

State of the nation:

Professional and business
services in England

Executive summary

Professional and business services (PBS) remain central to the UK economy, employing around 5 million people and contributing nearly 12% of UK gross value added. Demand remains substantial, with 71% of priority occupations experiencing elevated or critical demand, while PBS skills also support organisations across the wider economy.

Against this backdrop, entry and progression routes are changing, with youth-focused funding and the new Level 2 Administration Assistant apprenticeship creating new opportunities for younger learners. Wider changes to apprenticeship funding and assessment are also reshaping the market and the routes available for learners to enter and progress within PBS.

The skills required in the workplace are evolving alongside these changes. Technology and automation are altering how work is undertaken, increasing the

importance of analysis, professional judgement, communication, problem-solving and digital capability alongside technical expertise.

The education and training market supporting these skills remains substantial, with over 120,000 starts across PBS apprenticeship standards in 2024-25, and significant learner volumes across the part-time adult qualifications market. This market is increasingly expecting an element of flexible, high-quality online content within a structured programme of learning.

Together, these trends point to continued opportunities for providers to support people entering, progressing and reskilling across PBS and the wider economy, through provision that responds to changing workforce needs and offers flexible routes into professional learning.

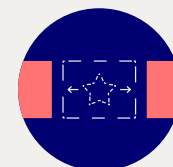
Professional and business services sector in England

The PBS sector includes industries such as accountancy, audit and tax, management consultancy, legal services, human resources and business administration. These skills are also essential across the wider economy, supporting effective financial management, leadership, governance, compliance and workforce development.

PBS is a major part of the UK economy, employing around 5 million people and contributing nearly 12% of UK gross value added¹. The sector supports businesses to invest, export, innovate and improve productivity.



Demand for professional skills remains strong. Skills England reports that 71% of priority occupations in the sector are experiencing elevated or critical demand.



Employment across 20 priority occupations is expected to grow by around 116,000 between 2025 and 2035. Including workers who leave and need to be replaced, total workforce demand could reach approximately 535,000.



Replacement demand is 419,000 for priority occupations in PBS between 2025 and 2035.

Adult education, apprenticeships and part-time learning will therefore remain essential. Accessible courses in accountancy, management, human resources and business administration help people enter professional careers, progress at work and update their skills as roles change.

Professional and business services skills landscape

The apprenticeship landscape is being reshaped around youth employment and entry-level opportunities². This refocus comes as over 1 million young people aged 16 to 24 are not in employment, education or training, at an estimated direct cost of £47 billion to the UK³. In response to this, a new Level 2 Administration Assistant apprenticeship standard was made available to learners aged under 25 from August 2026⁴. The government covers the training and assessment costs, up to the funding-band maximum, for apprentices aged 16 to 24⁵. From October 2026, eligible non-levy employers can receive up to £6,000 in incentives⁶, where both the employer and recruit meet all the eligibility criteria, alongside National Insurance contribution relief for apprentices under 25.

This expansion of entry-level provision forms part of a wider rebalancing of apprenticeship

funding. Government funding of 16 apprenticeship standards, including the Level 3 Team Leader and Level 5 Operations Manager apprenticeships, was withdrawn from 1 September 2026, with the aim of redirecting investment towards younger learners and priority skills⁷.

Clear progression pathways remain important. Our Mindful Education PBS progression diagram demonstrates this, showing how learners can progress from Level 2 Accounting or Administration Assistant apprenticeship into higher-level routes across accountancy, business administration, management, human resources and legal services⁸. The Level 2 Administration Assistant apprenticeship also provides progression into multiple roles within other industry sectors.

Mindful Education PBS progression pathways

	Accounting and finance	Business	Management	Human Resources	Law
Level 4/5	Diploma for Professional Accounting Technicians Professional Accounting Technician Apprenticeship	Progression onto multiple professional pathways	Award, Certificate or Diploma in Management and Leadership	Associate Diploma in People Management People Professional Apprenticeship	Diploma for Senior Associate Paralegals Advanced Paralegal Apprenticeship
Level 3	Diploma in Accounting Certificate in Bookkeeping Assistant Accountant Apprenticeship	Diploma for the Business Administrator Business Administrator Apprenticeship	Award, Certificate or Diploma in Management and Leadership	Foundation Certificate in People Practice HR Support Apprenticeship	Diploma for Paralegal Technicians Paralegal Apprenticeship
Level 2	Certificate in Accounting/Bookkeeping Accounts / Finance Assistant Apprenticeship	Administration Assistant Apprenticeship			



Professional and business services from an employer perspective

In 2024-25 there were over 120,000 apprenticeship starts across essential professional and business functions, representing 34% of total apprenticeship starts⁹.

