HYMANS ROBERTSON

PERSONAL WEALTH

Protecting what you've built: family business resilience

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INTRODUCTION

Family businesses are built differently. They are shaped by long-term commitment, personal responsibility, and a desire to create something that lasts - not just for today, but for the next generation and beyond.

At the same time, the environment family business owners are operating in is becoming more complex. Rising costs, ongoing economic uncertainty, and a shifting tax and policy landscape are making it harder to plan with confidence. Decisions that once felt relatively straightforward – around investment, ownership, or succession - now carry greater weight and consequence.

At Hymans Robertson Personal Wealth, we work closely with families who are navigating these challenges every day. We see first-hand how resilience is not just about strong trading performance, but about having the clarity, structures, and plans in place to support good decision-making over the long term.

To better understand how family business owners across the UK are responding, we commissioned a survey of 500 family business owners in December 2025*. The findings reveal a picture of cautious confidence: businesses that feel resilient today, but are increasingly aware of the pressures ahead and the need to plan more deliberately for the future.

This report explores what family business owners told us – where confidence is strongest, where uncertainty is most acute, and where further planning could help protect what has been built. It also highlights practical considerations for strengthening financial resilience, managing transition, and ensuring today's success supports long-term continuity.

We hope these insights provide a useful perspective, and a prompt for reflection, for family business owners thinking about how best to navigate the years ahead.

Censuswide, December 2025

JEFF SIMPSON
Head of Wealth & Private Office Services
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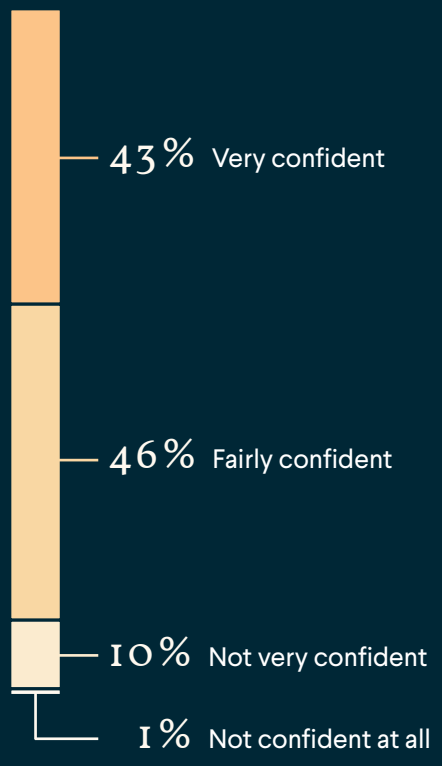
RESILIENCE IS STRONG – BUT INCREASINGLY TESTED BY COSTS AND UNCERTAINTY

Confidence remains high. Almost nine in ten (88%) respondents say they feel confident their business is well positioned to weather future economic and policy changes. This reflects the adaptability and experience that characterise many family businesses.

However, fewer than half (43%) describe themselves as very confident. For many, resilience appears to be grounded in experience and instinct rather than in formal planning frameworks that have been tested against different scenarios.

At the same time, underlying pressures are intensifying. When asked about the biggest threats to long-term resilience, rising costs and inflation dominate, cited by 66% of respondents. This is followed by tax and regulatory change (52%) and wider political or economic uncertainty (33%).

Together, these findings suggest that family businesses are not simply planning for short-term downturns, but are responding to sustained margin pressure and a more challenging operating environment.



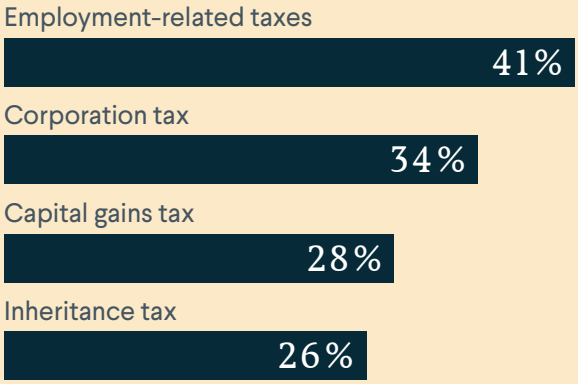
TAX AND POLICY CHANGE IS SHAPING DECISION-MAKING

Concern about tax and policy change is widespread. Nearly three quarters (73%) of respondents say they are concerned about the impact of upcoming changes on their business and family plans.

Employment-related taxes (41%) and corporation tax (34%) are the most frequently cited concerns, reflecting immediate cost pressures. However, longer-term taxes linked to ownership and exit – such as capital gains tax (28%) and inheritance tax (26%) - also feature prominently.

For many family business owners, this combination makes long-term decision-making more difficult. When the policy environment feels uncertain, choices around investment, ownership structures, and succession can feel harder to commit to, reinforcing the importance of forward-looking planning and scenario analysis.

COMMON CONCERNS:



PREPAREDNESS IS RELATIVELY HIGH, BUT NOT CONSISTENT

Most respondents feel reasonably well prepared to respond to tax or regulatory change, with 82% describing themselves as prepared. However, only 22% feel very prepared, while nearly one in five (18%) do not feel prepared at all.

This suggests that while many businesses have taken steps to respond to change, preparation is often partial. In practice, this may mean plans are understood but not documented, or assumptions have not been tested against less favourable outcomes.

For some, strengthening resilience may be less about starting from scratch and more about formalising existing thinking – clarifying triggers for action and ensuring plans remain fit for purpose as circumstances evolve.

