JOBS FOUNDATION

Family Businesses Polling: Assessing their post-Budget outlook and the impact of the forthcoming BPR changes

Whitestone Insight for
the Jobs Foundation

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What this report covers

Foreword 1

Matthew Elliott

President, Jobs Foundation

Family business are a key ingredient of our economic prosperity. As one business leader we spoke to put it, “family firms are the economic powerhouse of Great Britain.” They are set up with the objective of providing great products and a desire to provide for their families. They want to create and build.

Knowing how integral family businesses are to our economy, we commissioned a poll from Whitestone Insight, to properly understand their views and see how their particular challenges are impacting them. With the results in, it is clear that their mood is dire. Eighty per cent feel like the Government doesn’t understand what it is like to run a business, and more than three-quarters think successive governments have lacked the ambition to make the UK a really great place to do business. In fact, family businesses are far more likely to think that the 1970s were a better decade for their tax and regulatory environment compared with the 2020s.

Whilst the Government has enacted a partial U-turn, changes to Business Property Relief may be the final nail in the coffin for many family businesses. With only 11% knowing a lot about the changes – of whom a majority say it will impact their plans – there is much more negative news to come as other family businesses learn more about it.

Without properly incentivising businesses to set up and remain in the UK, the country's long-term economic prosperity is at risk. As Richard Ashness, chairman of Jardox, a food manufacturer, told us: “If they are not incentivised to grow, where is growth going to come from?

Foreword 2

Andrew Hawkins

CEO, Whitestone Insight

This report is rooted in both data and lived experience. As founder of the research consultancy that conducted this survey, I have spent my professional life analysing the attitudes and experiences of British businesses. But I have also felt personally the changing climate in which those businesses operate.

Running a family enterprise in Britain has become steadily more difficult. Economic pressures have intensified, margins have tightened, and the political and regulatory environment has grown markedly less hospitable. Family businesses today navigate a landscape shaped by rising employment costs, increasingly complex regulation, and a tax system that often feels more punitive than supportive of long-term investment, savings, and entrepreneurship.

Yet such businesses are truly the lifeblood of our economy and sustainers of our communities. This survey shows that most hard working business owners are driven not by the desire to get rich but by the desire to create something which improves other people's lives and to put food on their family's table.

The Jobs Foundation is to be commended for giving voice to these businesses. Running a business can be a lonely enough task without the added burden of feeling that those in government who are making the rules misunderstand your motives or pressures. This report articulates a message ultimately of aspiration: a desire for a state that backs enterprise, rewards risk and is genuinely ambitious for Britain's economic future.

Foreword 3

Donald and Kiran Fothergill

Chairman and Executive Vice Chairman, Pickerings Lifts

For us, business is more than a balance sheet - it is in our blood. Leading a firm founded in Middlesbrough in 1854, Kiran Fothergill (Executive Vice Chairman) is the 6th generation working in the business. Family firms are not just commercial entities but community pillars offering stability, dignity, and opportunity. We welcome staff into an extended family, investing in British talent with a view measured in decades, not financial quarters. In our 172 years on Teesside, generations of families have grown up in the business; one father and son served 99 years between them.

However, the engine room of the UK economy is sputtering. We worked with the Jobs Foundation to poll family business owners, and the results are stark. It is deeply concerning that 80 per cent of owners feel the Government does not understand the reality of business, while three-quarters believe Westminster lacks the ambition to make Britain competitive.

Most worryingly, despite partial and arbitrary recent half U-turns, the changes to Business Property Relief (BPR) and Agricultural Property Relief (APR) continue to threaten the vital connection between reward and effort. These punitive changes risk becoming the final nail in the coffin for multi-generational firms. Family businesses make up the majority of SMEs that are 60% of our GDP; the potential loss caused by assaults on BPR would be catastrophic.

If we want a country where enterprise builds social mobility, we must stop penalising those who take risks. If family businesses are not incentivised to stay and pass on their legacy, the loss to our communities will be incalculable.

About this project

How the research was conducted

Quantitative - Polling

- Whitestone Insight surveyed **1150 family businesses and family farmers** between 28th November and 5th December 2025. Those surveyed in the online poll were either owners of family businesses and family farms or they have significant decision-making power over those businesses. The businesses were weighted by sector, according to the ONS sectoral breakdowns.

- The full tables can be found at www.whitestoneinsight.com. Whitestone is a member of the British Polling Council and abides by its rules.

Qualitative - Interviews

- Whilst we didn't conduct any formal focus groups (this is something we may do in the future), we also also asked a set of leading family business owners their perspectives on the family business environment. These included:
  - **Richard Ashness**, Chairman of Jardox Ltd, a family food manufacturing business
  - **Steve Rigby**, Co-CEO at Rigby Group, a family technology business
  - **Andrew Lynas**, Group Managing Director of Lynas Foodservice, a family food manufacturing business
  - **Denys C Shortt OBE**, Chairman at DCS Group, a family distributor business
  - **Charlie Pragnell**, Director of Pragnell Jewellery, a family jewellers
  - **Dawood Pervez**, Managing Director at Bestway Wholesale, a family wholesale business
  - **Christopher Nieper OBE**, CEO of David Nieper, a family clothing business
  - **Carl Richardson**, Director, RCL Partners, a multi-asset investment management firm and property developer

1. Executive Summary

Family businesses on the brink – and BPR is set to be an even bigger setback than feared

- Family businesses are foundational to the UK economy. They employ the majority of those in the private sector and have become staples of national life. PG Tips, Poundland and Wetherspoons all started out as small family businesses.

- Today, their view of the UK economy is dismal. 78% are pessimistic about the UK's prospects in 2026 and just 17% would advise a young entrepreneur to set up in the UK.

- This is not a partisan point given that more than three-quarters say that successive governments have lacked the ambition to make the UK a really great place to do business and 43% do not trust any party most to help their business to thrive.

- The picture has worsened in recent months. By a ratio of more than 20:1 they think recent Budgets will harm their businesses and 80% vs 12% agree that they feel the Government doesn't understand what it's like to run a business, with a majority agreeing that the last Budget severs the link between reward and effort.

- The changes to Business Property Relief coming in April look set to be an even bigger setback than feared. A majority (53%) of those who know a lot about them saying it will have an impact on their future plans. Given 89% do not yet know much about the changes, an already pessimistic picture appears about to get worse.

- Family businesses know what measures would change the equation, with 47% saying bringing down business energy costs, 38% saying reversing the rise to Employers NICs, and 32% saying being able to pass their business on without penalty.

- Overall, then, it is clear the Government needs to listen to the concerns of family businesses as they look to reprioritise their mission to grow the economy.

2. Definitions

What counts as a family business?

One of the following was true for each family business polled:

- A majority of ownership (50%+) is held by one family or a small number of related family members
- One or more members of the same family are actively involved in management or daily operations
- The business identifies itself as family-owned or family-managed

"Family business makes up the bedrock of our regional communities."
Steve Rigby, CEO of Rigby Group.

2. Definitions

What role do family businesses play in society?

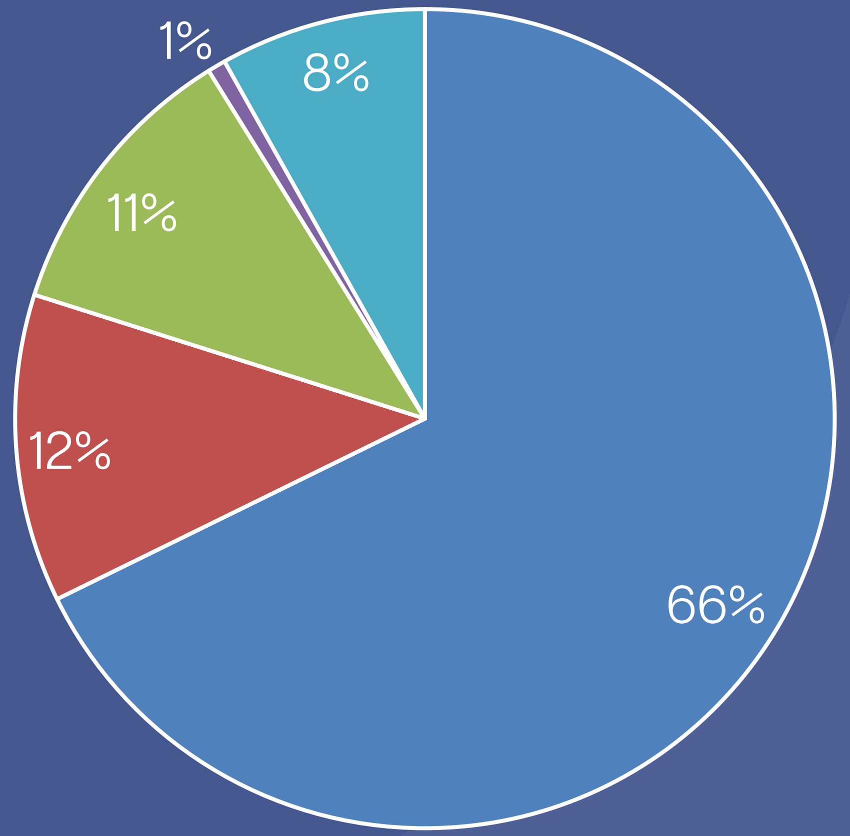
- Oxford Economics estimated that there were 4.8 million family businesses in the UK in 2020, 85.9% of all private sector businesses. They also estimated that family businesses employed 13.9 million workers, 51.5% of all private sector employment.
- In 2025, according to official statistics from the Government, there were 5.7 million private sector businesses of which 5.64 million had between 0 and 49 employees. According to the same statistics, 99.9% of all businesses have fewer than 250 employees.
- As a result, while SMEs provide around half of employment in the UK, there are far more of them as a proportion of businesses.
- As one of the business leaders we spoke to put it, "most large business in Britain started out as family business."

