in LPAs is a major constraint on heritage projects" (7, *Perceptions* below).

2.2 Contracts

how many of your members of staff were working on each of the following types of contract or agreement on 31 March 2018?

	full-time		part-time		total	
permanent	1351.25	81.9%	299	18.1%	1650.5	79.7%
fixed term	338	87.6%	48	12.4%	386	18.6%
casual	4	33.3%	8	66.7%	12	0.6%
volunteer	1	4.3%	22	95.7%	23	1.1%
total	1694.5	81.8%	377	18.2%	2071.5	

n=41 (nb – percentages read horizontally across rows, not vertically down columns, except for total column)

Data were received on staff contracts from 41 respondents, relating to the contracts or working agreements held by over 2000 employees or volunteers.

Over four-fifths of staff were on permanent contracts, just under 20% on fixed term (temporary) contracts, very few were 'casual' staff or volunteers were reported. These figures are very similar to the results in 2017 and 2016.

82% of employees were on full-time contracts (a decrease from 2017, when the figure was 92%), and 82% of those people were permanently engaged. Part-time workers were also more likely to have permanent contracts than to be working on fixed-term contracts.

Please note the discrepancy between the total number of staff calculated on the basis of reported contracts and the figure reported under 2.1.1, *Total Staff* above is because fewer respondents provided data on whether staff were on full-or part-time contracts.

In comparison with the equivalent data from 2016-17 (below), there was a significant increase in the percentage of staff working on part-time contracts, with a concomitant reduction in the proportion of staff employed on full-time contracts. The overall percentage of staff who were on permanent contracts increased slightly.

how many of your members of staff were working on each of the following types of contract or agreement on 31 March 2017?

	full-time		part-time		total	
permanent	1369.65	92.7%	108.3	7.3%	1477.95	76.7%
fixed term	386	97.5%	10	2.6%	396	20.5%
casual	13	92.9%	1	7.1%	14	0.7%
volunteer	0	0.00%	40	100.0%	40	2.1%
total	1768.65	91.7%	159.3	8.3%	1927.95	

n=43 from Archaeological Market Survey 2017

2.3 Staff Turnover

Respondents were asked about the relative (not absolute) levels of staff turnover in the period since the previous survey.

What level of staff turnover did you experience between 31 March 2017 and 31 March 2018?

staff turnover	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
none (all current staff were working for us one year ago)	8	24%	0	0%	13	33%
some (up to 10% of current staff were not working for us one year ago)	17	50%	3	43%	11	28%
moderate (up to 25% of current staff were not working for us one year ago)	7	21%	2	29%	11	28%
considerable (over 25% of current staff were not working for us one year ago)	2	6%	2	29%	5	13%
total	39		7		40	

The number of respondents providing data on staff turnover (or absence of turnover) increased considerably from 2016-17 (which appears to have been exceptional); the level of returns in 2017-18 is comparable to 2015-16.

Overall levels of staff 'churn' appear to be falling, with nearly a quarter of respondents reporting no changes to their staff rosters in 2017-18; the reported changes may largely represent new hires, rather than staff moving from one organisation to another.

2.4 Staff Lost From the Sector

Respondents were asked whether they believed that staff who had formerly worked for them were still working in archaeology or not.

If you lost staff in the period between 31 March 2017 and 31 March 2018, do you believe that these people left the profession or stayed within it with different employers?

staff destinations	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
all found alternative employment within archaeology	10	40%	1	14%	1	4%
most found alternative employment within archaeology	11	44%	3	43%	16	67%
even split between leaving the profession and finding alternative employment within archaeology	3	12%	2	29%	4	17%
most left the profession	0	0%	0	0%	0	0%
all left the profession	1	4%	1	14%	3	13%
total	25		7		24	

As was the case in 2017 and 2016 - but to an even greater degree - most respondents thought that all, or most, of the people who had left their employ were still working in archaeology but for different employers, which continues to repeat a pattern previously identified, emphasising that a major component of staff turnover is made up of people moving within the sector.

One comment received particularly supports this – “There appears to be less leaving the profession than in previous years, the buoyant job market seems to encourage more a more competitive recruitment and head hunting approach”.

Comments received:

[organisation] is a one-person organisation: I work part-time, as and when work is available
Even split between staff returning to University and finding alternative employment in Archaeology
Most leaving us went back to University
NA
The staff member who left took up the post of HER Officer within the Local Authority
There appears to be less leaving the profession than in previous years, the buoyant job market seems to encourage more a more competitive recruitment and head hunting approach

2.5 Salaries

Respondents were asked whether salaries had typically risen or fallen during the 2017-18 financial year. This was specifically not a question about total salary bills, as those would be directly influenced by the number of personnel on the payroll.

*did salaries at your organisation typically rise or fall between March 2017 and March 2018?
(NB - not total salary bill)*

when comparing changes to inflation, please consider the rate of inflation at the date of the salary settlement

salary changes	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
rose by above inflation	2	40%	0	0%	22	54%
rose by inflation	1	20%	4	57%	12	29%
unchanged	0	0%	2	29%	7	17%
fell by up to 10%	2	40%	1	14%	0	0%
fell by over 10%	0	0%	0	0%	0	0%
total	5		7		41	

As was the case in 2017, remarkably few respondents answered this question. From this limited base, it can be seen that for the third year in succession, the majority of respondents reported salaries as having risen by inflation or above. The CPI rate of inflation in March 2018 was 2.4%¹³; respondents were asked to compare changes with inflation at the date of the salary settlement.

As the sample size is so small, examining the average sizes of the workforce at the organisations where data on salary changes are available has relatively little value. The data for 2017 are presented for comparison.

salary changes March 2018	organisations	individuals	average size of workforce
rose by above inflation	2	5	2.5
rose by inflation	1	256	256
unchanged	0		
fell by up to 10%	2	67.5	33.75
fell by over 10%	0		

¹³ <http://www.rateinflation.com/inflation-rate/uk-historical-inflation-rate> accessed 11th August 2017

salary changes March 2017	organisations	individuals	average size of workforce
rose by above inflation	0		
rose by inflation	4	495	123.75
unchanged	2	4	2
fell by up to 10%	1	0.75	0.75
fell by over 10%	0		

2.6 Charge-out Rates

Respondents were asked about any changes to their charge-out rates in the year ending 31st March 2018, and then about how they anticipated they would change in the next year.

How did your charge out rates change in the year to the end of March 2018?

- *by what percentage did your charge-out rates increase (+) or decrease (-) over the year ending 31 March 2018?*
- *by what percentage did you or do you anticipate that your rates will increase (+) or decrease (-) over the year ending 31 March 2019?*

	reported change to March 2018	anticipated change to March 2018 (reported in 2017)	anticipated change to March 2019
range	-5.0% to 10%	0% to 10%	-5.0% to 10%
mean	2.7%	3.0%	3.0%
median	3.0%	2.0%	2.8%
mode	0% (9 responses)	0% (12 responses)	5% (12 responses)
n=	35	39	34

Charge-out rates rose by an average of 2.7% in the year to March 2018; a year previously, they had been expected to rise by 3.0% (this is consistent with the previous pattern, where the average increases in charge-out rates have consistently been less than were anticipated a year before). Looking forward, respondents expect their charge-out rates to rise by 3.0% in the year to March 2019.

The March 2018 annual UK inflation rate (CPI) was 2.4%¹⁴; 63% of respondents (22 of 35) increased their charge-out rates in 2017-18 by more than this amount.

¹⁴ <http://www.rateinflation.com/inflation-rate/uk-historical-inflation-rate> accessed 23rd November 2018

3 FINANCIAL PERFORMANCE

Respondents were asked a series of questions about their organisation's financial performance in financial year 2017-18 and their expectations. It was recognised that some respondents might be reluctant to release such information (even though the responses were anonymous).

- Profit levels across the sector rose in 2017-18, as did average turnover per business at a time when staff numbers were also increasing.
- Average turnover per staff member increased – productivity rose in 2017-18.
- Generally, the sector had positive future financial expectations, but these were slightly lower than they had been in 2017.
- More than 80% of income was generated from the private sector; this has continued to increase in importance year-on-year.
- In terms of business activity, work generated by residential development continued to be the biggest market sector – and the relative importance of transport increased, becoming more significant than commercial & industrial development in this year.

3.1 Turnover

What was your annual turnover (in £) in financial year 2017-18?

Please enter full numbers of pounds, e.g. 1250000, not decimal fractions of millions etc

if your accounting period does not run from April to March, please indicate fee income for nearest 12-month period for which audited figures are available, making clear which period they cover.

