Fintech Grows Up

Projections For The Year Ahead

How UK businesses can navigate AI transformation, open finance, embedded payments and regulatory change in the year ahead.

ASCENSOR®

Executive Summary

The UK fintech sector enters 2026 at a pivotal moment. After years of growth fuelled by cheap capital and digital adoption, the industry is maturing. The focus has shifted from expansion at any cost to sustainable profitability, regulatory compliance and operational resilience.

UK fintech revenue is expected to reach £34.7 billion in 2025-26. The sector employs over 76,500 people, with projections suggesting this will rise to 105,500 by 2030.
For now, London still remains the European hub, with nearly three-quarters of UK fintech jobs based in the capital, with Leeds providing strength in payments and financial services technology, building on its established financial sector presence.

But statistics only tell part of the story. The real transformation lies in how financial services are being delivered, consumed and regulated. Artificial intelligence is moving from experimental pilots to core operational systems. Open banking is evolving into comprehensive open finance. Embedded financial products are becoming invisible infrastructure woven into everyday transactions.

This document examines the forces shaping fintech in 2026 and what they mean for UK businesses.

Whether you operate in financial services, run a platform considering embedded payments or simply want to understand how money will move in the year ahead, these projections will help you plan strategically and act decisively.

Contents

The UK fintech landscape	1
AI transformation in financial services	3
From open banking to open finance	5
Embedded finance comes of age	7
Real-time payments and instant settlement	9
Digital assets and regulatory clarity	11
Cybersecurity and operational resilience	12
Market consolidation and profitability	14
Conclusion	15

The UK fintech landscape

The UK is home to approximately 2,500 fintech firms, accounting for 11% of the global industry.

Six of the top ten fintech companies ranked by Fintech50 have their headquarters in London. The sector generates a combined turnover exceeding £213 billion and has attracted more than £30 billion in investment funding.

This concentration of talent, capital and innovation makes the UK one of the world's most significant fintech markets.

But 2026 marks a transition from the growth-at-all-costs era to something more measured and sustainable.

A maturing market

The fintech funding landscape has evolved considerably. While overall investment remains strong, the nature of that investment has changed.

Mega-rounds now account for 40% of all funding, with average deal sizes more than 35% above 2024 levels, even as the total number of deals declines. This signals a market where investors are making fewer, larger bets on fintech companies that have demonstrated clear paths to profitability.

And the era of subsidising growth with venture capital is ending. Firms that cannot demonstrate sustainable business models are being squeezed out or absorbed.
This maturation brings opportunities for established businesses. The fintechs that survive and thrive will be those with genuine competitive advantages: superior technology, loyal customer bases, efficient operations and clear regulatory standing.

For traditional businesses considering fintech partnerships or integrations, this consolidation makes the landscape more navigable.

The serious players are becoming easier to identify.

Regional dynamics

While London dominates, with the City of London alone hosting 1,200 fintech companies employing 126,700 people and generating £146 billion in turnover, regional hubs are gaining momentum. Leeds, Manchester, Edinburgh, Newcastle, Bristol, Belfast and Cardiff are all developing distinct fintech ecosystems.

Leeds sits at the heart of what's increasingly called the "Northern Square Mile" — the UK's largest financial services centre outside London.

The city and wider Leeds City Region is home to over 100 fintech firms alongside more than 60 established financial institutions, with the sector contributing an estimated £711 million in GVA and employing close to 8,000 people directly in fintech roles.

Financial and professional services as a whole account for 40% of the city's economic output, with around 250,000 people working across the sector regionally. The Bank of England, Financial Conduct Authority, UK Infrastructure Bank and National Wealth Fund all have bases there, and other recent arrivals include GoCardless (which chose Leeds for its Northern Hub), LHV Bank, Recognise Bank, Global Shares and Yaspa.

For businesses outside London, this regional growth creates local partnership opportunities and access to talent that might otherwise relocate to the capital. Local fintech firms often have deeper understanding of regional business needs and can provide more personalised service than their London counterparts.