- Source 1: The State of the Nation The UK Family Business Sector 2021-22, Oxford Economics and IFB Research Foundation, 2022.
- Source 2: Business population estimates for the UK and regions 2025: statistical release, Department for Business and Trade, 2025.

3. Motivations

Family business owners are self-starters

Which of the following best describes how your business was originally established?



- I founded it myself
- It was founded by an earlier generation of my family (e.g., parent, grandparent)
- It was founded by another family member of my generation (e.g., sibling, spouse)
- It was founded by a wider or extended family member (e.g., cousin, uncle/aunt)
- It was originally founded outside the family and later acquired by us

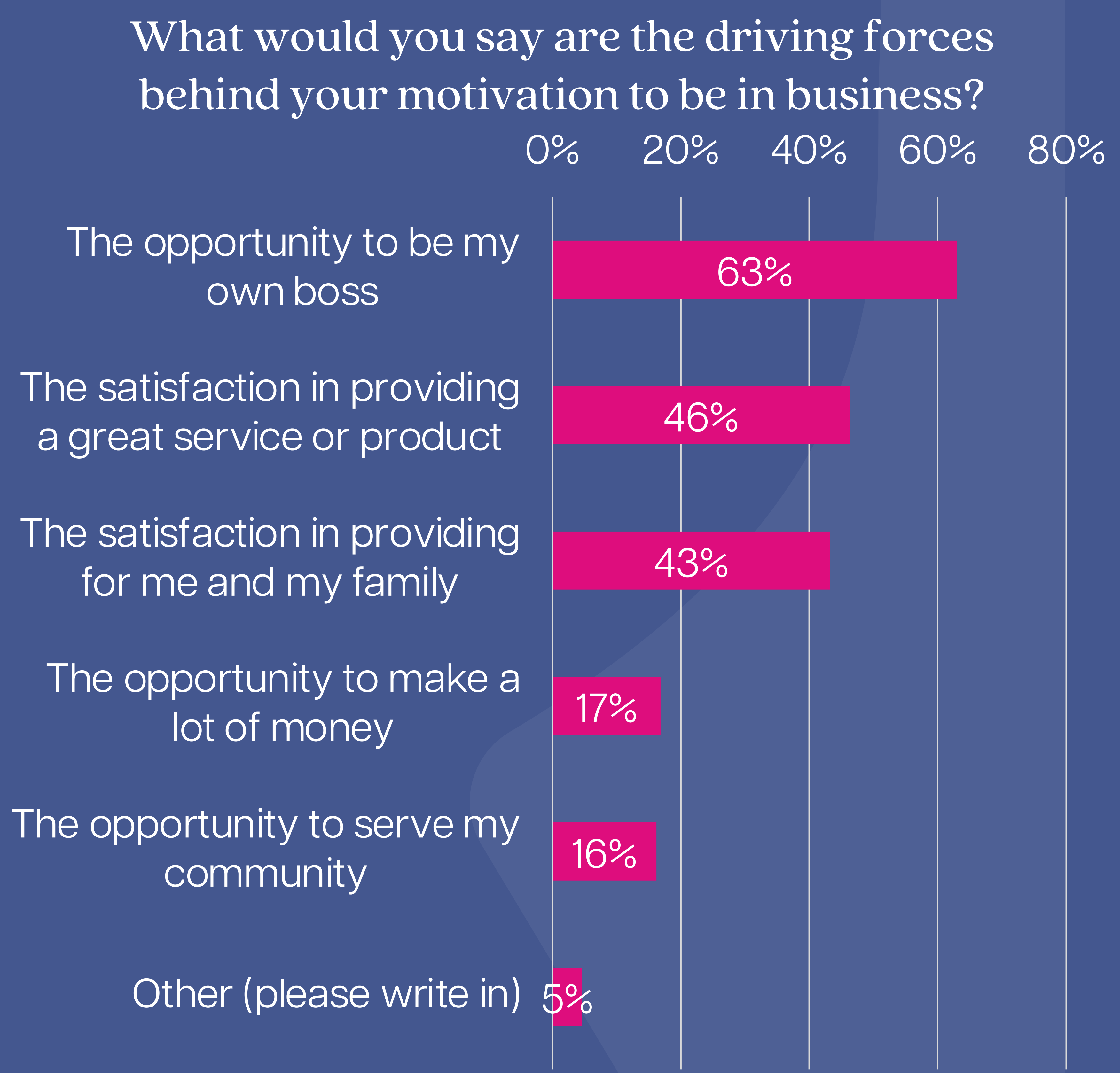
- Two-thirds (66%) of family business owners founded the business themselves, with 23% founded by another family member or a previous generation.

- Hospitality businesses are slightly less likely to have founded the business themselves, with 57% having founded it.

The environment for family businesses is *"increasingly unrewarding in comparison to the effort required and entirely unnecessarily so."* Charlie Pragnell, Director of Pragnell Jewellery

3. Motivations

Being own boss top motivation for being in business - making a lot of money ranks far below



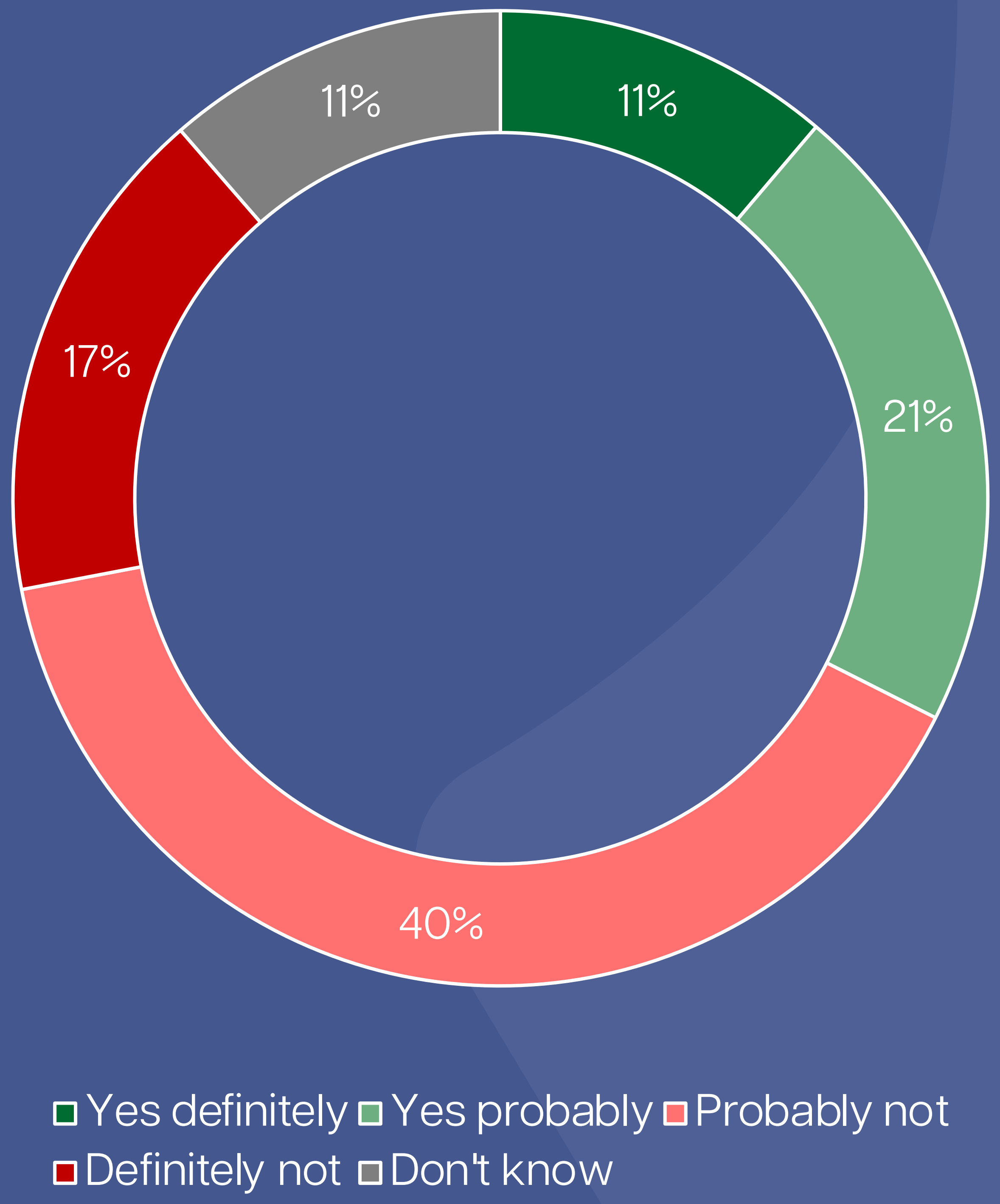
- Despite popular perceptions of business motivations, the opportunity to make a lot of money is low down the list of drivers for being in business (17%).
- Far higher were the opportunity to be your own boss at 63%, with the satisfaction in providing a great service or product and in providing for me and my family not too far behind at 46% and 43% respectively.