- *your UK turnover in year ending 31 March 2018*
- *your turnover from non-UK sources (including Republic of Ireland) in year ending 31 March 2018*

	range	mean	median	n=
UK turnover	£20,553 to £14,100,000	£2,553,346	£1,000,000	31
non-UK turnover	£0 to £32,000	£3,389	£0	28; 24 reported zero return

Respondent organisations typically turned over £1,000,000 in 2017-18 (this is the median figure - half generated more than this amount of revenue, half less). For most respondents, none of this income was generated outside the UK.

UK turnover	2017-18		2016-17	
>=£10m	3	10%	3	9%
£5m -> £10m	2	6%	2	6%
£2.5m -> £5m	1	3%	1	3%
£1m -> £2.5m	9	29%	6	19%
£500,000 -> £1m	7	23%	8	25%
£250,000 -> £500,000	6	19%	4	13%
<£250,000	3	10%	8	25%
total	31		32	

The average (mean) UK turnover for an applied archaeology company in 2017-18 was £2.55m, an increase of 8.5% on the figure reported for 2016-17. The increase in the median figure was 55.4%.

Turnover per organisation presents a normal distribution around the median.

2017 figures for comparison (from Archaeological Market Survey 2017)

	range	mean	median	n=
UK turnover	£33,000 to £13,500,000	£2,348,383	£643,500	32
non-UK turnover	£0 to £80,000	£5,318	£0	33; 29 reported zero return

32 organisations provided data for both financial turnover and numbers of staff; on average these organisations employed 51.9 members of staff each, with an average turnover per staff member of £48,747, an increase from 2016-17 of 7.6%. Financial turnover per member of staff is a proxy measure of productivity.

This can also be used, in combination with the total numbers employed in commercial archaeology, to estimate the total commercial value (turnover) for the entire sector (this represents a change in methodology from that presented in previous iterations of this survey to estimate the total value of the sector, which extrapolated by multiplying the mean per organisation by the total number of organisations in the survey).

average turnover per member of staff & total revenue of UK commercial archaeology sector

	turnover per staff member	total commercial staff	sector revenue
2017-18	£48,747	4,908	£239m
2016-17	£45,309	4,351	£197m
2015-16	£45,615	3,844	£175m
2014-15	£45,914	3,498	£161m
2013-14	£56,237	2,896	£163m
2012-13	no data available		
2011-12	£53,271	2,812	£150m

How was this income distributed by clients' or funders' locations within the UK?

	total	%	number of respondents with funding from that country
England	£74,678,472	92%	29
Scotland	£2,216,950	3%	9
Wales	£3,214,228	4%	11
Northern Ireland	£780,265	1%	2
total	£80,889,915		n=32

Income generated in Scotland may have been under-represented, as relatively few organisations based in Scotland provided data in 2017-18.

Most companies did not report generating any non-UK income, but the four that did generated 0.3% of turnover from those sources.

On average, respondents typically expected their turnover to increase by 6.0% in 2018-19; a year previously, the average expectations for 2017-18 were for increase in turnover of 2.5%, and the 2016-17 expectation was for an increase of 10.8%.

predicted % change in turnover between years ending 31 March 2018 and 31 March 2019

	range	mean	median	n=
anticipated change	100% to -30%	6.0%	4.0%	30

27 respondents provided data on their contributions to the community, public archaeology and education which had not been paid for directly by a client. On average these contributions were £49,594, an increase of 86.8% on the 2016-17 figure of £26,545. This enormous increase is the consequence of different organisations answering in different years.

These contributions equated to 2.1% of those organisations' average annual turnovers (an increase on the calculated figure of 0.9% for 2016-17).

your contribution to the community, public archaeology and education which has not been paid for directly by a client

	range	mean	median	n=
non-client contributions	£0 - £400,000	£49,594	£9,984	27; 8 reported zero returns

3.2 Profit Levels

Respondents were asked about the levels of profit (or surplus, for not-for-profit enterprises) realised in financial year 2017-8.

your surplus (plus or minus) in the year ending 31 March 2018

	range	mean	% of mean turnover (of respondents providing turnover and surplus data)	median	n=
surplus 2017-18	-£26,297 to £1,800,000	£211,531	7.5%	£60,000	27
surplus 2016-17	-£286,000 to £1,000,000	£121,252	5.2%	£43,000	31

Profit levels increased in 2017-18 when compared with the year before in terms of the average absolute levels of profit and as an average percentage of turnover (using only data from organisations that provided both of these figures). Historically, profit levels had increased to 5.2% in 2016-17 and 2015-16 from 2.5% in 2014-15 and 1.9% in 2013-14.

In 2015-16 it was recognised that nearly 30% of respondents had reported profit levels over 10% which was considered to be a high rate of profitability, indicating that the sector had the resources to start investing and developing.

In 2016-17, the percentage of respondents reporting these levels of profitability increased; in 2017-18 the percentage of respondents reporting 10% or more profit declined slightly to 37% (from 44% the year before), but this is still higher than the levels reported in 2015-16.

While most respondents reported being in profit, one of the 27 organisations responding in 2018 reported negative figures, representing absolute losses, with another two reporting neither surpluses nor losses.

level of profit as % of turnover (surplus)	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
>25%	4	15%	1	3%	3	14%
10-25%	6	22%	13	41%	3	14%
5->10%	5	19%	4	13%	4	19%
<5%	12	44%	14	44%	11	52%
n=	27		32		21	

Data used only from respondents providing turnover and profit/surplus figures

3.3 Funding Sources (areas of activity as turnover)

Please estimate your UK turnover from the following sources in the year ending 31 March 2018

	n=	total	mean	%	2017%
private sector clients (including third parties)	27	£63,935,344	£2,367,976	83%	81%
central government departments and agencies	13	£6,737,675	£518,283	9%	7%
national agencies (HE/EH, HES, Cadw etc)	17	£2,473,118	£145,478	3%	3%
other public bodies (including universities, public-private partnerships and local enterprise partnerships)	12	£1,657,386	£138,116	2%	2%
district, county or unitary councils (local planning authorities)	18	£1,612,492	£89,583	2%	5%
community groups (including HLF projects, town and parish councils and neighbourhood forums)	13	£904,191	£69,553	1%	2%
aggregate total	27	£77,320,206	£2,863,711		

Of 27 respondents to this question, all had secured income from more than one of the six defined areas of funding and all had received funding from private sector clients, which represented the overwhelming majority (83%) of the total estimated income reported; this was an increase on the 2017 figure of 81%, which was an increase on the 2016 figure of 79%, which in turn was an increase on the 2015 figure of 75%.

In comparison with 2016-17, the distribution of funding sources has remained broadly constant, although the percentage of funds received from central government departments and (non-heritage) agencies and local planning authorities increased while funding from

community groups including HLF projects fell, to a very low level (but this contrasts with the results on which market sectors were generating income – 3.4 below).

3.4 Market Sectors

The survey sought detailed information on which market sectors were generating income for the respondent organisations.

Please do not include non-UK turnover in this section

*In the column headed "**UK income**", please indicate your UK income in the year ending 31 March 2018 for the work in each of the sectors listed.*

To avoid double counting, please do not include fee income from any commission in more than one box. The total for this column must not exceed total fee income reported under turnover in the question above. If you are unsure about which sector to attribute a particular commission to, please refer to the Note to Respondents below.

category	total	% 2018	% 2017	range	average	n=
residential development	£18,389,427	35.6%	41.7%	£30,000 - £6,855,696	£1,149,339	16
transport	£7,463,916	14.4%	6.4%	£12,732 - £2,791,184	£678,538	11
energy	£7,062,345	13.7%	5.7%	£5,000 - £2,600,000	£642,031	11
commercial and industrial	£6,513,786	12.6%	17.9%	£20,000 - £2,900,000	£465,269	14
minerals	£2,602,260	5.0%	1.6%	£5,000 - £1,300,000	£236,569	11
other research and public archaeology	£2,308,539	4.5%	1.3%	£65,000 - £2,000,000	£461,708	5
community projects and HLF	£2,144,000	4.1%	3.1%	£10,000 - £2,000,000	£357,833	6
retail and town centres	£1,569,958	3.0%	1.8%	£50,000 - £1,000,000	£392,490	4
leisure, sport, entertainment and tourism	£1,063,309	2.1%	5.4%	£6,409 - £500,000	£151,901	7
water supply	£559,300	1.1%	1.8%	£9,300 - £500,000	£186,433	3
local authority initiatives	£530,046	1.0%	0.2%	£20,000 - £309,648	£132,512	4
education	£499,900	1.0%	1.1%	£9,000 - £200,000	£83,317	6
national agencies and university grants	£342,414	0.7%	0.9%	£20,000 - £178,687	£85,604	4
any other services not categorised above	£219,546	0.4%	8.8%	£30,000 - £109,546	£73,182	3
health	£123,031	0.2%	0.6%	£20,000 - £50,000	£30,758	4
waste	£119,864	0.2%	0.2%	£9,864 - £70,000	£39,955	3
assistance to LPAs in delivering development control services	£109,164	0.2%	0.3%	£29,164 - £80,000	£54,582	2
heritage conservation	£80,000	0.2%	1.0%	£10,000 - £70,000	£40,000	2
telecommunications	£1,788	>0.1%	0.1%	£1,788	£1,788	1
aggregate total	£51,702,593					

Residential development continued to represent the largest market sector by far, but as an aggregate percentage had dropped to 35.6% from 41.7% in 2016-17. In 2015-16 it had represented 53.4% of sectoral income. This relative drop was caused in large part by the increased importance of the transport and energy sectors.