The hiring surge

London is forecast to see a 37% year-on-year rise in fintech vacancies in 2026, with development and engineering roles dominating.

Support roles are declining as automation and outsourced models take hold. This shift reveals a fundamental change in how fintech companies are structuring operations, prioritising innovation over maintenance.

Risk and compliance hiring is up nearly 26% year-on-year and now accounts for more than half of all banking roles in fintech. Credit risk roles have more than doubled, while fraud risk has climbed sharply. Financial crime specialists are particularly sought after, with hiring projected to jump by 50%.

This hiring pattern tells a clear story. Fintechs are investing heavily in the capabilities needed to operate at scale in a regulated environment. They are building sophisticated infrastructure to protect their operations while continuing to innovate. The companies succeeding in 2026 will be those that can balance technical excellence with regulatory compliance.

What it means for you

The UK fintech sector is no longer considered a 'Wild West' of disruption. It is an established, maturing industry with clear leaders and well-defined regulatory expectations. For businesses looking to partner with fintechs or integrate financial technology into their operations, this maturity is good news.

Due diligence is easier when you can assess profitability, regulatory standing and operational track record.
Partnership agreements can be more sophisticated when both parties understand the regulatory landscape. And the talent being hired into the sector, particularly around compliance and risk, means your fintech partners are increasingly capable of meeting enterprise-grade requirements.

The firms that will succeed in 2026 and beyond are those treating fintech as strategic infrastructure rather than experimental technology.

The question is no longer whether to engage with fintech but how to do so in ways that create lasting competitive advantage.

AI transformation in financial services

Artificial intelligence in financial services has moved decisively from experimentation to implementation.

A Bank of England survey found that 75% of UK financial services firms already utilise AI, with adoption spanning anti-money laundering, fraud detection, credit decisions, customer service and market surveillance. The AI in fintech market is projected to reach £30.72 billion globally by 2030.

But 2026 marks a specific evolution in how AI is being deployed. We are entering the age of agentic AI: intelligent systems that not only interpret data but make decisions, trigger actions and handle entire workflows without human intervention in the loop.

From copilots to agents

The distinction matters. Previous generations of AI in financial services acted as assistants, surfacing insights and recommendations for human decision-makers. Agentic AI systems are different. They can autonomously approve loans, reconcile transactions, flag compliance risks and even negotiate contract terms.

Predictive analytics now drives 60% of all loan decisions on digital lending platforms. Autonomous decision systems are handling risk scoring and fraud detection with speed and accuracy that human teams cannot match. AI-powered customer service handles 78% of queries without human intervention.

Major payment networks are preparing the infrastructure for this shift. Visa and Mastercard are expected to roll out standardised frameworks to support AI-driven transactions in 2026. Under these frameworks, a customer's AI agent will be authorised to browse, select and transact on their behalf in real time.

Your AI assistant will not just suggest a better insurance plan; it will be empowered to find, purchase and integrate that plan based on real-time data from your spending, investment and insurance accounts.

Governance and explainability

With greater autonomy comes greater scrutiny. The EU AI Act's high-risk system obligations take effect in August 2026, requiring financial institutions to map and remediate AI deployments with strict transparency and auditability requirements. While the UK is not bound by EU regulations, firms operating across both jurisdictions will need to comply, and UK regulators are watching closely.

The FCA has made clear that it does not plan to introduce extra regulations specifically for AI.

Instead, it will rely on existing frameworks around consumer duty, fairness and accountability. But the regulator has also signalled that AI providers critical to the financial sector could come within scope of the Critical Third Parties regime.

For businesses deploying AI, this means governance is not optional. You need to be able to explain your use of AI to regulators, demonstrating how risks have been identified, assessed and managed. The winners of 2026 will be platforms that can prove their AI decisions are compliant, explainable and secure, not just fast.

Data as foundation

The effectiveness of any AI system depends on the quality of data feeding it. Many organisations would struggle to implement more advanced AI use cases because they are hampered by legacy technology foundations and poor-quality data.