Family businesses *"care more deeply about their staff. People aren't just a number on a payroll – they're known by name."*
Andrew Lynas, Group Managing Director at Lynas Foodservice

4. Succession Planning

A third of family businesses expect to pass the business on to a family member

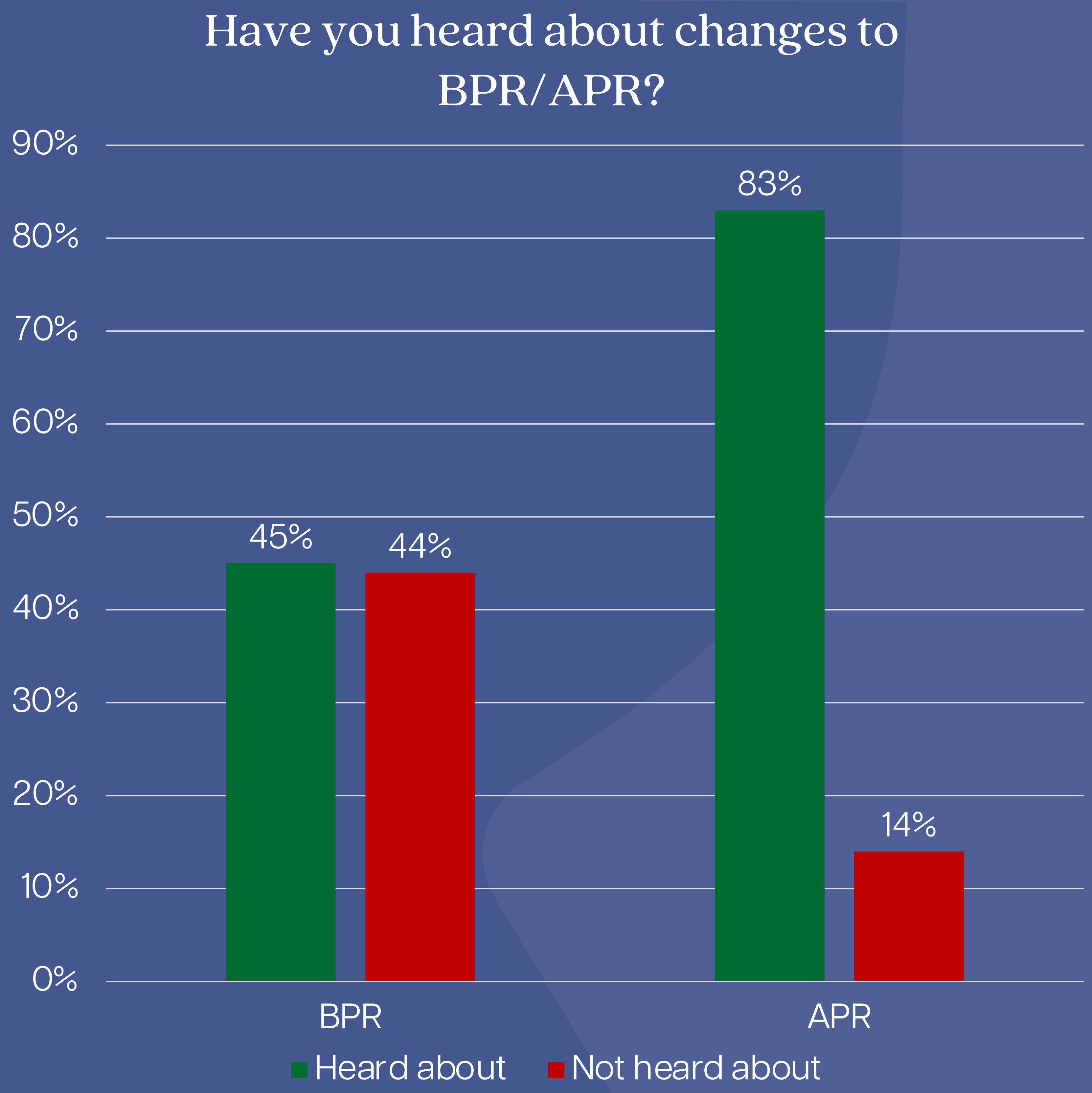
Do you expect your business will one day be passed on to a family member?



- One third (32%) of family businesses expect to pass their business on to a family member.
- The likelihood of expecting your business to be passed on to a family member falls with age with 47% of 30-39 year-old family business decision-makers expect the business to be passed onto a family member, falling back to 32% among 65-74 year olds.

"We have for 31 years been growing our business with the aim to pass it on through generations."
Denys Shortt, Chairman of DCS Group

Agricultural businesses twice as likely to know about APR changes



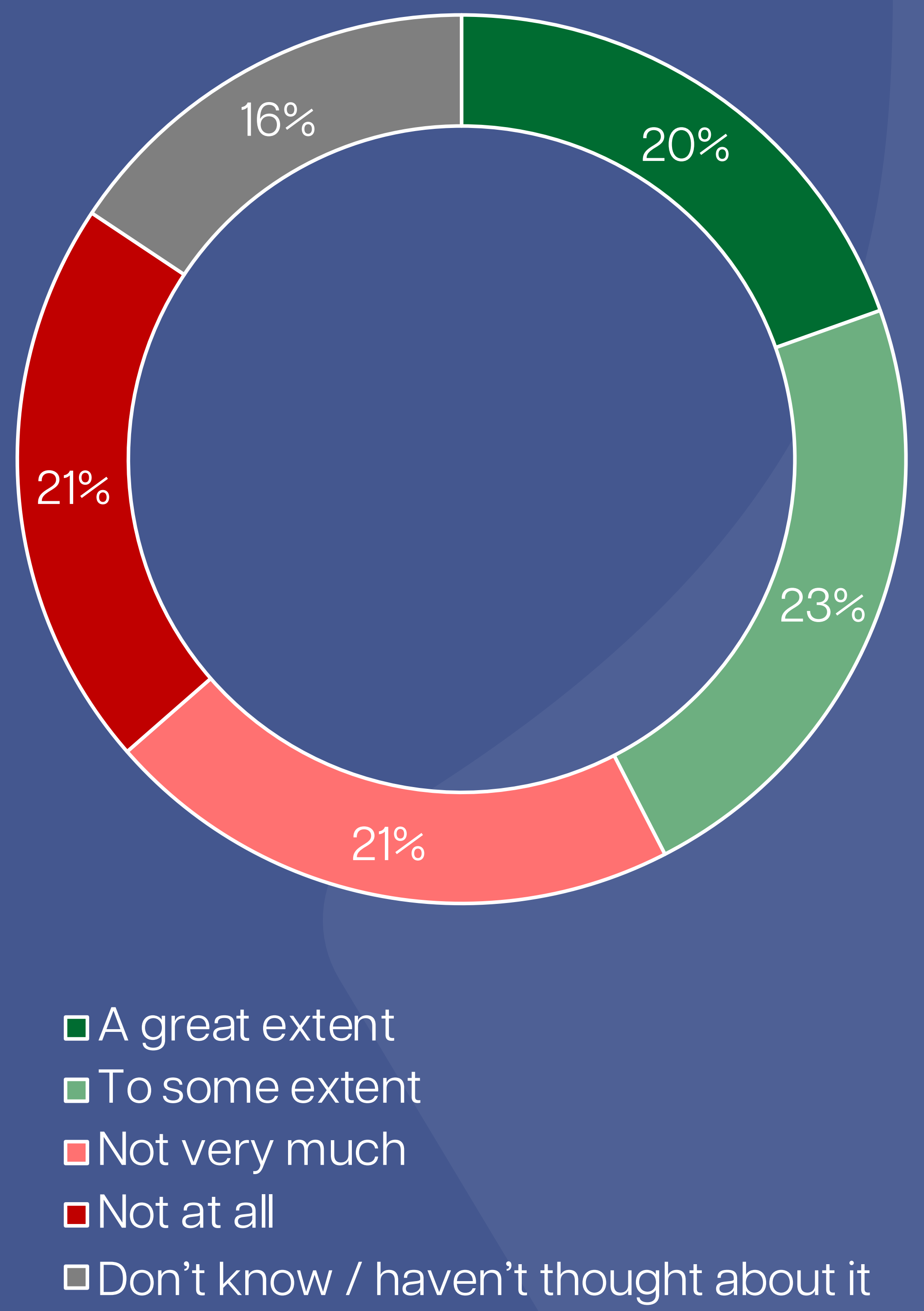
- Agricultural businesses are around twice as likely to have heard about the APR changes as family businesses are to have heard of the BPR changes, with more than 8 in 10 (83%) of agricultural businesses having heard of changes to APR but only 45% of family businesses have heard about the changes to Business Property Relief coming into effect in April.