Transport became the second largest market sector, in large part fuelled by preparatory work ahead of the High Speed 2 railway line from London to Birmingham and work on the A14 Cambridge-Huntingdon road upgrade. Energy also became more significant as a market sector in 2017-18, particularly through work for the EA One array.

Respondents were also asked about turnover change by market sector. The question simply asked whether turnover had increased, decreased or was unchanged for each market sector, and what expectations were for the following year.

In the table below, the figures are aggregated results for each market sector, so they represent measures of sentiment – for example, a figure of +100% would mean that every respondent considered that turnover had increased in that sector, while a figure of 0% means that the number reporting (or expecting) growth in a market sector was exactly balanced by the number expecting decline.

In the previous survey, in March 2017, very substantial numbers of respondents anticipated growth in 2017-18 in transport, with a near universal expectation of increased work deriving from transport development – and then the overwhelming majority of respondents reported that transport had indeed been a growth sector for them in the year.

Looking ahead, transport continued to be the sector with the greatest expectations of growth for 2018-19, followed by residential and commercial development.

In the two columns headed "2017-18" and "2018-19" please indicate whether your turnover in the UK market for each of the sectors listed grew, declined or was unchanged from the previous year in 2016-17 and whether you think it will grow, decline or be unchanged in 2017-18.

Category	2017-18 reported		2018-19 predicted	
residential development	+26%	19	+32%	19
commercial and industrial	+6%	16	+30%	17
retail and town centres	-8%	13	-8%	13
leisure, sport, entertainment and tourism	+8%	13	-7%	14
minerals	-14%	14	-6%	15
waste	±0%	9	-9%	11
transport	+67%	15	+44%	16
energy	+31%	16	±0%	17
telecommunications	+12%	8	±0%	10
water supply	-12%	8	-10%	10
education	-9%	11	±0%	13
health	-20%	10	-8%	12
community projects and HLF	+13%	15	+27%	15
national agencies and university grants	-8%	12	-8%	13
local authority initiatives	+9%	11	±0%	12
other research and public archaeology	+17%	12	+17%	12
heritage conservation	-12%	8	±0%	10
assistance to LPAs in delivering development control services	±0%	9	±0%	10
any other services not categorised above	-11%	9	+10%	10

4 FORMS OF CONTRACT

Which forms of client contract do you routinely use?

Check as many as apply

	n=	% of respondents using
exchange of letters / emails	20	74%
client's standard t&c	19	70%
your own organisation's standard t&c	19	70%
NEC3 (various – family of contracts)	10	37%
bespoke	9	33%
ICE (short form or alternative)	4	15%
none	0	0%
other	1	4%

n=27

Twenty seven respondents answered this question, most of which used more than one form of contract.

Externally standardised approaches (the Institution of Civil Engineers' NEC3 or ICE short form) were less frequently used than exchanges of letters, client or contractors' own standard terms and conditions, or bespoke forms of client contract, but the use of these is increasing.

'Other' forms of contract used:

Negotiated from client's standard terms

5 BUSINESS CONFIDENCE

The sector grew in terms of workforce size in 2017-18 while reporting increased average financial turnover and profitability.

However, confidence in the future of the market continued to decline.

Historically, in 2015, the sector was more confident than it had been at any time since 2008 (the start of this data collection exercise), but since then (following both the Brexit referendum of June 2016 and the General Election of June 2017), levels of confidence have declined.

In 2018, confidence remained high, but signals were contradictory – the proportion of businesses expecting to maintain or increase their staff rosters increased, as did the proportion that expect to expand their business in the next year. But in contrast to this, overall confidence in market conditions is declining, as is the proportion that expected no sectoral business failures in the next year.

Respondents overwhelmingly expected to maintain or increase their staff levels in the next year and were more confident of doing so than they had been in 2017.

While there was still overall confidence that market conditions would not deteriorate in 2018-19, the sector was not as confident about the future as it had been one year before, and confidence had been declining year-on-year since 2015.

More respondents expect there to be no business failures in the sector than expected some, but feelings in this area were less positive than they had been in 2017.

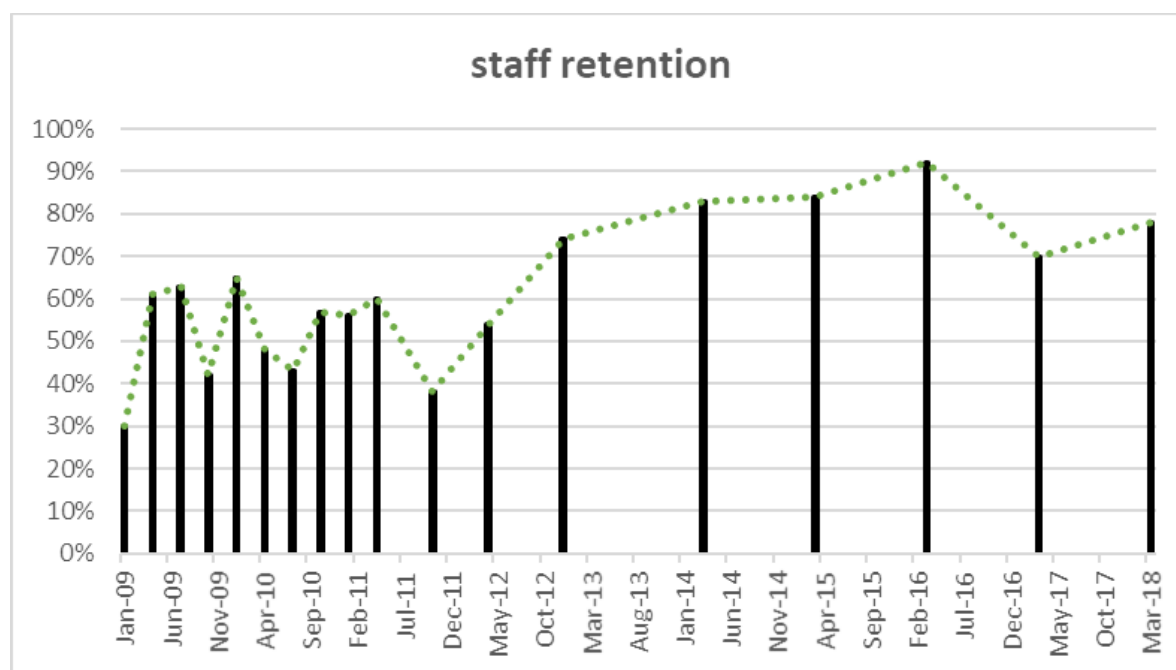
Respondents generally expected to expand their business in 2018-19, which was a direct reversal of the situation in 2017-18. The level of expectation of business expansion in 2018 is higher than it has been since these data started to be collected in 2012.

5.1 Staffing Levels

At the end of March 2018, did you anticipate any changes to your staffing levels over the next year (to 31 March 2018)?

change in staffing	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
increase staff numbers	16	59%	13	48%	15	60%
maintain staff numbers	8	30%	10	37%	9	36%
lower staff numbers	3	11%	4	15%	1	4%
total	27	+48%	27	+33%	25	+56%

Don't know or no answer excluded



Note the graph above represents the proportion of respondents that expected to either increase or maintain their staff numbers, minus the number of respondents that expected to lose staff – so positive results mean staff numbers are not expected to fall.

From April 2012 to March 2016, the proportion of respondents who expected to maintain or increase staff levels increased with every iteration of this survey, with at least 70% of respondents to every survey since December 2012 expecting to either maintain or increase staff numbers.

The figure for 2017, while still representing a very high proportion of employers expecting to increase or maintain staff numbers, was slightly lower than the 2016 figure; in 2018, the proportion expecting an increase or at least to maintain current staff numbers rose again.