These professional and business functions provide the specialist expertise organisations need to manage finances, develop their workforce, maintain compliance and support organisational change. Skills England identifies financial analysis and budget forecasting, financial operations and payroll among the principal technical skills required, alongside planning, communication, leadership, numeracy, writing and digital literacy. The government’s Professional and Business Services Sector Plan similarly describes the capabilities important to productivity, financial resilience, risk management and business transformation¹⁰.

PBS skills are highly transferable, as evidenced by a Skills England assessment which found that 14 of the 20 priority PBS occupations support at least one other industry sector.

The percentage of all apprenticeships in 2024–25 that were in professional and business services



Work and learning trends

As advancements in technology reshape the world of work, knowledge and skills must also be developed to keep pace with employer demand. A focus on continued curriculum design and a flexible learning offer is increasingly important in helping people develop new skills and adapt as roles evolve.

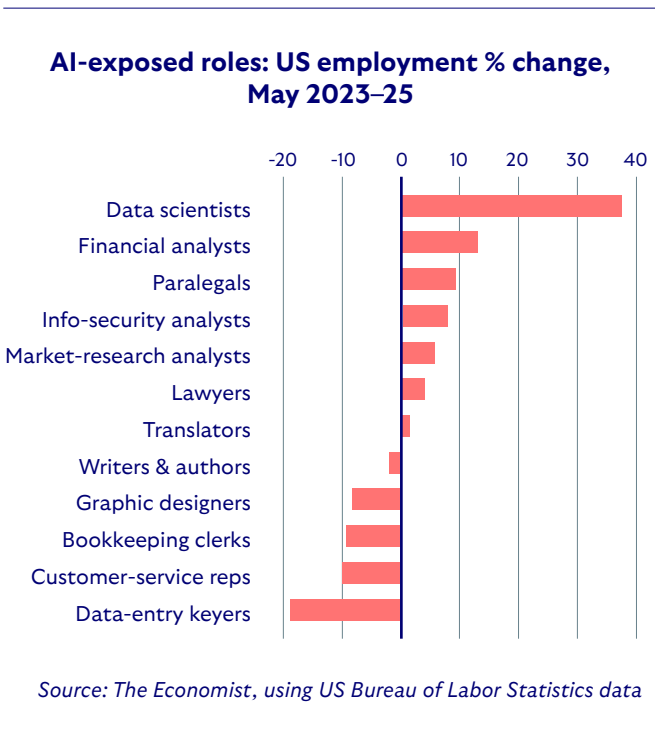
Work

Hybrid working remains common across the professional workforce. Hays’ 2026 Salary and Recruiting Trends research found that 45% of surveyed UK professionals work in a hybrid model, based on responses from more than 5,100 employers and professionals across 15 sectors¹¹.

AI and automation are changing roles across professional and business services. Skills England cites analysis suggesting that AI could increase UK productivity growth by 0.4 to 1.3 percentage points over the next decade. Within PBS, AI is increasingly used for recruitment screening, workforce management, legal review and contract analysis. While some routine activities are being automated, roles are also being redefined to require AI capability alongside continued human oversight¹².

This is evident within accountancy, as described by AAT: “Rather than replacing accounting professionals, AI is changing the nature of their work by automating routine and transactional tasks and increasing the importance of analysis, interpretation, business partnering and professional judgement.” CIPD similarly identifies growing demand for human skills such as creativity, critical thinking, collaboration and problem-solving as important complements to emerging technologies¹³.

In the US, analysis from The Economist shows how AI is reshaping PBS roles¹⁴.



Here in the UK, the Institute of Chartered Accountants in England and Wales’ (ICAEW) “Evolution of Mid-tier Accountancy Firms” report shows¹⁵:



Learning

Learning and skills policy is also adapting to changes in the workplace. In July 2026, the government announced plans for technical pathways from age 14, shaped around local growth sectors including AI and digital technology, reflecting the need for education to keep pace with the changing world of work in each region¹⁶.

Adult skills policy is becoming more locally directed. With 67.5% of the adult skills budget already devolved, Strategic Authorities can shape provision around local economic and learner needs. Local authorities, such as North Yorkshire Council, highlight the need to ensure that those who would benefit most from learning are able to access it, progress and see a clear connection between education, confidence and work. Adult learning can support this by providing accessible first steps back into learning and flexible routes into accredited study, employment and wider progression¹⁷.