Flexible fintechs and challenger banks with real-time access to data have begun embedding AI into their business models to create real value.

This creates a significant competitive dynamic. The companies winning in 2026 are those that built their data architecture correctly from the start. If your customer records are fragmented across multiple systems, your transaction data is incomplete, or your compliance records are inconsistent, you will not be able to deploy AI effectively.

Before investing in AI capabilities, invest in data infrastructure. Clean, complete, accessible data is the foundation everything else depends upon.

What it means for you

AI is no longer a future consideration; it's a present competitive requirement. Firms not deploying AI for fraud detection, customer service and operational efficiency are already falling behind.

The shift to agentic AI creates both opportunity and risk. On the opportunity side, autonomous systems can dramatically reduce operational costs, improve customer experience and enable services that would be impossible with human-only teams.
On the risk side, autonomous systems that make poor decisions can create significant liability.

Start with low-risk domains where AI agents can prove their value: KYC triage, contract parsing, invoice matching, appointment scheduling etc.

Build governance frameworks that ensure your AI knows when to pause, explain or escalate. Design for trust, because in financial services, trust is the ultimate differentiator.

From open banking to open finance

Open banking in the UK now has over 16 million active users.

The number of open banking payments soared by 53% year-on-year. Open banking APIs processed 14 billion calls in 2024. What began as a regulatory requirement has become foundational infrastructure for modern financial services.

But open banking, which primarily covers current account data and payments, is just the beginning. The FCA has committed to publishing a comprehensive open finance roadmap by March 2026. This roadmap will extend consent-based data sharing beyond bank accounts to encompass mortgages, savings, pensions, investments and insurance.

The regulatory framework

The UK Government's National Payments Vision and the Data (Use and Access) Act 2025 are laying the groundwork for a comprehensive smart data economy. Full implementation of the Act is expected by June 2026. The FCA has also announced the establishment of a Future Entity, expected to become the UK's primary standard-setting body for open banking APIs.

In 2026, the Treasury is expected to introduce legislation giving the FCA new powers to set open banking rules. This will lay the foundations for a stable, long-term regulatory framework. The government has committed to encouraging and enabling smart data schemes, with an ambitious plan to launch at least 20 government-led smart data schemes by 2035, backed by £36 million investment from the Industrial Strategy.

This regulatory certainty is significant. Businesses can now plan investments in open banking and open finance integration, knowing the framework will be supported and developed for years to come.

Variable recurring payments

Variable Recurring Payments (VRPs) represent one of the most significant innovations within open banking. VRPs allow customers to securely authorise trusted third parties to take payments of varying amounts within agreed limits. They now account for 16% of all open banking transactions.

The first live payments under the UK Payments Infrastructure scheme are expected in the first quarter of 2026. VRPs offer a powerful alternative to Direct Debits and card-on-file payments. They provide greater flexibility for consumers and businesses while maintaining security through the open banking consent framework.

For businesses, VRPs could transform subscription billing, variable recurring charges and flexible payment arrangements.

A gym could charge members based on actual usage. A utility company could collect payments aligned with real-time consumption. A lender could adjust repayments based on the borrower's cash flow.

Consumer empowerment

Open finance promises unprecedented consumer control over financial data. When fully implemented, consumers will be able to share data from their mortgages, pensions, investments and insurance policies with authorised third parties. This enables holistic wealth management, personalised financial advice and products tailored to individual circumstances.

Traditional product boundaries will gradually dissolve as customers demand unified dashboards showing their complete financial position. A consumer will be able to see their bank accounts, investments, pension performance, mortgage balance and insurance policies in a single view, with AI-powered insights suggesting optimisations across the whole portfolio.

For financial services providers, this transparency creates both threat and opportunity. Providers with poor value propositions will be exposed when their products sit alongside competitors in a unified view.

But providers offering genuine value will have new channels to reach consumers and demonstrate their worth.

What it means for you

If you accept payments, open banking should be on your roadmap. Account-to-account payments offer lower costs than card payments, instant settlement and reduced fraud risk. As VRPs mature, they will provide flexible recurring payment options that customers increasingly expect.