Two respondents' comments make it clear that the UK's forthcoming departure from the European Union was a significant factor in their response to this question. Another respondent considers that there is a shortage of available staff for them to recruit from.

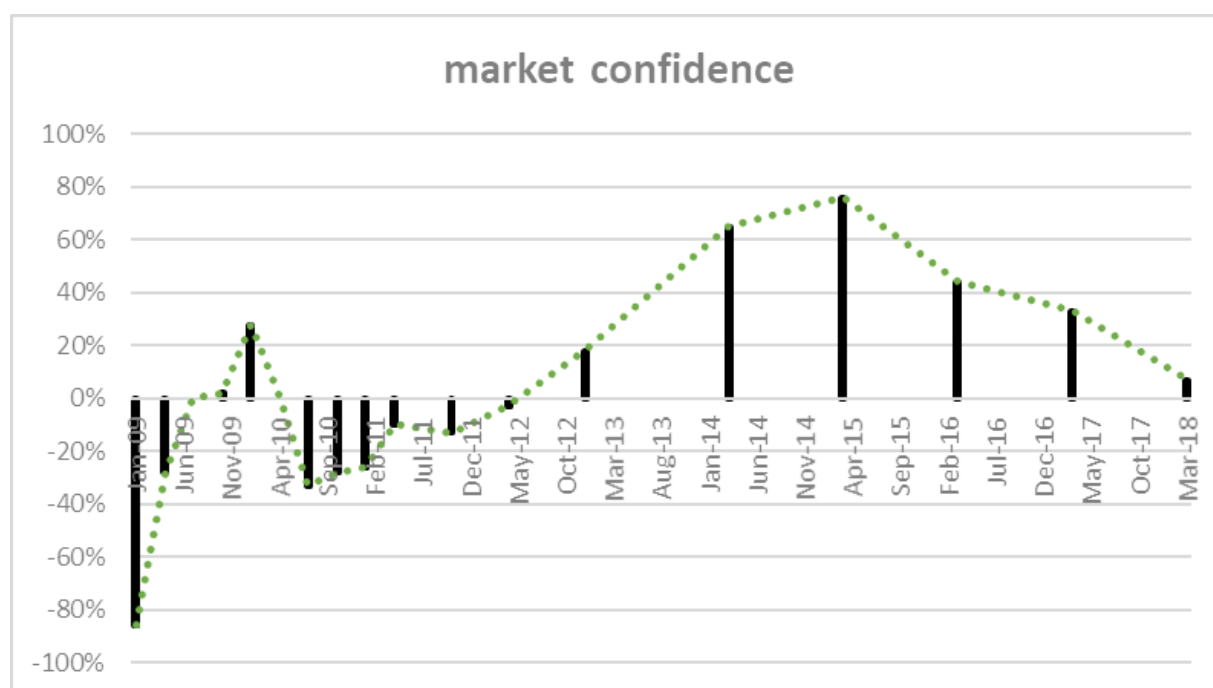
Comments received:

Aim to maintain, hope to increase if large projects comes on board
Although anticipation of increased numbers due to HS2 starting was tempered by worries about Brexit effects
An increase over the spring/summer, followed by a downsizing autumn/winter
Anticipated a restructure and job cuts
Brexit!!!!
predicting steady growth
The staff numbers may fluctuate up and down in response the busy periods but we will probably see more stabilisation in the back end of 2018 and into 2019. We know that staff numbers would rise steadily and as of Dec 2018 this has been the case.
We are currently refocusing the business
We have a chronic shortage of staff, currently require additional 50 employees a various levels.
We hope to grow by organic addition to staff and acquisition of other companies

5.2 Market Conditions

On 31 March 2018, did you believe that market conditions would deteriorate over the next 12 months? (to 31 March 2018)

market conditions	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
the market will deteriorate	10	37%	7	26%	6	21%
the market will not deteriorate	12	44%	15	56%	18	64%
don't know	5	19%	5	19%	4	14%
total	27		27	+30%	28	+43%



From a 2014-15 peak, the sector's confidence in the future of market conditions has steadily declined. However, the overall sentiment is still positive – more expect the market will not deteriorate in the coming year than expect it to.

Respondents comments show that there is one overwhelming factor being taken into consideration in responses to this question – the UK leaving the European Union (mentioned by six of eight commenters). One other respondent identified another political factor (the absence of government in Northern Ireland) as having a dampening effect on expectations.

Comments received:

Brexit dividend
Brexit- lack of confidence considered to impact residential and commercial investment. Transport and energy infrastructure spending have compensated
Brexit!!!
No, Level of quote requests remained high, several large projects waiting to start. Infrastructure projects on hold in NI due to lack of sitting government, but private development of housing has increased this year.
see previous comment [Although anticipation of increased numbers due to HS2 starting was tempered by worries about Brexit effects]
There has been an incredible upsurge in the last few months which will continue to employ staff for the next quarter
Uncertainty due to Brexit has delayed many projects
Uncertainty due to brexit.

5.3 Businesses Ceasing Trading

From the start of this series of surveys in 2008 until 2014, more respondents expected some archaeological practices to cease trading in the next 12 months than did not. In the earliest iterations of the survey, an overwhelming – near universal – majority of respondents expected that this would happen.

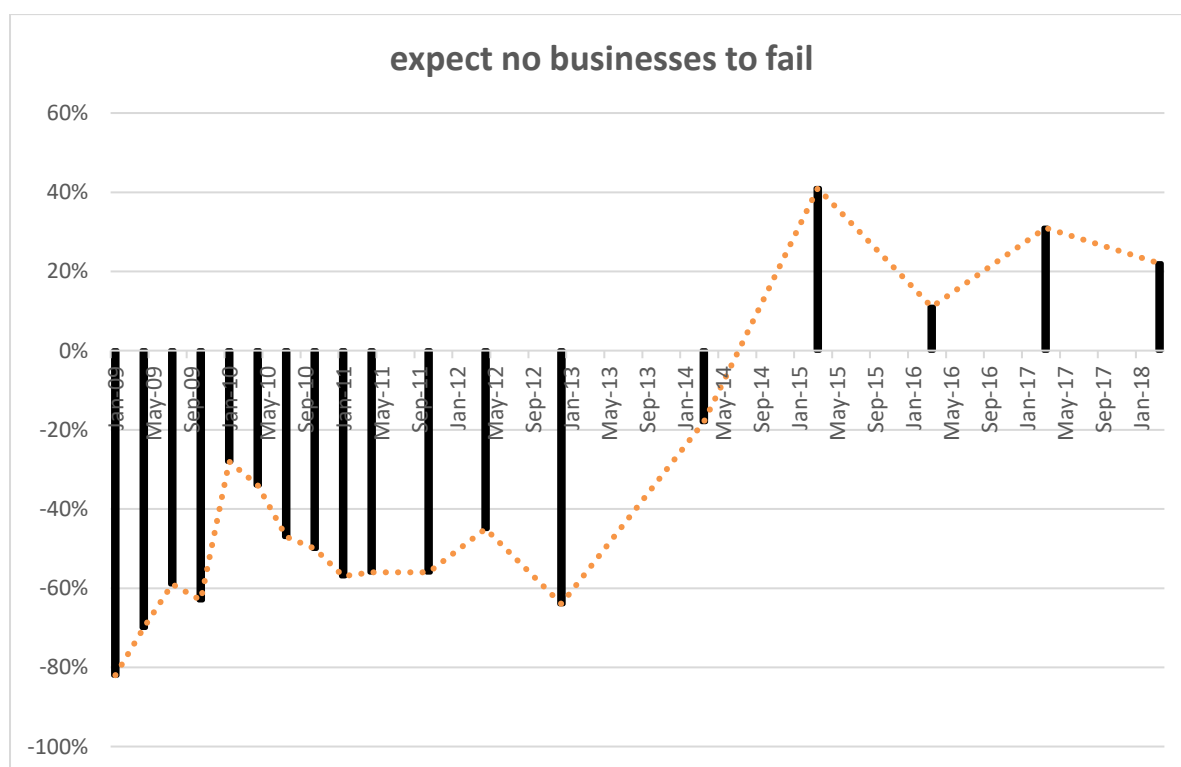
In March 2015, for the first time in this series of surveys, more respondents did not believe that any businesses would fail than did; this was still the case in March 2016, 2017 and 2018, although in 2018 businesses were less confident that no archaeological practices will cease trading in the next 12 months than they had been one year before.

Comments from respondents identified both Brexit and HS2 as key economic factors that could influence this.