22% Very prepared

60% Fairly prepared

16% Not very prepared

2% Not prepared at all

FINANCIAL HEALTH IS STRONG - BUT RESILIENCE IS CONCENTRATED

The majority of respondents (72%) describe their business's financial health as strong, with just 4% saying they are under pressure. This underpins the overall confidence seen across the survey.

However, financial resilience is often concentrated in the business itself. Only 21% of respondents say their family's assets are well diversified beyond the core business. While most have some diversification, 27% report limited diversification or being almost entirely invested in the business.

Strong trading performance today does not always translate into long-term flexibility. Where value is heavily concentrated, it can be harder to respond to unexpected events, support succession, or create liquidity when it is needed.

CASH FLOW AND COST CONTROL ARE IMMEDIATE PRIORITIES

When asked about priorities for strengthening resilience, respondents focus first on near-term financial stability:

45%	prioritise improving cash flow and liquidity
40%	focus on reducing costs or debt

Alongside these immediate concerns, a growing number are also taking steps to future-proof:

30%	want to reduce exposure to tax changes
26%	are focused on diversifying assets or investments
19%	are prioritising succession planning

This reflects the balancing act many family business owners are managing – addressing today's pressures while laying the foundations for long-term continuity.

BUSINESS VALUATION IS WIDELY UNDERSTOOD – BUT OFTEN INFORMALLY

Confidence in understanding business value is high: 90% of respondents say they are confident they know what their business is worth. However, only 32% have a recent, professional valuation, with the majority relying on an informal sense of value.

This gap matters. Valuation underpins many key decisions, from succession and tax planning to financing, investment, and exit discussions. Without a formal reference point, uncertainty can emerge at moments when clarity matters most.

Earlier, documented valuation can help support more informed discussions and reduce pressure when decisions become time-sensitive.

32% Very confident - Have had a recent, professional valuation	58% Fairly confident - Have had an informal sense of its worth
8% Not very confident - Haven't valued the business recently	2% Not confident at all - Unsure what it might be worth

SUCCESSION PLANNING IS PROGRESSING, BUT CHALLENGES REMAIN

Succession is clearly on the agenda. Nearly three quarters of respondents are either actively working on a succession plan (43%) or already have one documented (29%). However, almost three in ten (28%) are still at an informal stage or have not yet started.

The biggest barriers include uncertainty over tax treatment (33%), reluctance to step back from leadership (25%), family disagreements or differing ambitions (24%), and limited time or expertise (24%).

These challenges highlight that succession planning is rarely just a technical exercise. Emotional, governance, and tax considerations are closely linked, and progress often depends on aligning all three.

SUCCESSION PLAN PROGRESS:

Actively working on a succession plan

43%

Already documented

29%

Informal stage/not yet started

28%

CONFIDENCE IN THE NEXT GENERATION IS ENCOURAGING

More than three quarters (77%) of respondents are confident that the next generation is ready or willing to take on future ownership or leadership roles.

While confidence is not universal, many families see succession as achievable, particularly where there is clarity around roles, expectations, and development over time.

77%

Are confident in the next generation being ready to take on future ownership

ADVICE IS COMMON, BUT RARELY COORDINATED

Most family businesses engage professional advisers in some capacity. Sixty-eight per cent work with advisers, yet only 26% do so through a coordinated advisory team. The majority seek advice on a case-by-case basis.

Where advice is fragmented, it can be harder to see how individual decisions interact. A more joined-up approach can help ensure that tax, legal, investment, and succession decisions are aligned with both business and family priorities.

HOW FAMILY BUSINESSES ENGAGE PROFESSIONAL ADVISERS:

Coordinated adviser team (tax, legal, investment, etc.)

26%

Specific advice only, no coordinated team

41%

Managed internally

25%

Open to external support from an adviser

8%

WHAT FAMILY BUSINESS OWNERS SAY WOULD HELP MOST

When asked what support or clarity would most help secure the long-term future of their business, family business owners point to practical, actionable needs rather than broad reassurance.

The most commonly cited priorities are:

Investment or diversification planning	34%
Guidance on structuring family ownership and governance	33%
Clearer government policy and stability	32%
Specialist family business tax and succession advice	32%
Next-generation development or education	24%

These responses reinforce a consistent theme throughout the research: family business owners want clarity, coordination, and support that helps them make informed decisions in an uncertain environment.

WHAT FAMILY BUSINESS OWNERS SHOULD CONSIDER NEXT

Based on the survey findings, there are five practical areas family business owners may want to review:

1. STRESS-TEST CASH FLOW AND COST ASSUMPTIONS

Rising costs are the most immediate pressure. Scenario testing can help assess how the business would cope under different cost, tax, or revenue conditions.

2. CLARIFY EXPOSURE TO TAX AND POLICY CHANGE

Understanding how potential changes could affect both the business and the family can support more confident long-term decisions.

3. REVIEW DIVERSIFICATION AND LIQUIDITY

Where most value sits in the business, consider whether additional diversification or liquidity would strengthen resilience and flexibility.

4. FORMALISE BUSINESS VALUATION AND SUCCESSION PLANS

Documented valuations and succession plans can reduce uncertainty and support smoother transitions when change becomes necessary.

5. JOIN UP ADVICE ACROSS BUSINESS AND FAMILY PRIORITIES

Coordinated advice can help ensure that tax, legal, investment, and succession decisions are aligned, rather than addressed in isolation.

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