As work and skills needs evolve, accessibility and flexibility in learning are also becoming increasingly important. Ofsted’s renewed inspection framework reflects this, with greater emphasis on how providers identify and address barriers to learning and wellbeing¹⁸. Flexible and inclusive curriculum models can help widen participation and support progression into further learning and employment¹⁹.

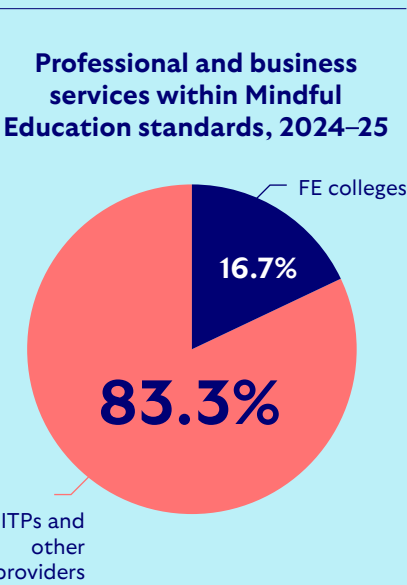
PBS apprenticeship market

In 2024-25, there were 49,281 apprenticeship starts across the Mindful Education portfolio of professional and business services standards.

The FE college share fell from 18.0% the previous year to 16.7%, showing that the provider profile has shifted slightly in favour of independent training providers (ITPs) and other providers.

The market may also be affected by the current review of apprenticeship funding bands. Skills England has been asked to identify standards widely used by younger apprentices where existing rates may not sufficiently support take-up by employers and providers.

Apprenticeship assessment reforms aim to create a more streamlined and proportionate system, reduce unnecessary bureaucracy and deliver better value²⁰. Revised plans aim to reduce duplication and administrative burden while maintaining rigorous assessment aligned with occupational requirements²¹. AAT supports this direction, noting that “The priority should be maintaining employer confidence in apprenticeship outcomes while creating a more streamlined learner journey.”



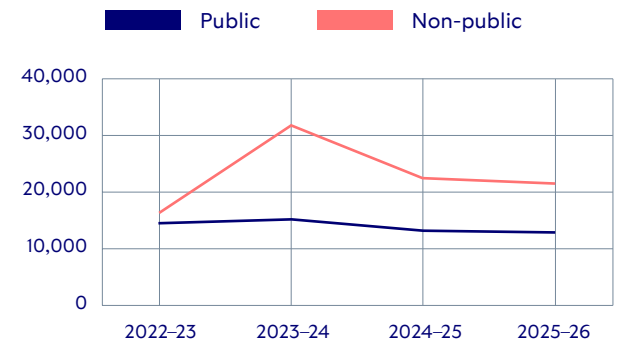
Professional and business services part-time adult market

The part-time adult qualifications market continues to support significant learner volumes, although the balance of provision has shifted. AAT Level 1–4 completions show non-public providers accounting for around two-thirds of completions in 2025–26, compared with just over half in 2022–23²². A third of all completions in 2025–26 were on a distance learning basis.

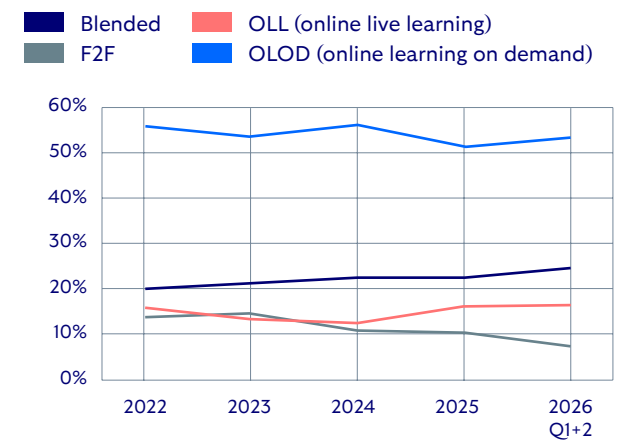
CIPD data shows the extent to which flexible delivery is now embedded within professional learning for their qualifications. In 2025, 90% of learners across the qualifications analysed studied through blended or online delivery, with 59% of those learners studying through online learning on demand (OLOD), compared with just 10% through face-to-face (F2F) delivery. This preference for flexible learning is evident across all CIPD qualifications analysed, from Level 3 through to Level 7, reflecting the importance of accessible learning models that can fit around work and other commitments²³.