At the end of March 2018, did you expect any archaeological practices to cease trading over the next 12 months?

businesses ceasing trading	Archaeological Market Survey 2018		Archaeological Market Survey 2017		Archaeological Market Survey 2016	
	March 2018		March 2017		March 2016	
yes	7	26%	6	23%	7	26%
no	13	48%	14	54%	10	37%
don't know	7	26%	6	23%	10	37%
total	27	+22%	26	+31%	27	+11%

The title of the graph below emphasises that positive figures reflect an expectation that no businesses in the sector will fail in the next year.



Comments received:

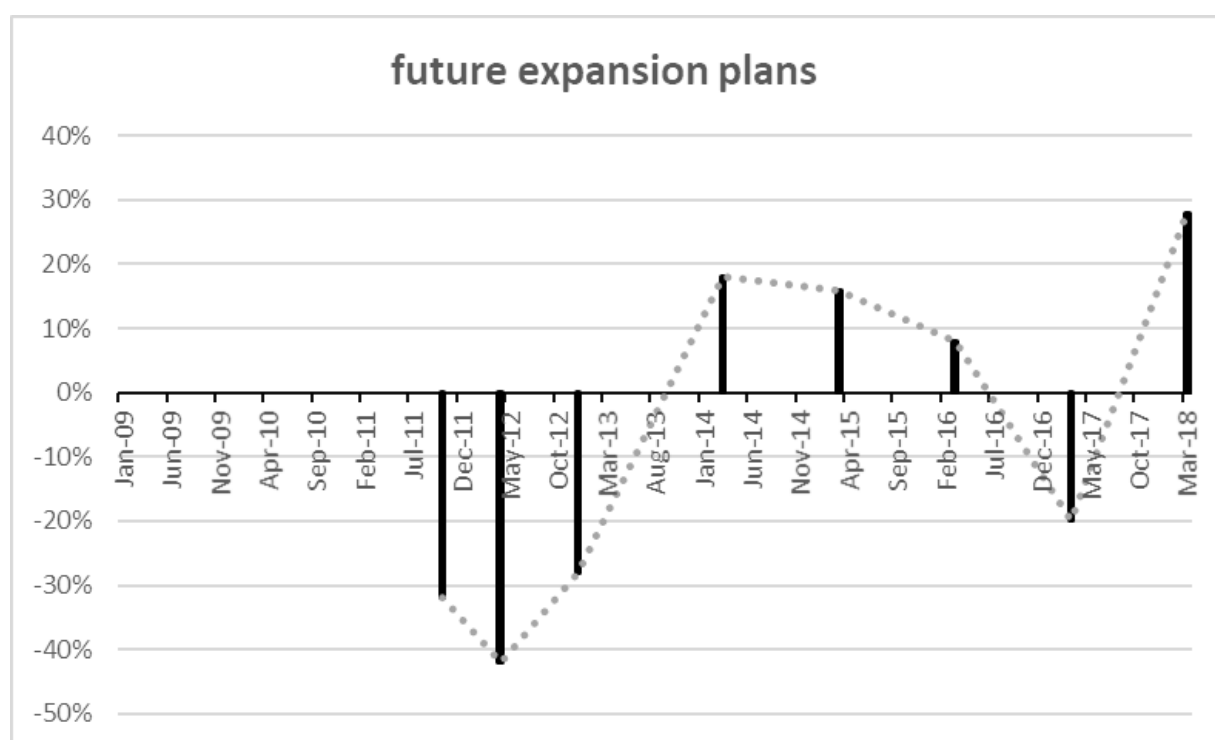
Although cash flow problems could produce surprising results
Because it is not a proper market
Brexit dividend
HS2 expected to absorb more archaeological labour than exists in the UK
Seems to be plenty of work for the small number of companies in Northern Ireland.
we didn't really consider this question at the end of March 2018

5.4 Expansion

Respondents were asked about planning for future business expansion.

Did you have any plans to expand your business significantly over twelve months from March 2018 (e.g. in premises, vehicles, capital equipment)?

expansion plans	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
yes	16	59%	10	38%	12	50%
no	11	31%	15	58%	10	42%
don't know	0	-	1	4%	2	8%
total	27	+28%	26	-20%	24	+8%



In 2018, a higher proportion of respondents were planning for business expansion than at any time since this question began to be asked in 2011.

Previously, in 2017, for the first time since December 2012, more respondents were not planning for business expansion in the next year than were – and the proportion that had been planning to expand had been declining since 2014.

This is a remarkable transformation. The *2017 Archaeological Market Survey* suggested that “historically, future expansion plans have mapped well against the reality of changes in staff numbers”. This has shown not to be the case in 2017-18; at the end of 2017, employers were not planning to expand – but overall staff numbers have grown significantly, and businesses are planning for further expansion in 2018-19.

Of the comments received on this question, it is notable that only one was expressing negative sentiments about the potential for future growth or shrinkage - and that appears to have come from an organisation that is part of a local planning authority "*It is likely that the council will cut its archaeological field services*".

Comments received:

acquisition of another company would represent a significant expansion
Embarking on a restructure of the organisation
Gradual slow growth, with some substantive investment in equipment
incrementally
It is likely that the council will cut its archaeological field services
We knew we needed to temporarily expand field team and hire vehicles to fulfil a large contract.
Yes in terms of staff and turnover but not in terms of offices.
Yes, additional unit hired in our complex for meetings & storage. More training courses for staff so help us diversify and looking at purchase of high end survey equipment.

5.5 Client Failure

Respondents were asked a new question about the effects of client business failures on their projects .

In the year ending 31st March 2018, how many of your projects were not completed because of a client suffering business failure?

number of client failures	Archaeological Market Survey 2018 March 2018	
3	1	4.0%
2	4	16.0%
1	7	28.0%
0	13	52%
n=	25	

Approximately half of the respondents that answered this question had not experienced a project being not completed because of a client failure – but of those that did, five had experienced multiple (two or three) client failures. Two of the respondents commented that projects had not been completed because of the collapse and compulsory liquidation of Carillion in January 2018¹⁵.

Comments received:

Carillion
Carillion, so it was a large one
dodgy house builders collapsing shell companies is an occupational hazard
None thankfully

¹⁵ BBC 2018. “Carillion collapse: ‘sites are silent and virtually deserted’”.
<https://www.bbc.co.uk/news/business-42703542>

6 SKILLS, TRAINING AND QUALIFICATIONS

The survey sought to identify which areas of skills were being lost from the sector, where skills were being bought in (skills shortages) and where organisations were seeking to address the issue through training (skills gaps).

Throughout this part of the report, figures relate to the respondents who have experienced a particular, specific change in the previous year as a percentage of all who responded to each general question. For example, in 2017-18, 13 respondents had lost skills in some way in the previous year; of these, 10 had lost fieldwork skills, so the percentage presented is 77% (10/13). This does not mean that 77% of fieldwork skills have been lost from the sector, nor does it mean that 77% of all organisations in commercial archaeology lost fieldwork skills.

Respondents were also asked in general terms whether they considered there were particular areas with skills problems across the sector.

6.1 Areas of Skills Losses

In 2018, fieldwork was the skills area where the highest proportion of respondents identified that they have lost skills, as it has been in every iteration of this survey except 2017.

A minority of respondents continue to report the loss of post-fieldwork skills. For the first time, no respondent reported losing artefact or ecofact conservation skills – but this may simply represent that it is now very rare for organisations to offer these skills in-house. This was an area where expertise has consistently been often bought in from external suppliers, but it has not completely disappeared as skill-set within applied archaeology, as a relatively small number of organisations were training their staff in this area in 2018.

In the twelve months to the end of March 2018, did your organisation lose skills in any of these areas?

	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
fieldwork (invasive or non-invasive)	10	77%	6	50%	6	55%
post-fieldwork analysis	5	38%	4	33%	4	36%
advice to clients	4	31%	3	25%	1	9%
data management	4	31%	2	17%	2	18%
desk-based or environmental assessment	3	23%	7	58%	4	36%
artefact or ecofact conservation	0	0%	2	17%	2	18%
other	0	0%	0	0%	1	9%
total respondents	13		12		11	

6.2 Areas of Skills Buy-in

As was the case in both 2017 and 2016, many more respondents reported buying-in skills than had reported losing them. These are areas of skills shortages, skills that an organisation does not have but that it buys in from external providers.

Both fieldwork and conservation skills were bought in by most of respondents that identified that they were buying in skills, and post-fieldwork analysis was bought in by nearly half.

The continuing high levels of demand for fieldwork and post-fieldwork skills are linked to the high levels of fieldwork activity being undertaken.

