# London Financial Job Market Grows as AI and Fintech Drive Demand



London’s financial services sector continues to show resilience and growth, with job openings rising by 2 per cent in Q3 2025 and 9 per cent year-on-year, according to Morgan McKinley’s latest London Employment Monitor. The figures underline the capital’s enduring strength as a hub for financial careers amid economic uncertainty and accelerating adoption of artificial intelligence.

Mark Astbury, Director at Morgan McKinley, said the year-on-year growth signals upward momentum despite shifting market dynamics. While Q2 saw a slowdown driven by concerns over potential US tariffs, Q3 marked a partial recovery as firms resumed delayed hiring plans. However, with the UK’s Autumn Budget due in November, many businesses remain cautious, delaying rather than cancelling recruitment decisions.

Significant structural changes are reshaping the talent landscape. Administrative and junior roles are increasingly being relocated to regional centres like Belfast and Glasgow, driven by automation and centralisation. This has contributed to a drop in graduate hiring, particularly in insurance and other administration-heavy sectors. In contrast, London continues to dominate senior hiring—especially in technology leadership, corporate finance and AI strategy—as firms focus on high-value, strategic roles linked to regulatory change and digital transformation.

Fintech is a key driver of this growth. The sector has already posted 6,425 roles this year, surpassing last year’s total. This surge is fuelled by a five-year funding cycle and the commercialisation of AI platforms. London stands to benefit further from the £150 billion US–UK Tech Prosperity Deal, which aims to boost the UK’s digital economy, with the capital expected to capture the lion’s share.

Despite the positive trend, challenges remain. Banking and consumer finance firms continue to face consolidation pressures, with fewer vacancies due to cost-cutting measures. However, demand for back-office operational roles persists, driven by the need to manage automation, compliance and tariff-related complexities. Increases in employer National Insurance contributions and fiscal uncertainty ahead of the Autumn Budget also weigh on hiring confidence.

Earlier in 2025, Q1 brought a 12 per cent rise in financial hiring, but momentum was disrupted by geopolitical tensions and tariff uncertainty. This has led to a cautious approach to workforce planning throughout the year, with firms seeking to balance innovation with economic and regulatory headwinds.

Investment in AI continues to rise sharply. In 2024, financial institutions nearly doubled their AI spending, with 63 per cent now investing—up from 32 per cent the previous year. This is driving demand for professionals in compliance, risk, commercial and sales functions, particularly in fintech, where some firms report vacancy increases of over 200 per cent.

London remains a focal point for innovation and strategic hiring in the UK. Its leadership in AI-driven transformation and fintech growth places it in a strong position for continued success. However, the coming months will test whether government policy supports or constrains this progress, as employers and jobseekers navigate an evolving fiscal and technological landscape.