If you provide financial products, open finance will reshape how you acquire and retain customers. Your products will be visible alongside competitors in aggregation services and comparison tools. Your only defence is genuine value: better rates, better service, better outcomes.

If you advise clients on financial matters, open finance will transform your ability to provide holistic guidance.

With consent, you will be able to see a complete picture of a client's financial life, enabling advice that considers their entire situation rather than just the products they happen to hold with you.

Embedded finance comes of age

The UK embedded finance market reached £17.6 billion in 2024 and is expected to grow to approximately £26.2 billion by 2030.

Rather than being a separate experience, financial services are increasingly embedded directly into the platforms and contexts where consumers and businesses already operate.

When you buy a sofa and are offered interest-free credit at checkout, that is embedded lending. When your accounting software offers to advance payment against outstanding invoices, that is embedded finance.

When your e-commerce platform provides instant settlement to your bank account, that is embedded payments.

The common thread is financial services meeting customers at the point of need rather than requiring them to seek out separate providers.

Banking-as-a-Service evolution

Banking-as-a-Service (BaaS) provides the infrastructure enabling embedded finance.
BaaS platforms allow non-financial companies to offer banking products by connecting to the regulated capabilities of partner banks through APIs. The model allows fintechs and brands to build financial products without obtaining banking licences themselves.

But BaaS has faced growing pains.
Regulatory interventions across multiple jurisdictions have highlighted vulnerabilities in the model, particularly around oversight of end customers and responsibility for compliance. The collapse of Synapse in the US served as a warning about the risks when BaaS relationships lack proper governance.

The UK market is adapting.
Traditional banks like Barclays and NatWest are extending their presence as embedded finance infrastructure providers through APIs and partnerships. Specialist BaaS providers like Griffin, which secured a UK banking licence specifically to offer BaaS and embedded finance, are entering the market with compliance-first approaches.

ClearBank's announcement that it has hit profitability demonstrates that the model can work sustainably.

Beyond payments

While embedded payments led the way, embedded finance is expanding into lending, insurance, investments and comprehensive banking. SAP has partnered with TransferMate to integrate B2B payments directly into its cloud ERP systems. Healthcare and education platforms are embedding financial services tailored to their specific user needs.

Embedded finance in 2026 is no longer about dropping a payment API into an app. It is a product strategy requiring the same investment in observability, compliance and fault tolerance as any regulated financial stack. Platforms must own the integration layer, not just plug in third-party services. If your BaaS provider fails an audit, so do you.

By 2026, over 50% of all consumer financial transactions will be embedded in third-party digital platforms, according to analyst projections. This represents a fundamental shift in how financial services are distributed and consumed.

Regulatory scrutiny

Regulators are catching up. In the UK, the FCA is scrutinising sponsor bank relationships and the control that platforms have over customer data, flow of funds and risk logic. PSD3, expected to come into effect in 2026 in the EU, will tighten regulation further. Embedded finance adopters will need to consider their BaaS providers carefully.

The days of launching embedded financial products with minimal oversight are ending. Platforms embedding finance need to demonstrate they understand and manage the risks. They need clear governance over customer journeys, complaint handling and regulatory reporting. Partnership agreements must clearly define responsibilities and liabilities.

This regulatory maturation is ultimately positive. It weeds out providers who cannot meet proper standards and provides clarity for serious operators planning long-term integration strategies.

What it means for you

If you operate any platform with customer transactions, embedded finance deserves consideration. Can you offer payment options that reduce friction and increase conversion? Can you provide financing that helps customers afford your products? Can you earn revenue from financial services that complement your core offering?

The key is choosing partners carefully. Look for BaaS providers with strong regulatory credentials, clear compliance frameworks and track records of successful partnerships. Understand exactly where regulatory responsibility lies and ensure your agreements reflect this clearly. Build the internal capability to monitor and manage the financial products you are offering, even if delivery is outsourced.