This series of surveys has consistently shown over time that artefact or ecofact conservation is a skill that is normally bought in from external providers. Conservation was not reported as a skill being lost by any employers in 2018, because this was now very much the norm to be provided by external providers – although there was some demand for training in this area.

In the twelve months to the end of March 2018, did your organisation have to buy-in skills in any of these areas?

skills bought in	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
fieldwork (invasive or non-invasive)	17	68%	16	64%	16	64%
artefact or ecofact conservation	15	60%	16	64%	16	64%
post-fieldwork analysis	11	44%	12	48%	12	48%
data management	3	12%	3	12%	3	12%
desk-based or environmental assessment	3	12%	3	12%	3	12%
providing advice to clients	1	4%	2	8%	2	8%
Other	1	4%	4	16%	4	16%
total respondents	25		25		25	

“other” skills reported as being bought in:

geophysics

6.3 Areas of Training

Areas where organisations address skills deficits by investing in training their staff are skills gaps.

As was the case in 2017 and 2016, the majority of respondents that invested in training invested in developing their team’s fieldwork, post-fieldwork analysis and desk-based / environmental assessment skills, the three areas where skills were most commonly being

reported as being lost (so therefore these were skills gaps, skills that existing staff needed but lacked, that were being tackled by investment in training).

As continues to have been seen in each survey since 2014, a high proportion of FAME members and CIfA Registered Organisations have been investing in training while they were simultaneously increasing the number of people on their payrolls.

When areas of skills training are compared to the areas where outside expertise was being bought in (skills shortages – where employers cannot find staff with the relevant skills), fieldwork skills are being both bought in and internally trained up.

Desk-based or environmental assessment and providing advice to clients are much more likely to be areas where staff will be trained than outside expertise bought in. Conservation skills are much more likely to be bought in.

In the twelve months to the end of March 2018 did your organisation invest in skills training in any of these areas?

training investment	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
fieldwork (invasive or non-invasive)	18	75%	16	67%	17	68%
post-fieldwork analysis	17	71%	16	67%	15	60%
desk-based or environmental assessment	17	71%	15	63%	14	56%
data management	11	46%	9	38%	8	32%
providing advice to clients	9	38%	10	42%	8	32%
artefact or ecofact conservation	7	29%	8	33%	5	20%
other	2	8%	4	17%	8	32%
total respondents	24		24		25	

The following ‘other’ skills were identified as having been areas where organisations invested in training:

expert witness training, architectural history training

H&S and Management

6.4 Skills Issues Across the Sector

Respondents were asked about their perceptions of skills issues across the archaeological sector. The phrase “skills shortages” was used here in the questionnaire; this can have a technical definition relating to a problem skills area that is addressed through bringing in external expertise, but here was considered to refer to areas where there is a general under-provision of skilled labour.

Respondents identified fieldwork and post-fieldwork skills as being the areas where most consider that there are skills issues across the sector, followed by post-fieldwork analysis. This has been the case since 2015, as these have been the key areas of concern, potentially reflecting difficulties recruiting during the ongoing fieldwork boom.

On 31 March 2018, did you think there were skills shortages across archaeological practice in any of these areas?

skills issues	Archaeological Market Survey 2018 March 2018		Archaeological Market Survey 2017 March 2017		Archaeological Market Survey 2016 March 2016	
fieldwork (invasive or non-invasive)	16	64%	17	74%	18	67%
post-fieldwork analysis	16	64%	13	57%	15	56%
artefact or ecofact conservation	12	48%	11	48%	8	30%
providing advice to clients	8	32%	10	43%	8	30%
desk-based or environmental assessment	8	32%	6	26%	9	33%
data management	5	20%	4	17%	3	11%
other	5	20%	3	13%	5	19%
total respondents	25		23		27	

“Other” areas where skills issues were identified:

Curatorial expertise
finds specialists
Managerial
OSL scientific dating services
pottery specialists, experienced fieldworkers

Respondent organisations’ views on skills issues across the sector continue to closely match what they can identify within their own organisations – and so sector-wide skills issues mirror individual organisations’ training needs. In 2017-18, fieldwork and post-fieldwork skills, together with desk-based or environmental assessment were the areas where many organisations invested in training, and these were the areas where skills issues were recognised across the sector.

6.5 NVQ

The National Vocational Qualification in Archaeological Practice was first awarded in 2009 (the formal title for this qualification is now the *Level 3 NVQ Certificate in Archaeological Practice*). Respondents were asked about whether they had previously supported a member of staff gaining such a qualification, and whether they would consider doing so in the future.

On 31 March 2018, had you or were you considering supporting a member of staff to gain a vocational qualification in archaeological practice (NVQ)?

NVQ support	Archaeological Market Survey 2018 March 2018				Archaeological Market Survey 2017 March 2017				Archaeological Market Survey 2016 March 2016			
	have supported		would consider in future		have supported		would consider in future		have supported		would consider in future	
yes	3	14%	10	48%	12	75%	7	33%	12	75%	11	34%
no	19	86%	2	10%	3	19%	14	67%	3	19%	21	66%
don't know	0	0%	9	43%	1	6%	0	0%	1	6%	0	0%
total	22		21		16		21		16		32	

The figures reported for the numbers of organisations that have previously supported a member of staff gaining the NVQ are remarkably different in 2018 from previous years, with only 14% of respondents responding that they had supported a member of staff in the past, in contrast with figures of 75% for both 2017 and 2016. This low figure may reflect the relatively modest take-up of the qualification, as a total of 69 candidates had received the qualification between the first awards in January 2009 and the end of March 2018¹⁶.

6.6 Apprenticeships

On 31 March 2018, had you or were you considering supporting a member of staff to undertake an Apprenticeship in Historic Environment Practice?

Apprenticeship support	Archaeological Market Survey 2018 March 2018				Archaeological Market Survey 2017 March 2017				Archaeological Market Survey 2016 March 2016			
	have supported		would consider		have supported		would consider		have supported		would consider	
yes	1	5%	8	40%	2	11%	12	71%	1	4%	11	46%
no	20	95%	3	15%	17	89%	2	12%	23	96%	8	33%
don't know	0	0%	9	45%	0	0%	3	18%	0	0%	5	21%
total	21		20		19		17		4		24	

¹⁶ Email Anna Welch, ClfA Professional Development & Practice Coordinator, 7th December 2018.

The Historic Environment Practice Trailblazer Apprenticeships programme launched in 2015¹⁷; the Institute for Apprenticeships identifies (27th November 2018) that a proposal to develop the Historic Environment Adviser Apprenticeship Standard is currently being worked on, and that the Assistant Historic Environment Adviser Apprenticeship Standard is in development¹⁸.

This means that no specifically archaeological Apprenticeships had been delivered at the time of the survey; respondents may have previously been supporting generic Apprenticeships in admin, business finance *etc*, but not yet supporting formal Apprentices in Historic Environment Practice in the workplace.

The proportion of respondents that would consider supporting an Apprentice in the future has declined since 2017, with a commensurate increase in the proportion of respondents indicating that they “don’t know” if they would offer such support.

¹⁷ Shepherd, N. 2016. Archaeological Apprenticeships.

<http://www.famearchaeology.co.uk/2016/03/archaeological-apprenticeships/>

¹⁸ <https://www.instituteforapprenticeships.org/apprenticeship-standards/?keywords=historic> accessed 27th November 2018

7 PERCEPTIONS

Respondents were asked about their perceptions of particular issues.

On 31 March 2018, would you have agreed or disagreed with the following statements?

Individual responses will be aggregated in any survey report and your views will not be attributed to you without your permission

	strongly disagree	disagree	unsure	agree	strongly agree
<i>Score</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
the economic climate for development will improve over the next 12 months	3	6	11	7	0
2018 average	2.81 (unsure) ↑ more likely to agree than in 2017				
2017 average	2.77 (unsure) ↓ more likely to disagree than in 2016				
your heritage team will grow within the next 12 months	2	2	9	10	4
2018 average	3.44 (unsure) ↑ more likely to agree than in 2017				
2017 average	3.20 (unsure) ↓ more likely to disagree than in 2016				
your heritage team will contract within the next 12 months	4	15	6	0	2
2018 average	2.30 (disagree) ↓ more likely to disagree than in 2017				
2017 average	2.41 (disagree) ↑ more likely to agree than in 2016				
late payment of bills is an increasingly significant problem for your business	0	10	4	8	5
2018 average	3.30 (unsure) ↓ more likely to disagree than in 2017				
2017 average	3.46 (unsure) ↑ more likely to agree than in 2016				
non-payment of invoices has been a significant problem for your business	2	5	2	18	0
2018 average	3.33 (unsure) ↑ more likely to agree than in 2017				
2017 average	2.76 (unsure) ↑ more likely to agree than in 2016				
current national planning policy frameworks are making it easier to justify heritage work and revenue levels	1	5	7	11	2
2018 average	3.31 (unsure) ↑ more likely to agree than in 2017				
2017 average	3.24 (unsure) ↑ more likely to agree than in 2016				
current national planning policy frameworks weaken the case for heritage work and revenue levels	3	13	6	4	0
2018 average	2.42 (disagree) ↓ more likely to disagree than in 2017				
2017 average	2.67 (unsure) ↓ more likely to disagree than in 2016				
a shortage of heritage staff in LPAs is a major constraint on heritage projects	1	4	5	9	8
2018 average	3.70 (agree) ↓ more likely to disagree than in 2017				
2017 average	4.04 (agree) ↓ more likely to disagree than in 2016				

In the table above, results have been aggregated, with each “strongly agree” response scoring five points, each “agree” scoring four, etc., and then an average of the responses calculated. Hence, for the average result to be 5.00, then every respondent would have strongly agreed with a statement, but if the average was 1.00 then every respondent would have strongly disagreed. The calculated average for 2018 is then categorised by which response that average is closest to, and compared with the 2017 scores.