- Almost as many family businesses say they have not heard anything at all about the changes (44%) and of those who have heard something about the changes, around two-thirds say they don't know very much about them.

4. Succession Planning

More than 2 in 5 say that the current IHT regime has an impact on their business planning

Does the current IHT regime impact your business?



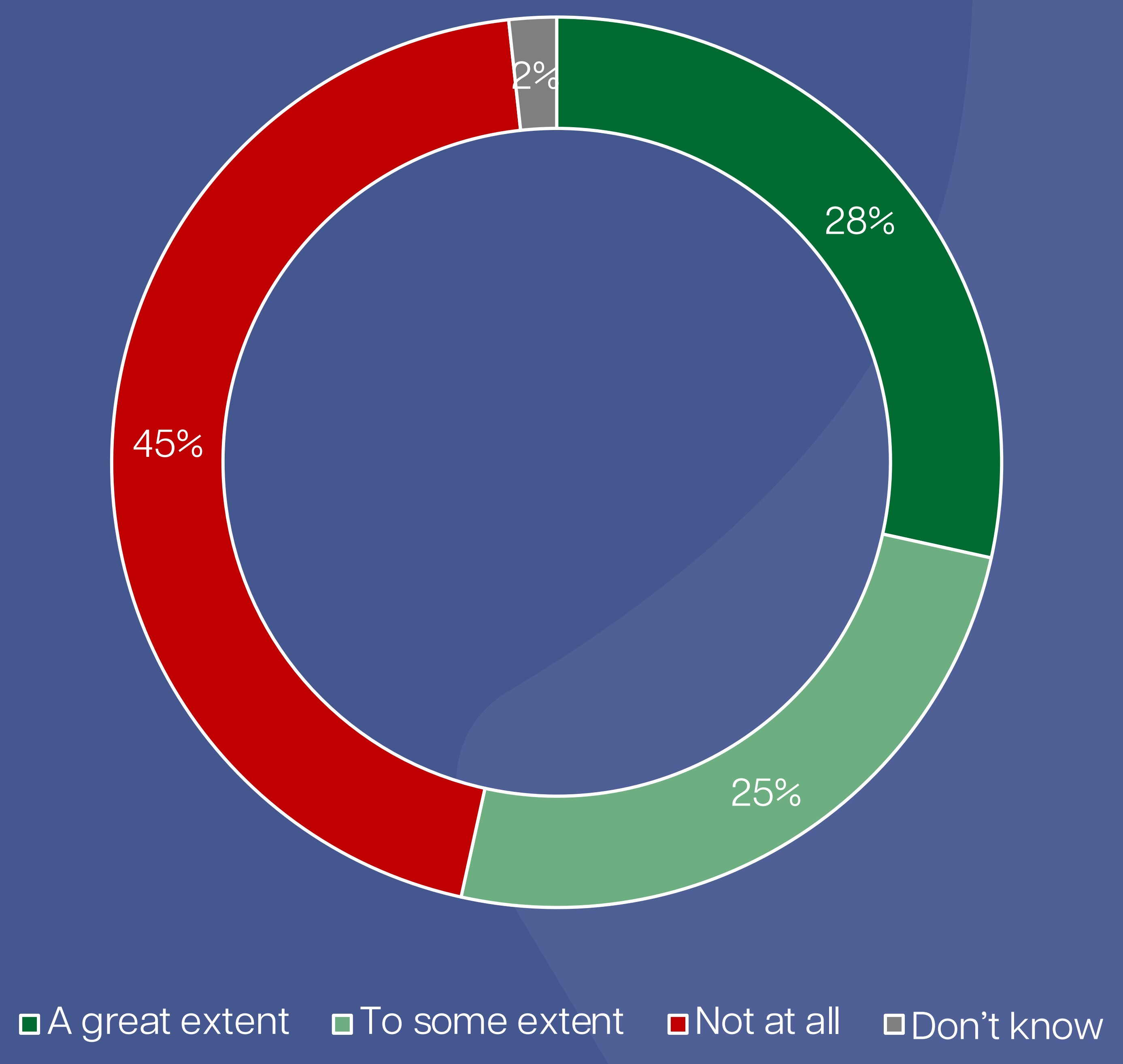
- 43% say that the current Inheritance Tax regime has a significant impact on their succession planning, even before recent changes are taken into account.
- As you may expect, there is a greater impact as decision-makers in family businesses age, with an impact for 35% of 30-39 year olds and 49% of 65-74 year olds.
- It also plays a larger role for those in agriculture (76%).

"The incentive to build for the long term has gone"
Christopher Neiper, CEO of David Nieper

4. Succession Planning

A majority of those who know a lot about the changes say it will affect their future plans

(Of those who have heard a lot about the BPR changes)
To what extent will BPR changes impact your business plans?



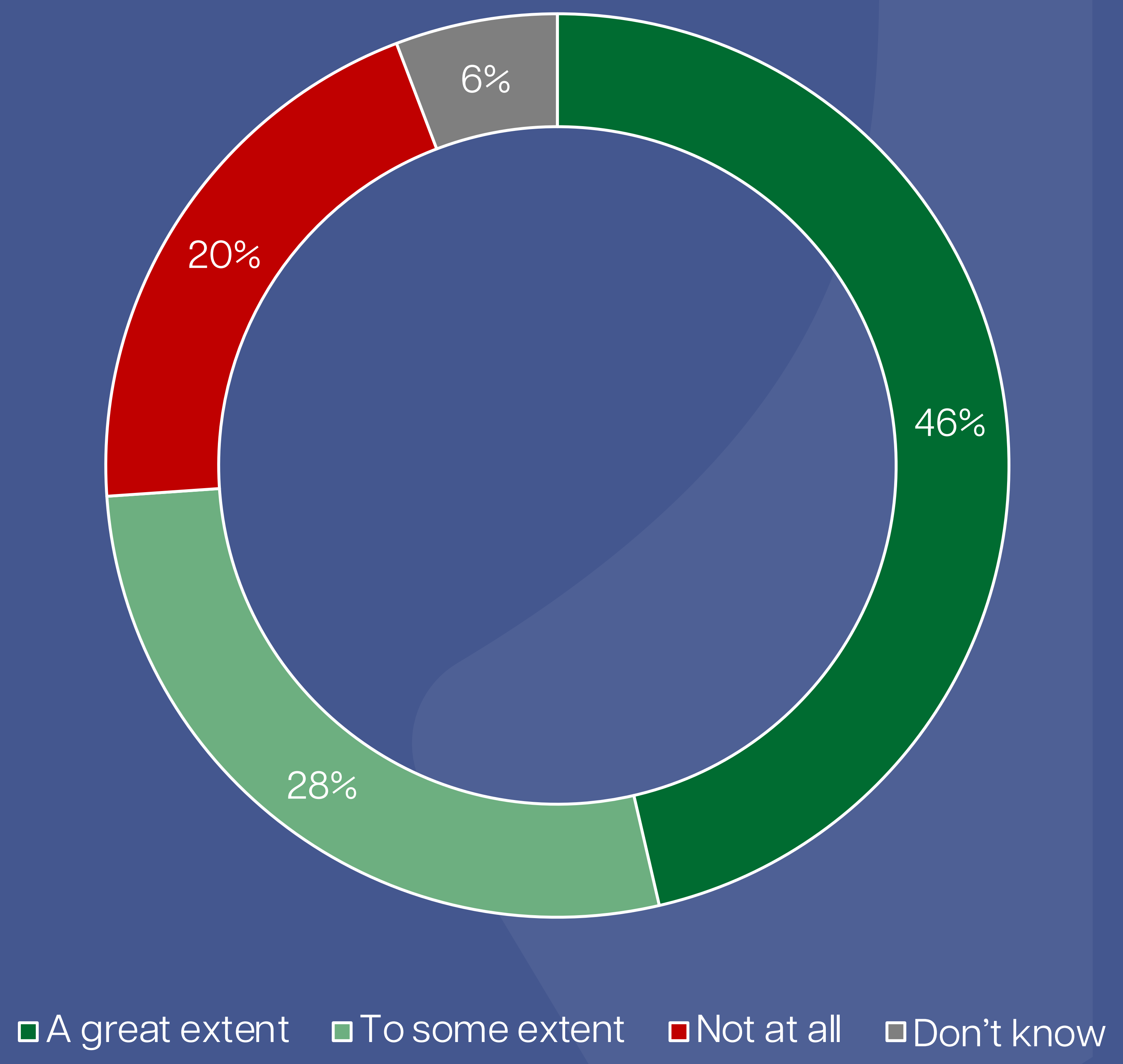
- Of those who were aware of the changes and know a lot, 53% say that it will likely affect their future plans.
- Those businesses who know more about the changes are more and more likely to think they will impact their future business plans, with 11% among those who have heard nothing thinking it will impact them rising to 28% among those who have heard about the changes but do not know much.