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## Bibliography

1. <https://employernews.co.uk/news/londons-job-market-stays-resilient-despite-budget-jitters-and-ai-shifts/> - Please view link - unable to able to access data
2. <https://www.reuters.com/business/world-at-work/fintech-ai-drive-london-finance-job-vacancy-growth-q3-recruiter-says-2025-10-13/> - In Q3 2025, London's financial sector job vacancies increased by 9% year-on-year, driven by a surge in fintech firms and rising demand for AI expertise, according to Morgan McKinley's London Employment Monitor. This growth reflects a rebound following a hiring dip earlier in the year due to trade tariff uncertainties. Employers have already posted 6,425 fintech roles this year, surpassing last year's total, underscoring the race to commercialize AI. Despite the positive momentum, concerns remain about potential tax hikes in the upcoming November 26 budget, especially after national insurance increases. The report also highlights a shift in the job market structure: while junior and administrative roles are increasingly moving to cities like Belfast and Glasgow due to automation, London continues to dominate in senior positions, particularly in technology, corporate finance, and AI strategy. However, the firm warns that graduate-level hiring is slowing due to ongoing automation trends.
3. <https://www.morganmckinley.com/uk/article/londons-job-market-stays-resilient-despite-budget-jitters-and-ai-shifts> - Morgan McKinley's latest London Employment Monitor reveals that job openings in London's financial services sector rose by 2% in Q3 2025 compared to the previous quarter and 9% year-on-year. This indicates a resilient market despite seasonal and economic challenges. Director Mark Astbury noted that while the quarterly rise is modest, the 9% year-on-year growth demonstrates London's upward job market trajectory amid AI impacts. The report also highlights structural changes, with junior roles being near-shored to hubs like Belfast and Glasgow, and automation reducing reliance on administrative staff in industries such as insurance. London continues to command senior and strategic roles, particularly in technology leadership, corporate finance, and AI strategy. The fintech sector is booming, with 6,425 roles posted year-to-date, surpassing last year's total, driven by the five-year funding cycle and the race to commercialize AI platforms.
4. <https://www.morganmckinley.com/uk/article/london-finance-hiring-rises-14-volumes-trail-2023-levels> - Morgan McKinley's 2025 London Employment Monitor indicates that job openings in London's financial services rose by 3% in Q2 2025 compared to the previous quarter and 14% year-on-year. Despite this growth, hiring volumes remain below 2023 levels, highlighting a recovery in progress but not yet complete. Director Mark Astbury commented on the rebound in London's financial services hiring, noting that while the start of the year brought renewed confidence, momentum has been tempered by global market volatility, tensions in the Middle East, and confusion around new US trade tariffs. The report also highlights that fintech continues to be a standout driver of growth, with strong demand for compliance and risk professionals. However, many firms remain cautious on headcount due to ongoing cost-cutting and economic uncertainty, and the government's decision to raise employer National Insurance contributions has impacted business confidence and hiring.
5. <https://www.morganmckinley.com/uk/article/ai-and-investment-trends-reshape-financial-job-market> - The 2024 Year in Review UK finance market trends report by Morgan McKinley and Vacancysoft highlights that AI and machine learning continue to reshape the industry, with a 98% year-on-year increase in AI investments. Nearly two-thirds (63%) of financial institutions now invest in AI, a substantial rise from 32% in 2023. The fintech sector led the growth in professional vacancies in 2024, posting a 44% year-on-year increase across the UK. This surge was driven by a rise in venture capital funding, widespread adoption of AI and automation, and the sector's ongoing fragmentation, which has fostered the emergence of new companies. Fintech has become a magnet for talent, particularly in commercial roles. Leading the charge, Wise Payments recorded a staggering 225% increase in vacancies, reaching 335 roles. In comparison, Ebury Partners posted a 148% rise to 286 roles, highlighting their success in scaling operations and capitalizing on international payments opportunities. Business development and sales roles dominated, accounting for 1,277 vacancies—a 54% year-on-year rise and 10% of all openings.
6. <https://www.morganmckinley.com/uk/article/uk-finance-sector-sees-seasonal-hiring-rebound-outlook-clouded-us-tariffs-and-global> - Morgan McKinley's latest employment figures suggest that the number of job openings in London's financial services rose by 12% in Q1 2025 compared to the previous quarter and fell 11% compared to the corresponding period last year. Director Mark Astbury commented that financial services hiring in London saw a 12% quarter-on-quarter increase between Q4 2024 and Q1 2025, reflecting the sector's typical seasonal rebound. However, this early momentum was quickly disrupted as global market volatility, tensions in the Middle East, and confusion around new US trade tariffs dampened investor confidence and curbed corporate risk appetite. The report also highlights that the UK's decision to raise employer National Insurance contributions has weighed on business confidence, with many companies remaining cautious about expanding their workforce amid ongoing cost-cutting pressures and economic uncertainty.
7. <https://www.morganmckinley.com/uk/article/london-employment-monitor-surge-in-job-seekers-londons-financial-service-jobs> - Morgan McKinley's latest employment figures suggest that the number of candidates looking for jobs has increased in London's financial services sector since Q4 2022. According to the company's recruitment monitor for Q1 2023, there was a 19% increase in the number of candidates looking for work and a 3% increase in jobs available compared to the previous quarter, despite an overall 31% decrease in jobs compared to Q1 2022. Managing Director Hakan Enver commented that the City's financial service industry is experiencing a surge in candidates, with a 19% rise in the first quarter of 2023, following recent setbacks in the financial sector, including redundancies and the collapse of Silicon Valley Bank and Credit Suisse.