Further comments on Perceptions:

Tricky to forecast anything with Brexit looming...
--

We are seeing timescale for bill payments increasing, but almost all do get paid in the end.
--

Respondents were unsure whether the economic climate for development would improve in the next 12 months, although their views had become very slightly more positive than they were in 2017, when in turn they were less confident than they had been in 2016. This should be considered alongside respondents’ answers to the Business Confidence question on Market Conditions [5.2 above], where the overall view was also positive, but more cautious than a year before (and that was more cautious than it had been in 2016).

Typically, they were not sure that their heritage teams would grow in the next year, but were a little more confident of this than they had been in 2016. They did not expect their teams to contract in size, and again, views were slightly more positive than they had been in 2016.

Views on whether late payment of bills was a problem were split, although respondents were slightly more positive about this than they had been in 2017. Non-payment was more of a concern than it had been in 2017, when in turn it had been more of a problem than it was the year before

Respondents were unsure, but tended to agree with the statement that “current national planning policy frameworks are making it easier to justify heritage work and revenue levels”, and were also unsure, and tended to disagree with the assertion that “current national planning policy frameworks weaken the case for heritage work and revenue levels”. The responses to the first of these questions were slightly more positive than they had been in 2017, but slightly more negative than they had been in their responses to the second question.

The sector continues to agree that a shortage of heritage staff in LPAs was a major constraint on heritage projects, although the strength of this sentiment is decreasing over time – it has been steadily decreasing since 2014.

8 FURTHER COMMENTS

Greatest concern is the continued erosion of archaeological advice to LPAs. We are seeing increasing numbers of LPAs stopping taking advice from the county and either using their conservation officers (many of whom do not have appropriate experience) or are not taking advice at all.

Innovation needs an environment in which it is encouraged, and experimentation is allowed. Commercial archaeology is tied into the planning process, and archaeological planning advisors follow process, with very few prepared to accept innovation. Collaborative working is essential for the sector to flourish and improve efficiency, but we also need mechanisms to share good practice and learn when things go wrong in an open and transparent manner.

Our organization does not provide commercial archaeological services...thus, we have not completed the survey.

Page 25 [*NVQ and Apprenticeships*] would not let me answer truthfully. I wanted to answer "no" to all questions but it would not allow that so I had to answer "don't know" to questions about the future.

The 2018 update of NPPF was a missed opportunity to bring clarity and balance to this document. Local authority cuts to historic environment services represents a risk to both archaeological revenues and development efficiency.

There is no shortage of archaeologists in the UK- just a shortage of jobs sufficiently secure and rewarding to retain the trained archaeologists from the past 20 years. Low salaries remains the biggest obstacle to building a resilient profession.

The data we collect on clients and income sources did not allow completion of Page 14 [*Market Sectors*]

The majority of questions do not apply so I don't think this questionnaire applies to curatorial organisations.

There is a chronic shortage of field archaeologists at all levels of experience. This situation is going to be exacerbated by HS2, Brexit and an increase in house building. Archaeology companies at all levels need to step up and have clear and accountable training plans to take on new university leavers (and non-university!). Training plans should be measurable, achievable and within a set time period so new staff are not then kept on low trainee wages indefinitely.

We would like to see some questions on contractual disputes/challenges - to provide knowledge and useful precedent in negotiation in case law. ++ Questions on contractual disputes in conjunction with payment behaviour would be useful along with provision of case studies around this area where useful precedents have been set.

APPENDIX – QUESTIONNAIRE

State of the Archaeological Market 2017-18

Dear Colleague,

FAME and CIFA, supported by Historic England, have appointed Landward Research Ltd to undertake annual surveys of suppliers to the Archaeological Market.

I would like to ask you if you could please answer the questions that follow. We seek information as it applied on 31 March 2018 (end f/y 2017-18).

You can save the questionnaire at any stage and to return to it later (by following the link in your invitation email). You can also print the entire questionnaire from any screen using the buttons at top right of each page.

The deadline for responses is Monday 12 November 2018. Your responses are fully confidential and will not be seen any any individual other than myself.

Kenneth Aitchison Executive Director Landward Research Ltd (an Accredited Company Partner of the Market Research Society)

1. Please enter your organisation's name (to avoid duplicate entries being made)

State of the Archaeological Market 2017-18
1. Please provide an email address where you can be contacted in the event of any queries
<input type="text"/>

State of the Archaeological Market 2017-18

1. Is your organisation a member of FAME?
 yes no

2. Is your organisation a CIFA Registered Organisation?
 yes no

State of the Archaeological Market 2017-18

1. How is your organisation legally constituted?
please check multiple categories if appropriate

- private limited company (ltd)
- public limited company (plc)
- registered charity
- constituent part of a local planning authority
- constituent part of a university
- other

State of the Archaeological Market 2017-18

1. Where is the head office of your organisation located?

2. Are you also answering on behalf of any subsidiary offices? if so, please indicate where they are located?

<input type="checkbox"/> East of England	<input type="checkbox"/> East Midlands	<input type="checkbox"/> Greater London	<input type="checkbox"/> North East England
<input type="checkbox"/> North West England	<input type="checkbox"/> South East England	<input type="checkbox"/> South West England	<input type="checkbox"/> West Midlands
<input type="checkbox"/> Yorkshire and the Humber	<input type="checkbox"/> Scotland	<input type="checkbox"/> Wales	<input type="checkbox"/> Northern Ireland
<input type="checkbox"/> outside the UK - in the EU	<input type="checkbox"/> outside the UK - not in the EU		

State of the Archaeological Market 2017-18

1. In which year did your organisation begin trading (in applied archaeology)?

State of the Archaeological Market 2017-18

1. How many full-time staff were based in your UK offices on 31 March 2018?

Please include all full-time or full-time equivalent staff, together with part-time staff, using estimates of full-time equivalency - for example, a member of staff working 2.5 days a week should be counted as 0.5.

Fee-earners: members of staff whose time can be billed to clients.

	FTE
total UK staff (managerial, professional, technical and administrative) employed	
total UK-based fee earners working full-time	

2. Of your UK-based staff, how many were:

	FTE
British nationals (UK subjects)	
nationals of other EU states	
nationals of other countries (non-UK, non-EU)	

State of the Archaeological Market 2017-18

1. How many full-time staff were permanently based outside the UK on 31 March 2018?

Please include all full-time or full-time equivalent staff, together with part-time staff, using estimates of full-time equivalency - for example, a member of staff working 2.5 days a week should be counted as 0.5.

Fee-earners: members of staff whose time can be billed to clients.

	FTE
total non-UK based staff (managerial, professional, technical and administrative) employed	
total non-UK based fee earners working full-time	

2. How many of your members of staff were working on each of the following types of contract or agreement on 31 March 2018?

	full-time	part-time
permanent		
fixed term		
casual		
volunteer		

State of the Archaeological Market 2017-18

1. How many UK members of staff (FTE) did your organisation have one year before, on 31 March 2017 - the census date for the previous Archaeological Market Survey 2017?

2. What level of staff turnover did you experience between 1 April 2017 and 31 March 2018?

3. If you lost staff in the period between 1 April 2017 and 31 March 2018, do you believe that these people left the profession or stayed within it with different employers?

comments?