"It would be naïve, and frankly foolhardy, to think that recent changes to Business Property Relief are not already influencing planning decisions across the economy."
Andrew Lynas, Group Managing Director at Lynas Foodservice

4. Succession Planning

APR changes are well-known by businesses impacted and will negatively impact future plans

Will APR changes impact your future plans?



- Almost three-quarters (74%) of family farms say that the changes will affect their future business plans, with just 20% saying that it will not affect their plans.
- This show how strongly the changes to Agricultural Property Relief are cutting through with agricultural businesses and just how significant an impact they will have on agriculture businesses.
- 86% of those who know a lot about it say it will impact their future plans.

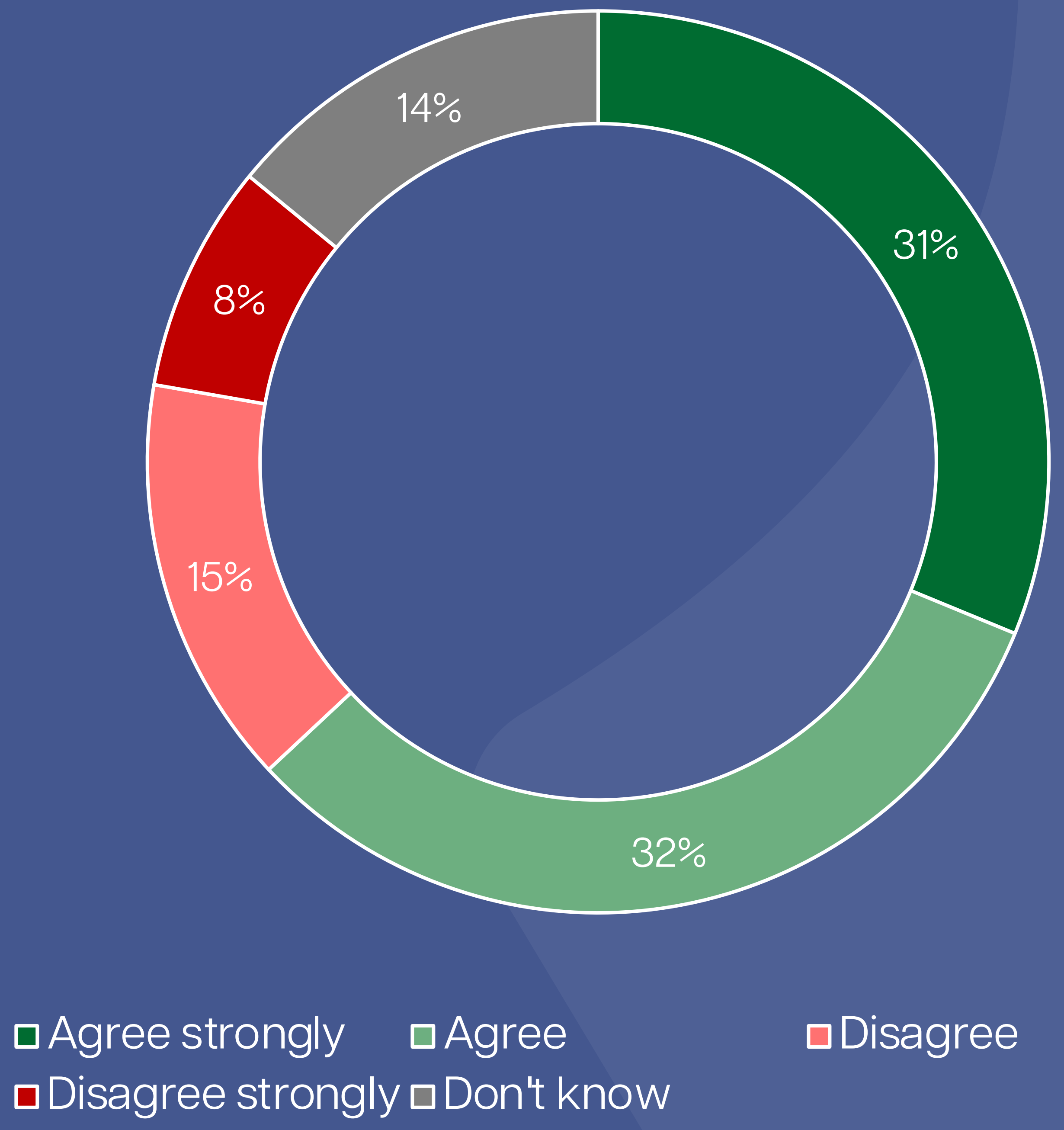
"The thought of handing down our farm has gone away with the change in tax on APR. Our kids would have to sell to pay the tax bill. So that's 35 years of hard graft growing it – and it ends."

Denys Shortt, Chairman of DCS Group

4. Succession Planning

Almost two-thirds agree it's demoralising they cannot pass on as much to their successors

Knowing that I can't pass on as much of my business or wealth to my successors is demoralising



- Almost two-thirds (63%) agree that it is demoralising that they cannot pass on as much of their business to their successors.
- This understandably got more demoralising for older family business decision-makers, particularly with those in the South West (69%) and the North West (67%).
- Those in construction or property found it particularly demoralising too, with 74% agreeing.

5. Government Policy

20x as many family businesses say they will be harmed rather than benefit from recent Budgets

Do you think Chancellor Rachel Reeves's two recent Budgets will benefit or harm your business, or will they have no impact?

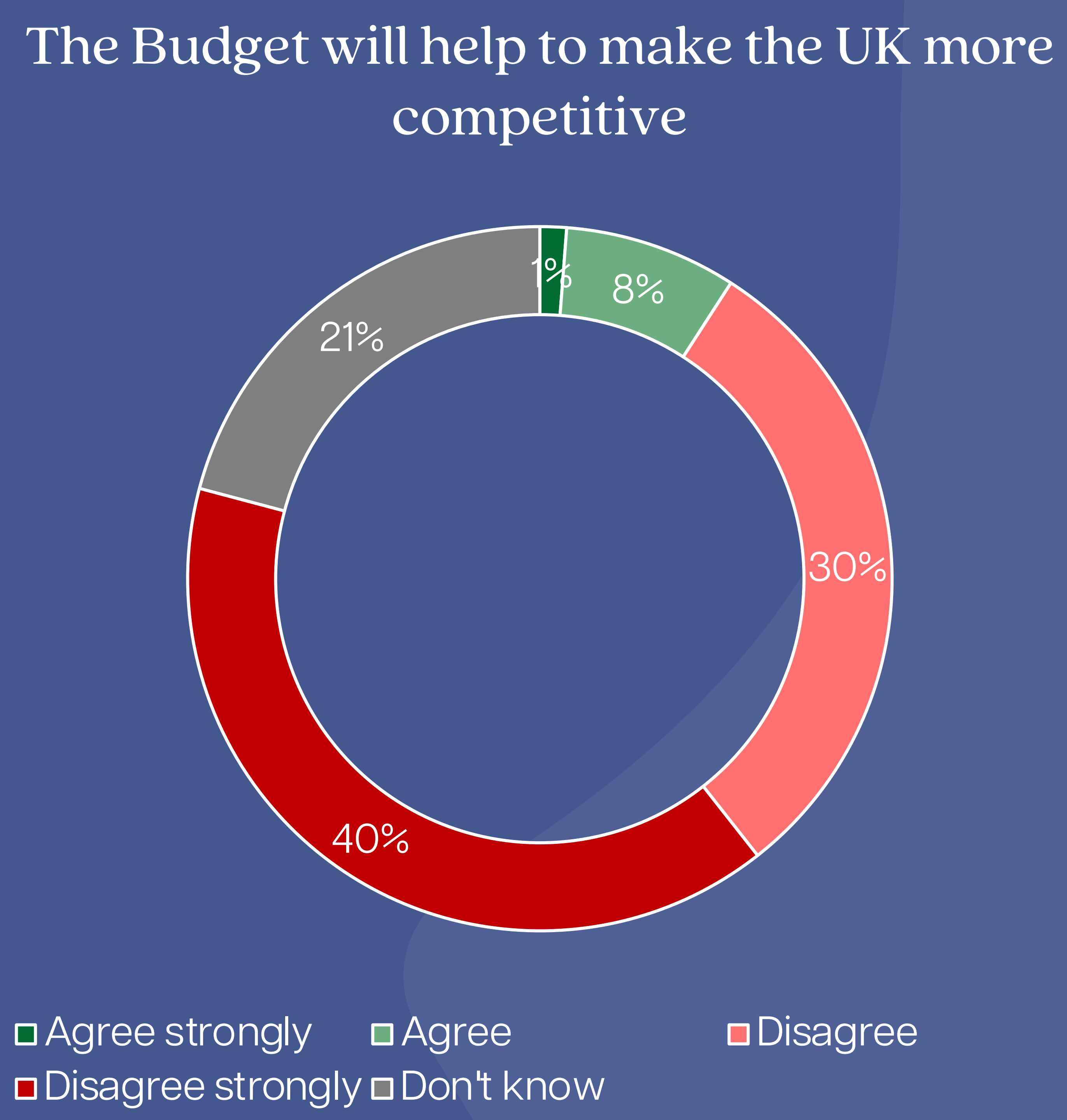
- Only 3% say they will benefit, with 64% saying it will harm their business.
- 20% say it will have no impact, while 13% don't know.
- Only 1% say they will benefit greatly.