The scale of completions demonstrates a substantial and established adult market for PBS qualifications. Activity spans both public and non-public provision, while the prevalence of distance, blended and online learning shows a market providing flexible delivery alongside work and other commitments as the norm.

AAT Level 1-4 UK AQ completions (2022–2026)



Aggregate delivery modes across all CIPD courses, 2022–2026



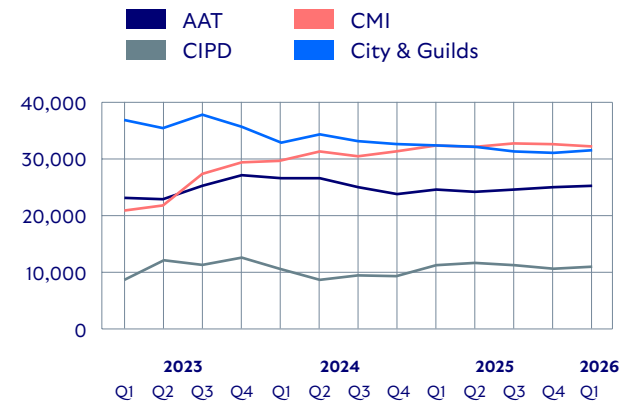
Skills and training – awarding organisations and professional bodies

Awarding organisations and professional bodies play a pivotal role in PBS, combining qualifications with professional standards, employer insight and extensive membership networks. Their close links to the professions they serve help maintain relevant skills pathways and recognised routes for career development.

Scale and professional reach

Between January 2023 and March 2026, approximately 1.3 million certifications were awarded across AAT, CMI, CIPD and City & Guilds within the Sector Subject Area 15: Business, Administration and Law²⁴. This sustained activity is supported by extensive professional membership and training networks, connecting qualifications with learners, employers and their respective professions. AAT’s own data also points to continued momentum, with 4% higher completion rates across all their qualifications combined compared with previous years²⁵.

Number of certificates issued from 1 January 2023 to 31 March 2026



AAT 152,000 members & students²⁵

CMI 234,125 membership community²⁶

CIPD 165,000 members²⁷

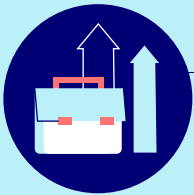
Qualifications aligned with the workplace

Close engagement with employers and practitioners helps specialist organisations align qualifications with workplace requirements. As AAT notes, “Qualifications must equip learners for long-term careers, not just immediate job roles”. CMI’s Professional Standard similarly draws on employer needs to define the skills and capabilities required of managers, while CIPD’s Profession Map, developed with input from 20,000 contributors, embeds professional standards within its qualifications and membership pathways^{28,29}.

Developing workplace skills

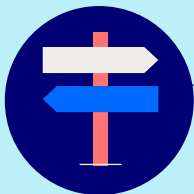
Employers continue to identify gaps between the skills young people bring to work and those needed in the workplace. City & Guilds found that 64% of businesses struggle to find candidates with skills such as communication, problem-solving and time management³⁰, while CMI highlights similar concerns around young people’s preparedness for work³¹. With over 1 million young people currently NEET, this reinforces the relevance of PBS qualifications and apprenticeships that combine technical learning with workplace skills and behaviours.

Conclusion



PBS as a growth sector

PBS employs around 5 million people and contributes nearly 12% of UK GVA, with significant demand expected across priority occupations.



Accessible entry points and professional pathways

Youth-focused funding and the new Level 2 Administration Assistant apprenticeship are reshaping entry routes across PBS and other industry sectors, while reinforcing the importance of clear progression pathways.



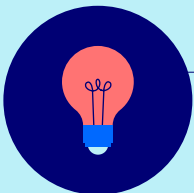
Evolving workplace skills

Professional roles are shifting towards greater analysis, judgement, communication and digital capability, as technology and automation enable greater efficiencies and productivity.



Flexible delivery is essential

Adult PBS learning is increasingly supported through distance, blended and online delivery, enabling learners to develop professional skills alongside work and other commitments.



Provider opportunity

Strong workforce demand, new entry routes and an established adult qualifications market create opportunities for providers to support learners entering, progressing and reskilling across PBS and the wider UK economy.



Acknowledgements

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Mindful Education
0203 6060 365
mindful-education.co.uk