Embedded finance can create significant competitive advantage and new revenue streams. But it requires treating financial services with the seriousness they deserve, not bolting them on as an afterthought.

Real-time payments and instant settlement

The UK's Faster Payments Service processed 5.9 billion transactions in 2024. The total value of instant payments transactions globally is projected to reach £45 trillion in 2025. Real-time settlement is becoming the expected standard rather than a premium feature.

This shift has profound implications for cash flow management, treasury operations and business processes that have traditionally accommodated payment delays. When money moves instantly, many assumptions that are built into business models need reconsidering.

Infrastructure improvements

The UK's payments infrastructure continues to evolve. Cross-border rails are being strengthened, with SEPA and similar systems improving their reach and speed. The goal is a world where international payments move as quickly and reliably as domestic ones.

Traditional payment cards are facing pressure as account-to-account payments gain prominence. Open banking enables direct bank transfers that bypass card networks entirely, offering lower costs for merchants and often faster settlement. While cards remain dominant for consumer purchases, the economics are shifting.

For businesses, real-time payments mean cash flow can be managed with precision that was previously impossible. A retailer can see sales revenue in their account within seconds of a transaction. A supplier can ship goods immediately upon confirmation that payment has arrived. An employee can receive wages the moment their shift ends.

Treasury implications

Real-time liquidity visibility transforms treasury operations. Traditional treasury management assumed days of float between sending and receiving payments. That assumption no longer holds.

Companies with sophisticated treasury operations are redesigning their processes around real-time data. Cash positions can be monitored continuously. Investment decisions can be made with current information rather than end-of-day reports. Funding needs can be identified and addressed immediately rather than being discovered the next morning.
For smaller businesses, real-time payments reduce working capital requirements. When you know payment has arrived, you can confidently release goods or provide services. When you can pay suppliers instantly, you can often negotiate better terms. The cash conversion cycle shrinks.

What it means for you

If your payment processes assume delays, examine those assumptions. Where do you wait for payments to clear before taking action? Where do you maintain buffers because you cannot rely on payment timing? These areas represent opportunities for optimisation as real-time becomes standard.

Consider your payment acceptance options. If you primarily accept card payments, are account-to-account alternatives worth exploring? The cost savings can be significant, and for certain transaction types, the customer experience may actually improve.

Review your treasury and cash management practices. Tools and techniques designed for a world of delayed payments may be holding you back. Modern treasury platforms can provide real-time visibility and automation that was impossible even a few years ago.

Digital assets and regulatory clarity

Global crypto market capitalisation exceeded £2 trillion. Stablecoins processed over £6.6 trillion in the first half of 2025 alone.

The market for tokenised real-world assets surged to £18.6 billion in 2025, representing a 245x increase from 2020 figures. Digital assets are no longer a niche concern. They are increasingly integrated into mainstream financial infrastructure. The regulatory response is finally catching up, with 2026 likely to bring significant clarity to the UK framework.

Stablecoin regulation

The Bank of England launched a consultation on revised proposals for a UK regulatory regime for sterling-denominated systemic stablecoins in late 2025. This represents, in the words of the Deputy Governor for Financial Stability, a pivotal step towards implementing UK stablecoin rules in 2026. The FCA has also launched a regulatory sandbox cohort specifically for firms to test stablecoin products and services under the UK's evolving regulatory regime. A joint approach document from the Bank of England and FCA is planned for 2026.

Stablecoins are increasingly attractive for cross-border payments, offering faster settlement and lower costs than traditional correspondent banking. For businesses operating internationally, stablecoins may provide practical alternatives to expensive and slow traditional channels.

Asset tokenisation

Tokenisation of real-world assets, from commodities and real estate to fine wines and securities, is gaining significant traction. Smart, blockchain-based contracts automate transactions and settlements while recording ownership transparently.

Financial institutions including JPMorgan, Goldman Sachs and HSBC are applying digital asset technology to risk analysis and portfolio management. The UK's Digital Securities Sandbox, launched jointly by the Bank of England and FCA, is enabling regulators to curate the uptake of digital asset technology in financial markets.