"The 2024 Budget added £1m to our costs of employing people…anti-business policies and uncertainty caused by Government announcements have resulted in subdued demand for all types of business."

Richard Ashness, Chairman of Jardox

5. Government Policy

7 in 10 think the Budget won't make the UK more competitive



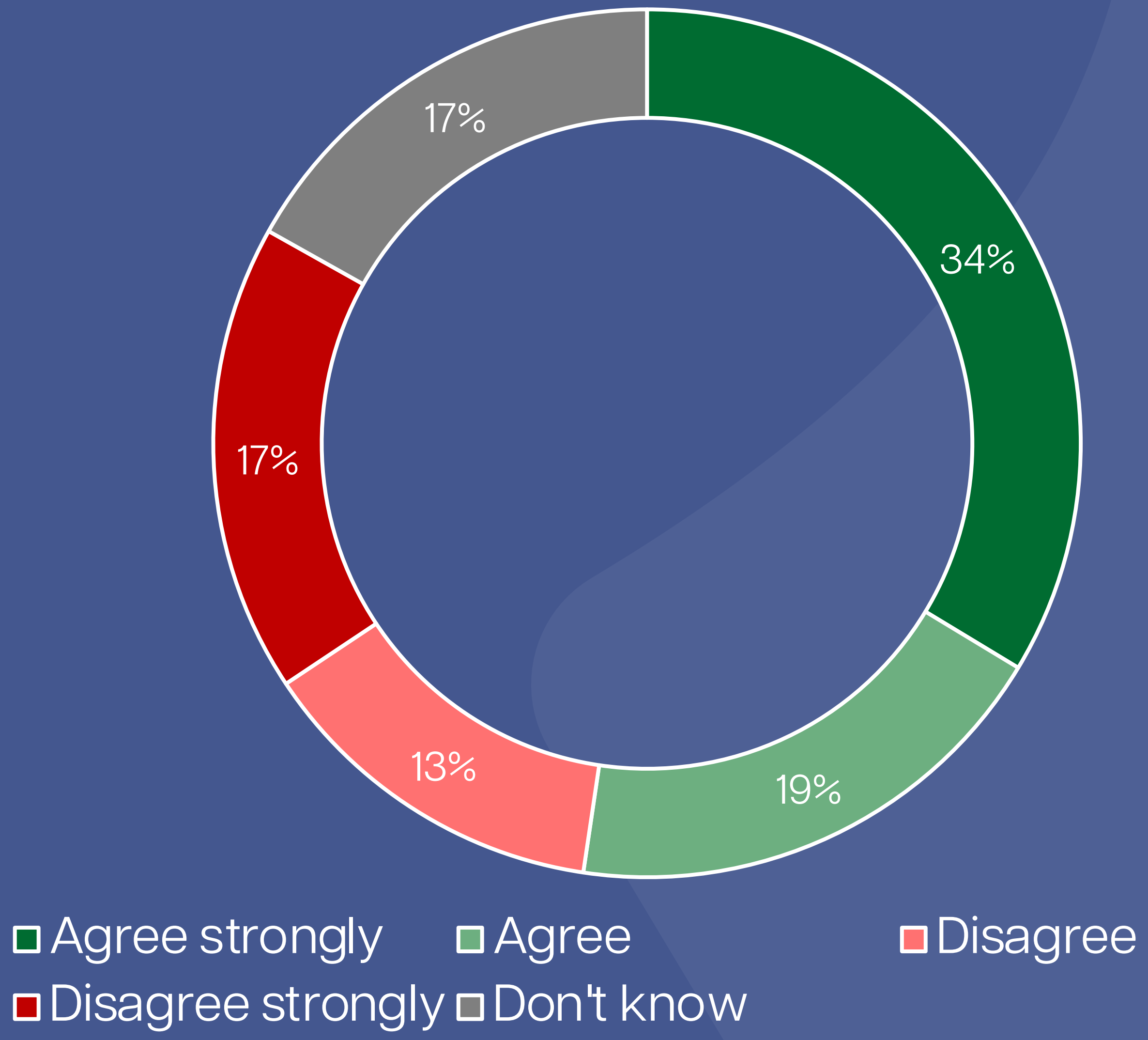
- Almost 8 times as many family businesses say that they disagree that the Budget will make the UK more competitive, with 9% agreeing and 70% disagreeing.
- Of those with an opinion, 89% disagree. This is a damning indictment of family business opinion of the Budget (amend to make sure not over the top etc)

"I don't think government should tax prime input costs; it slows growth, fuels inflation and makes us less competitive at home and overseas."
Christopher Nieper, CEO of David Nieper

5. Government Policy

Over half think the Government has severed connection between reward and effort

By increasing the welfare bill while introducing new taxes and raising existing taxes over the next five years, the Labour Government have severed the connection between reward and effort.

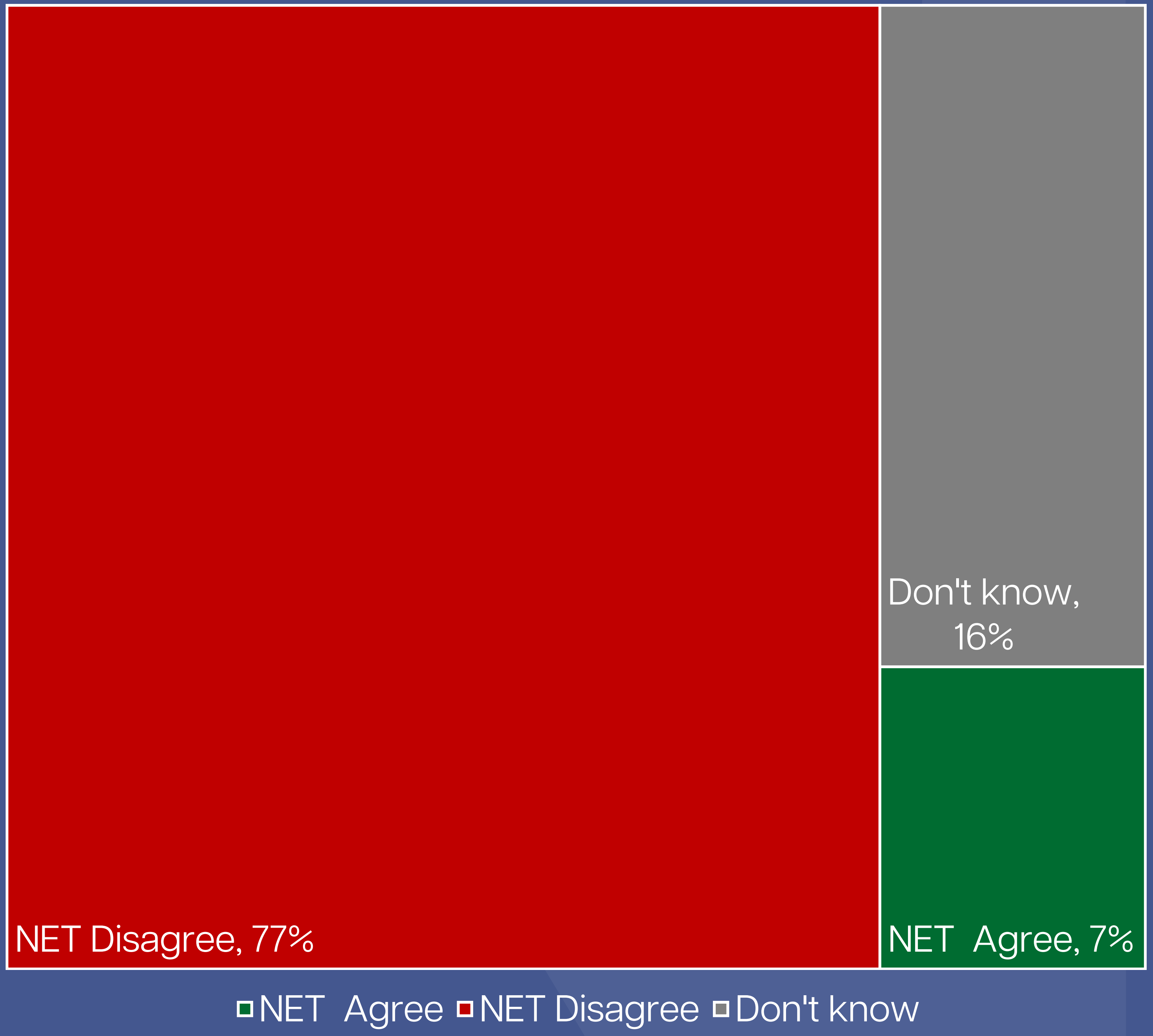


- More than half of family businesses (52%) agree that the Government have severed the connection between reward and effort, fewer than a third (31%) disagree.