State of the Archaeological Market 2017-18

1. Did salaries at your organisation typically rise or fall between March 2017 and March 2018? (NB - not total salary bill)
when comparing changes to inflation, please consider the rate of inflation at the date of the salary settlement

2. How did your charge out rates change in the year to the end of March 2018, and by how much do you expect them to change in 2018-19?

by what percentage did your charge-out rates increase (+) or decrease (-) over the year ending 31 March 2018?

by what percentage do you anticipate that your rates will increase (+) or decrease (-) over the year ending 31 March 2019?

State of the Archaeological Market 2017-18

1. What was your annual turnover for work in the UK (in £) in financial year 2017-18?

Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc

if your accounting period does not run from April to March, please indicate fee income for the nearest 12-month period for which figures are available.

	£
your UK turnover in year ending 31 March 2018	

2. How much of your turnover originated from clients or funds located in each of the four component parts of the UK?

please enter percentages, ensuring that the total = 100%

England

Scotland

Wales

Northern Ireland

3. What was your annual turnover from non-UK sources, including the Republic of Ireland, (in £) in financial year 2017-18?

Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc

if your accounting period does not run from April to March, please indicate fee income for the nearest 12-month period for which figures are available.

	£
turnover from non-UK sources (including Republic of Ireland) in year ending 31 March 2018	

State of the Archaeological Market 2017-18

1. How do you anticipate overall turnover levels changing between last year - 2017-18 - and the next year, 2018-19?

please answer as a percentage figure, using a negative if you anticipate turnover falling

	%
predicted % change in turnover between years ending 31 March 2018 and 31 March 2019	

2. What was your annual profit (or surplus) (in £) in financial year 2017-18?

Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc

if you made a loss in 2017-18, please enter a negative figure.

	£
your profit or surplus (plus or minus) in the year ending 31 March 2018	

3. What level of financial contributions did you make to community, public archaeology or education in financial year 2017-18?

Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc

if your accounting period does not run from April to March, please indicate fee income for the nearest 12-month period for which figures are available.

	£
your contribution to the community, public archaeology and education which has not been paid for directly by a client	

State of the Archaeological Market 2017-18

1. **Please estimate your UK turnover from the following sources in the year ending 31 March 2018**
Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc

	£
private sector clients	
national agencies (Historic England, Historic Environment Scotland, Cadw etc)	
central government departments and agencies	
district, county or unitary councils (local planning authorities)	
other public bodies (including universities, public-private partnerships and local enterprise partnerships)	
community groups (including HLF projects, town and parish councils and neighbourhood forums)	

State of the Archaeological Market 2017-18

1. Market Sectors

Please do not include non-UK turnover in this section.

In the column headed "UK income", please indicate your UK income in the year ending 31 March 2018 for the work in each of the sectors listed. Please enter full numbers of pounds, eg 1250000, not decimal fractions of millions etc.

To avoid double counting, please do not include fee income from any commission in more than one box. The total for this column must not exceed total fee income reported under turnover in the question above.

In the two columns headed "2017-18" and "2018-19", please indicate whether your turnover in the UK market for each of the sectors listed grew, declined or was unchanged from the previous year in 2017-18 and whether you think it will grow, decline or be unchanged in 2018-19.

	UK income 2017-18	2017-18			2018-19		
	£	declined	unchanged	grew	will decline	will not change	will grow
Construction							
Residential development		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial and industrial		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retail and town centres		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leisure, sport, entertainment and tourism		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Infrastructure							
Minerals		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transport		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Energy		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telecommunications		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water supply		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Education		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Research and public archaeology							
Community projects and HLF		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
National agencies and university grants		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local authority initiatives		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other research and public archaeology		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other services							
Heritage conservation		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Assistance to LPAs in delivering development control services		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Any other services not categorised above		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Notes to Respondents

Please do not include non-UK planning fee income in this section.

Inevitably there is some overlap between the categories identified in this section. To avoid

double-counting, IT IS ESSENTIAL that income from any particular commission is entered in only one of the categories offered. The aggregate income shown in this table must not exceed your figure for total UK planning fee income in *Value of work undertaken and funding sources*.

Work connected with specific development projects (including site-specific representations on LDFs) should be included in the relevant category under the headers "Construction" or "Infrastructure". Sector-specific planning work such as transport plans, housing land availability studies etc should also be included under these headings.

Work unconnected with specific development projects or types should be included at the relevant rows.

State of the Archaeological Market 2017-18

1. Which forms of client contract do you routinely use?
check as many as apply

- ICE (short form or alternatives) Other
- NEC3 (various - family of contracts)
- Bespoke
- Client's standard T&Cs
- Your own organisation's standard T&Cs
- Exchange of letters / emails
- None

State of the Archaeological Market 2017-18

1. At the end of March 2018, did you anticipate any changes to your staffing levels over the next year (to 31 March 2019)?

Other comments?

State of the Archaeological Market 2017-18

1. On 31 March 2018, did you believe that market conditions would deteriorate over the next 12 months? (to 31 March 2019)

Other comments?

State of the Archaeological Market 2017-18

1. At the end of March 2018, did you expect any archaeological practices to cease trading over the next 12 months?

Other comments?

State of the Archaeological Market 2017-18

1. In the year ending 31st March 2018, how many of your projects were not completed because of a client suffering business failure?

Other comments?

State of the Archaeological Market 2017-18

1. Did you you have any plans to expand your business significantly over twelve months from March 2018 (e.g. in premises, vehicles, capital equipment)?

Other comments?

State of the Archaeological Market 2017-18

1. In the twelve months to the end of March 2018, did your organisation lose skills in any of these areas?

<input type="checkbox"/> desk-based or environmental assessment	<input type="checkbox"/> fieldwork (intrusive or non-intrusive)	<input type="checkbox"/> artefact or ecofact conservation
<input type="checkbox"/> providing advice to clients	<input type="checkbox"/> data management	<input type="checkbox"/> post-fieldwork analysis
<input type="checkbox"/> other		

State of the Archaeological Market 2017-18

1. In the twelve months to the end of March 2018, did your organisation have to buy-in skills in any of these areas?

<input type="checkbox"/> providing advice to clients	<input type="checkbox"/> desk-based or environmental assessment	<input type="checkbox"/> fieldwork (intrusive or non-intrusive)
<input type="checkbox"/> data management	<input type="checkbox"/> post-fieldwork analysis	<input type="checkbox"/> artefact or ecofact conservation
<input type="checkbox"/> other		

State of the Archaeological Market 2017-18

1. In the twelve months to the end of March 2018, did your organisation invest in skills training in any of these areas?

<input type="checkbox"/> artefact or ecofact conservation	<input type="checkbox"/> desk-based or environmental assessment	<input type="checkbox"/> providing advice to clients
<input type="checkbox"/> post-fieldwork analysis	<input type="checkbox"/> data management	<input type="checkbox"/> fieldwork (intrusive or non-intrusive)
<input type="checkbox"/> other		

State of the Archaeological Market 2017-18

1. On 31 March 2018, did you think there were skills shortages across the applied archaeological practice sector in any of these areas?

<input type="checkbox"/> providing advice to clients	<input type="checkbox"/> desk-based or environmental assessment	<input type="checkbox"/> post-fieldwork analysis
<input type="checkbox"/> data management	<input type="checkbox"/> artefact or ecofact conservation	<input type="checkbox"/> fieldwork (intrusive or non-intrusive)
<input type="checkbox"/> other		

State of the Archaeological Market 2017-18

1. On 31 March 2018, had you or were you considering supporting a member of staff to gain a vocational qualification in archaeological practice (NVQ)?

	yes	no	don't know
have supported a member of staff in the past	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
would consider supporting a member of staff in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. On 31 March 2018, had you or were you considering supporting a member of staff to undertake an Apprenticeship in Historic Environment Practice?

	yes	no	don't know
have supported a member of staff in the past	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
would consider supporting a member of staff in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

State of the Archaeological Market 2017-18

1. On 31 March 2018, would you have agreed or disagreed with the following statements?
Individual responses will be aggregated in any published survey report and your views will not be attributed to you without your permission

	strongly agree	agree	unsure	disagree	strongly disagree
the economic climate for development will improve over the next 12 months	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
late payment of bills is an increasingly significant problem for my business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
my heritage team will grow within the next 12 months	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
current national planning policy frameworks weaken the case for heritage work and revenue levels	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
a shortage of heritage staff in LPAs is a major constraint on heritage projects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
my heritage team will contract within the next 12 months	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
current national planning policy frameworks are making it easier to justify heritage work and revenue levels	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
non-payment of invoices has been a significant problem for my business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Any other comments?

State of the Archaeological Market 2017-18

1. If you have any further comments on your responses, or on the state of commercial archaeology in general, please let us know. FAME and CIFA would also particularly value respondents' views on the type of market information you would most value in future surveys

Please complete your response by Monday 12 November 2018