For institutional investors, tokenisation opens access to asset classes that were previously difficult to access or required dealing with complex custody arrangements.

For retail investors, it promises fractional ownership of assets that would otherwise be out of reach.

What it means for you

The regulatory clarity emerging in 2026 makes digital assets more viable for mainstream business use. Stablecoins for cross-border payments deserve serious evaluation. Tokenised assets may become relevant for treasury diversification or investment portfolios.

But digital assets also carry risks that require careful management. Regulatory frameworks are still evolving. Technical complexity creates operational challenges. Custody and security requirements are stringent. Any engagement with digital assets should be approached with appropriate caution and expertise.

For most businesses, the immediate action is awareness. Understand how digital assets might affect your industry, your customers and your competitors. Build the knowledge base that will allow you to act decisively when the time is right.

Cybersecurity and operational resilience

Cybersecurity became the number one spending category for fintechs in 2025.

An overwhelming 88% of cybersecurity and information security leaders in the UK and US are concerned about state-sponsored attacks. Cybercrime costs are projected to reach £7.5 trillion annually.

The fintech sector handles vast quantities of sensitive financial data, making it a prime target for malicious actors. As the sector matures and handles more transaction volume, the stakes of a security failure increase proportionally.

Evolving threats

Nation-state actors are implicated in an expanding set of threats, with adversaries traced to jurisdictions including China, Russia, Iran and North Korea. These are not opportunistic criminals but sophisticated operations with significant resources.

AI is enabling bad actors to accomplish much more with fewer resources. Deepfakes can impersonate executives requesting urgent transfers. AI-generated phishing emails are increasingly difficult to distinguish from legitimate communications. Automated tools can probe for vulnerabilities at scale.

At the same time, AI is being deployed defensively. Machine learning algorithms can detect anomalous patterns that human analysts would miss. Automated response systems can contain threats in milliseconds. Predictive models can identify vulnerabilities before they are exploited.

Critical third parties

The Critical Third Parties regime formally came into effect in UK law on 1 January 2025, though implementation is ongoing. The regime recognises that financial services increasingly depend on concentrated third-party providers, particularly cloud infrastructure. A failure at a critical provider could have systemic implications.

The FCA has indicated that AI providers critical to the financial sector could come within scope of the CTP regime. As AI becomes embedded in more financial services operations, the providers of that AI infrastructure may face regulatory oversight.

For businesses using fintech services, this regime provides additional assurance that your providers are subject to appropriate oversight. For fintechs themselves, it creates compliance obligations that must be built into operational planning.

Operational resilience

The Digital Operational Resilience Act (DORA) in the EU sets stringent requirements for ICT risk management, incident reporting and operational resilience testing. UK firms operating in the EU must comply, and similar requirements are emerging in the UK regulatory framework.

Operational resilience goes beyond preventing breaches. It requires the ability to continue operating during disruptions, to recover quickly when incidents occur and to learn from each event. Testing, simulation and continuous improvement are essential.

For fintech firms, the imperative is twofold: defend now and modernise fast. The cost of neglect spans regulatory fines, operational failure and capital flight. Firms that align resilience programmes with strategic modernisation are best placed to survive and capture the next phase of growth.

What it means for you

Cybersecurity is not a technical problem to be delegated. It is a board-level strategic concern. Ensure your organisation has appropriate oversight of cyber risks, clear accountability for security outcomes and regular reporting on security posture.

Assess your third-party risks carefully. Where your fintech partners store data, who provides their infrastructure and what happens if a critical supplier fails are questions that deserve clear answers.

Invest in the basics. Multi-factor authentication, employee training, regular patching and incident response planning prevent the vast majority of successful attacks. Sophisticated threats get the headlines, but basic failures enable most breaches.

Market consolidation and profitability

Between 2014 and 2024, traditional banks completed 150 fintech acquisitions. Market maturation and economic pressures are expected to trigger significant further consolidation in 2026. The shift from growth to profitability is reshaping the competitive landscape.