"Our aim is to create jobs and growth. The Government seems to be focused on giving more welfare and as a result people are tempted to do less work."
Denys Shortt, Chairman of DCS Group

11 times more family businesses think they won't benefit from the Budget

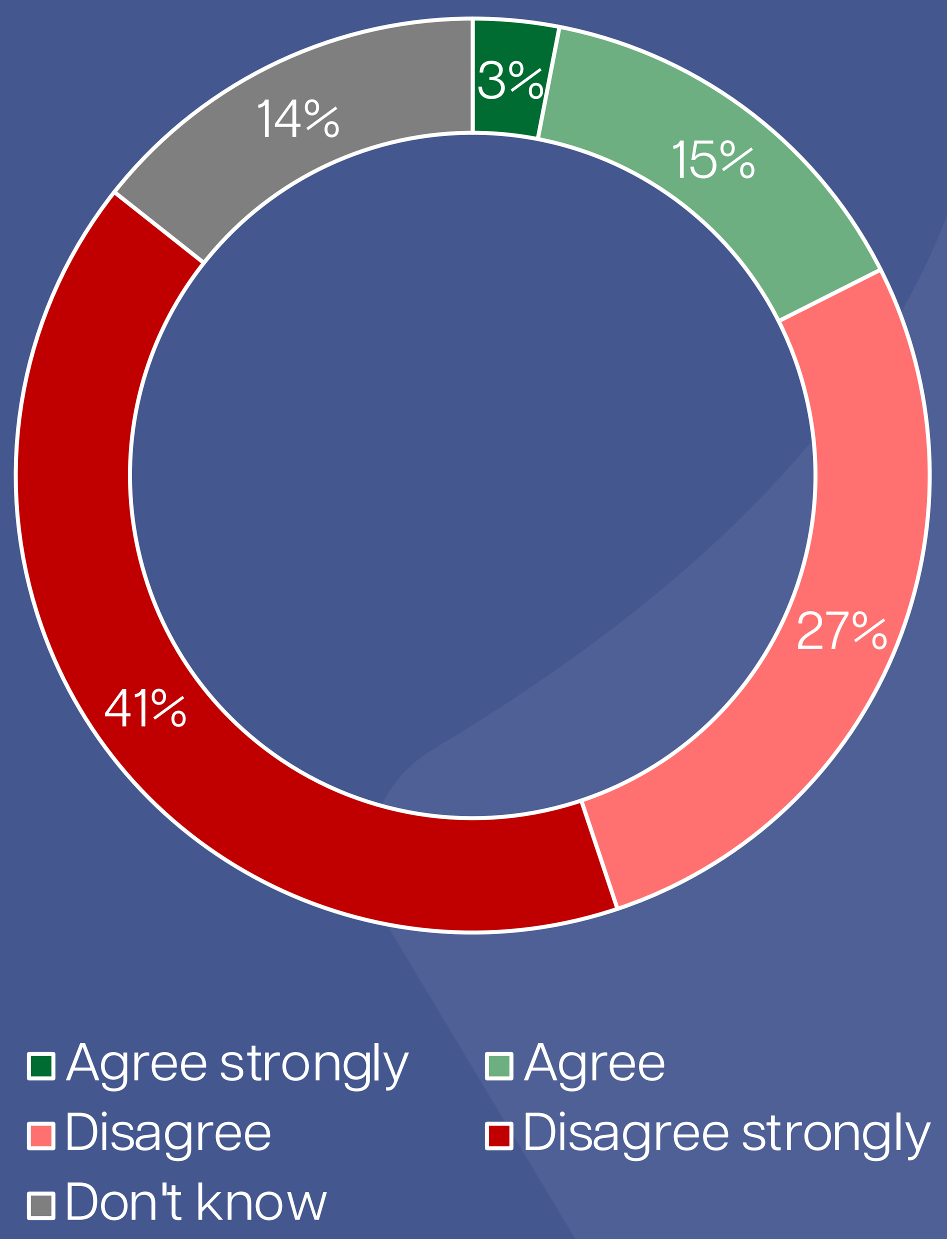
The Budget will be good for me and my family



- 7% agree that the Budget will be good for them and their family, with a huge 77% disagreeing.
- Those in London (16%) and the South East (10%) are among those most likely to agree.

Almost 7 in 10 don't believe Reeves that growth is the number one mission of this Government

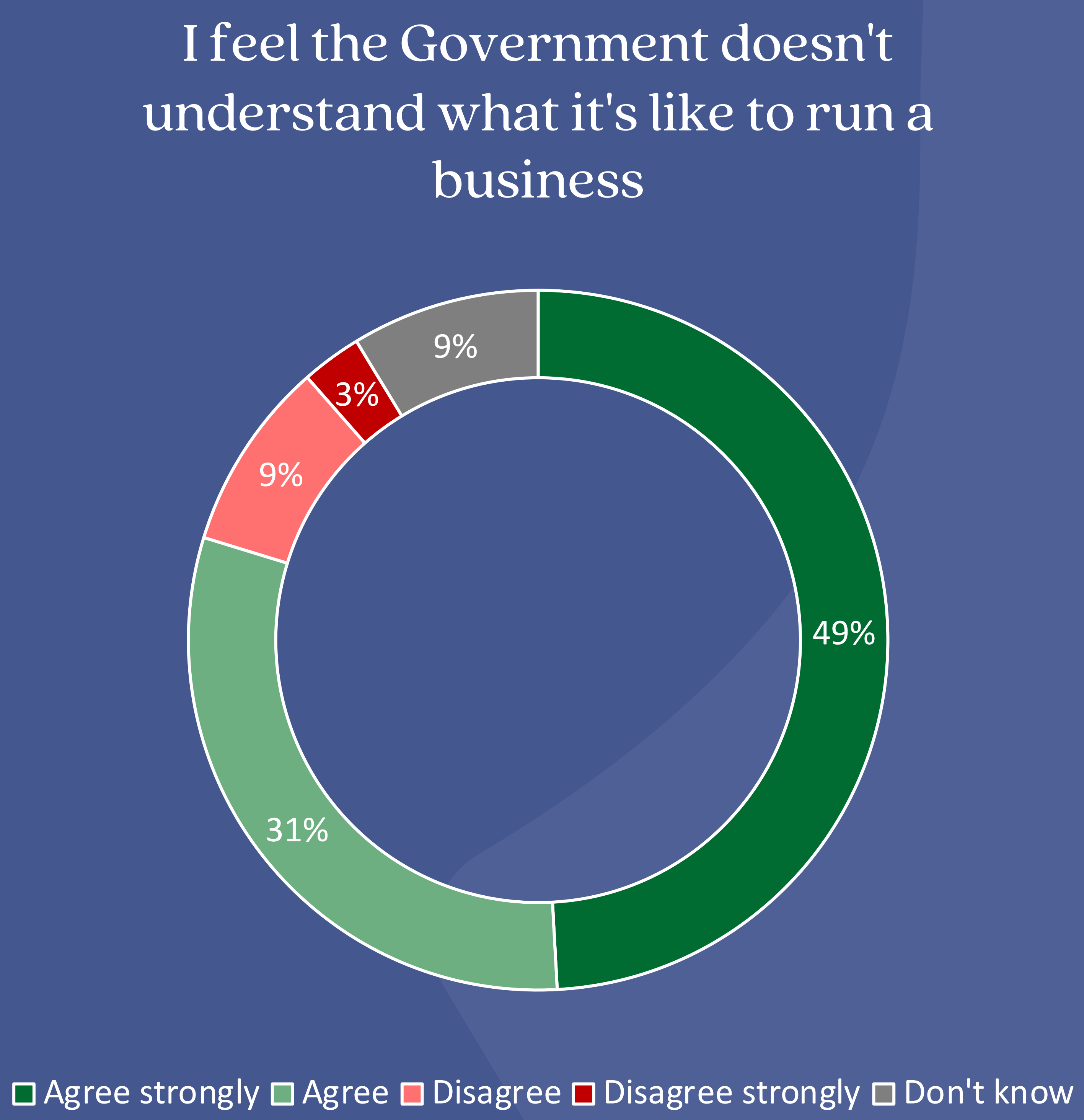
I believe Rachel Reeves when she said in January 2025 that "economic growth is the number one mission of this government."