Companies that raised capital at high valuations during the boom years are facing difficult decisions. Some will achieve sustainable profitability and justify those valuations. Others will seek acquisition or face failure. The weaker players are being eliminated, concentrating market share among survivors.

The profitability imperative

The higher base rate environment has transformed fintech economics. Interest income skyrocketed for those positioned to benefit. Monzo reported revenue growth of 147.5% in 2023-24, attributing success to favourable interest rates. Digital banks and lenders with deposit bases found themselves suddenly profitable.

But interest rates cut both ways. Higher funding costs squeezed margins for lenders without deposit bases. Customers moved savings to chase higher rates, disrupting assumptions about sticky deposits. Economic uncertainty dampened demand for discretionary financial products.

The net effect is a market where sustainable unit economics matter more than ever. Investors are no longer funding losses in pursuit of growth. Fintechs must demonstrate clear paths to profitability or face funding difficulties.

Strategic implications

Consolidation creates both challenges and opportunities. For businesses working with multiple fintech partners, there is risk that key providers may be acquired or fail. Due diligence on financial stability and business model sustainability becomes essential.

At the same time, consolidation often creates better partners. Acquirers typically have stronger balance sheets, broader capabilities and more mature operations. A fintech that was struggling independently may thrive as part of a larger group with access to resources and distribution.

For those considering fintech partnerships, the consolidating landscape means more serious conversations are possible. Mature fintechs are looking for sustainable revenue streams and long-term relationships, not just growth metrics to show investors.

What it means for you

Monitor the financial health of your fintech partners and suppliers. Understand their funding situation, their path to profitability and their strategic direction. Have contingency plans for scenarios where key providers are acquired or cease operations.

Consider whether consolidation creates negotiating opportunities. Fintechs seeking to demonstrate sustainable revenue may be more flexible on terms than they were during the growth-at-all-costs era. Enterprise contracts and long-term commitments may be more attractive to providers focused on predictable revenue.

If you have internal fintech projects or digital transformation initiatives, ensure they are evaluated on sustainable economics rather than hype. The lessons from fintech market consolidation apply equally to internal technology investments.

Conclusion

The fintech sector in 2026 is mature, sophisticated and essential infrastructure for modern commerce. The hype phase is definitely over. What remains is a serious industry with real technology, genuine regulatory frameworks and sustainable business models.

For UK businesses, this maturity creates opportunity. You can engage with fintech partners who have proven their models, demonstrated regulatory compliance and survived market consolidation. You can build on infrastructure that is standardised, documented and supported. You can make long-term strategic decisions knowing the regulatory framework is stable and evolving predictably.

To succeed in 2026

Embrace AI strategically.

Start with low-risk applications and build governance frameworks. The competitive advantage from AI is real, but so are the risks of poorly governed autonomous systems.

Prepare for open finance.

The FCA roadmap in March 2026 will set direction for the rest of the decade. Position yourself to benefit from enhanced data sharing and new payment mechanisms.

Evaluate embedded opportunities.

If you operate a platform with customer transactions, embedded finance could create new revenue streams and competitive differentiation. Choose partners carefully and ensure proper governance.

Optimise for real-time.

Review processes that assume payment delays. Instant settlement enables operational improvements that can create genuine competitive advantage.

Prioritise resilience.

Cybersecurity and operational resilience are not optional. They are fundamental requirements for operating in a digital economy.

Partner with survivors.

Market consolidation is eliminating weak players. Work with fintechs that have demonstrated sustainable business models and regulatory compliance.

The opportunity is clear.

UK fintech is growing, the regulatory framework is maturing, and the technology is proven.

Those that wait risk being left behind as competitors move faster.

The differentiator is execution. Most businesses know what they should be doing, but far fewer actually do it consistently, measure results and iterate based on evidence.

The businesses that master both strategy and execution will not only stand out; they will lead.

Ready to navigate fintech maturity?

Contact Ascensor to turn these fintech projections into a focused digital strategy for your business.

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