- Almost 7 in 10 (68%) don't believe Rachel Reeves that economic growth is the number one mission of this government, with 18% saying they do believe her.
- Only 3% agree strongly that they believe Reeves when she said this.
- Disagreement is particularly high in the South West (74%) and the East Midlands (76%).

5. Government Policy

8 in 10 say they feel Government doesn't understand what it's like to run a business

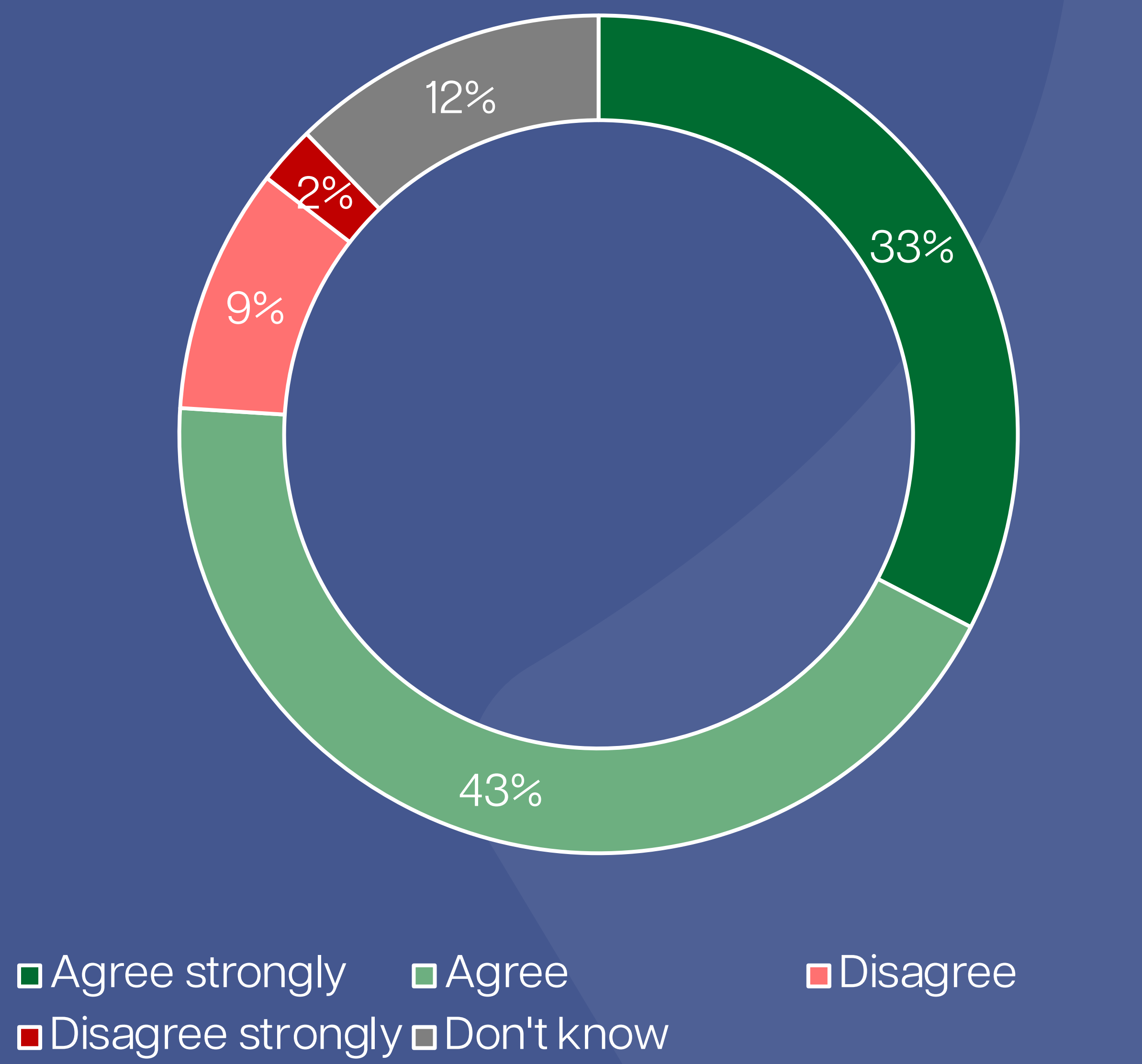


- 80% vs 12% agree that they feel the Government doesn't understand what it's like to run a business.
- Half (49%) agree strongly that the Government does not understand what it's like to run a business.
- This demonstrates how family businesses do not feel like the Government understands them and is on their side.

5. Government Policy

76% agree governments have lacked ambition to make UK a great place to do business

Successive governments have lacked necessary ambition to make the UK a really great place to do business



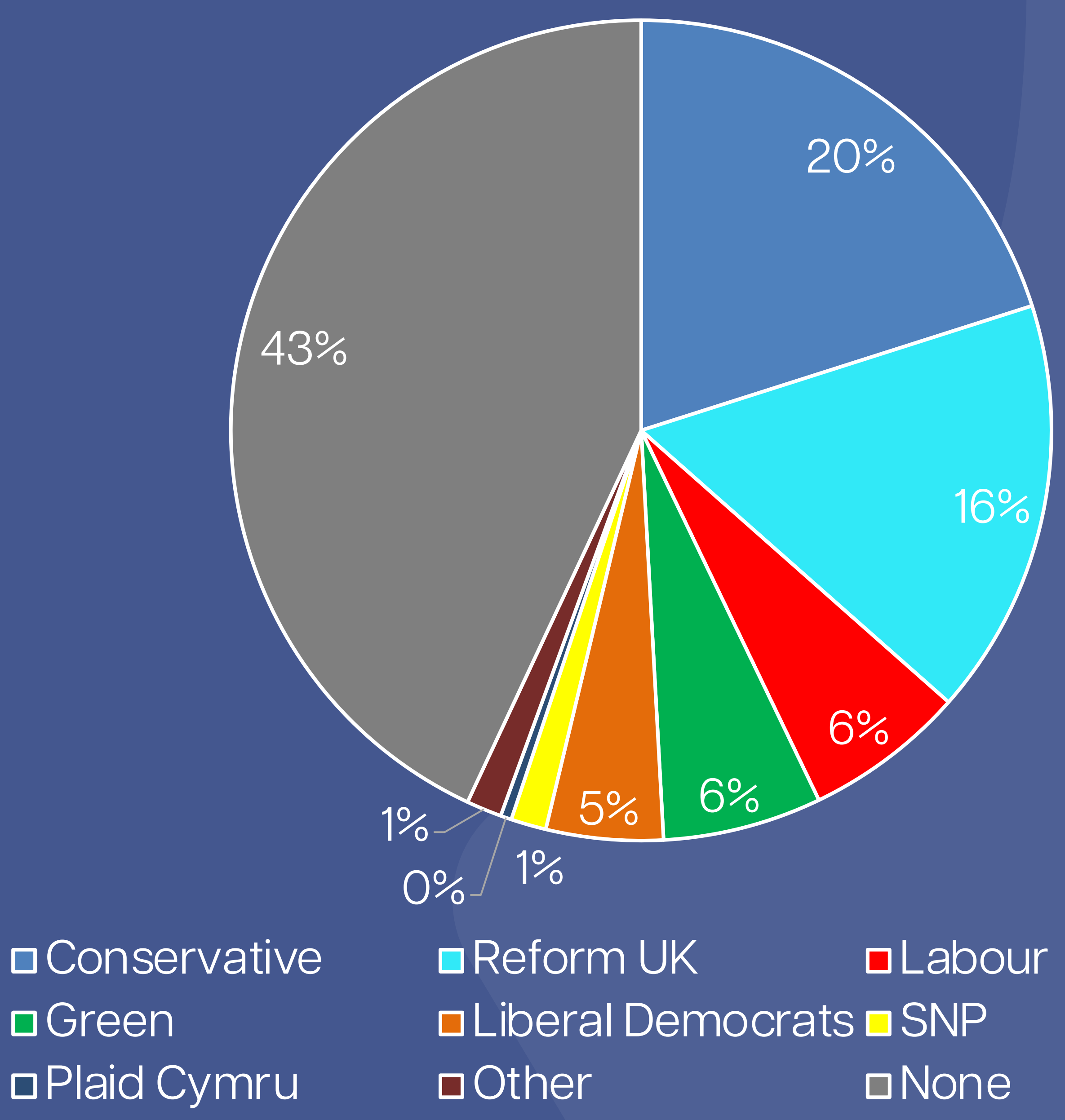
- More than three-quarters (76%) agree that successive governments have lacked ambition, compared with just 12% who disagree.
- Just 2% disagree strongly with that assessment.
- Those in the North West and the East of England are most likely to agree, with 81% each agreeing.

"With successive governments focused on startup, scale up and private equity, the sector has been misunderstood and ignored for too long."
Steve Rigby, Co-CEO of Rigby Group

5. Government Policy

More than 2 in 5 trusted no party, with Labour trusted by just 6%

Which party do you trust most to help your business to thrive?

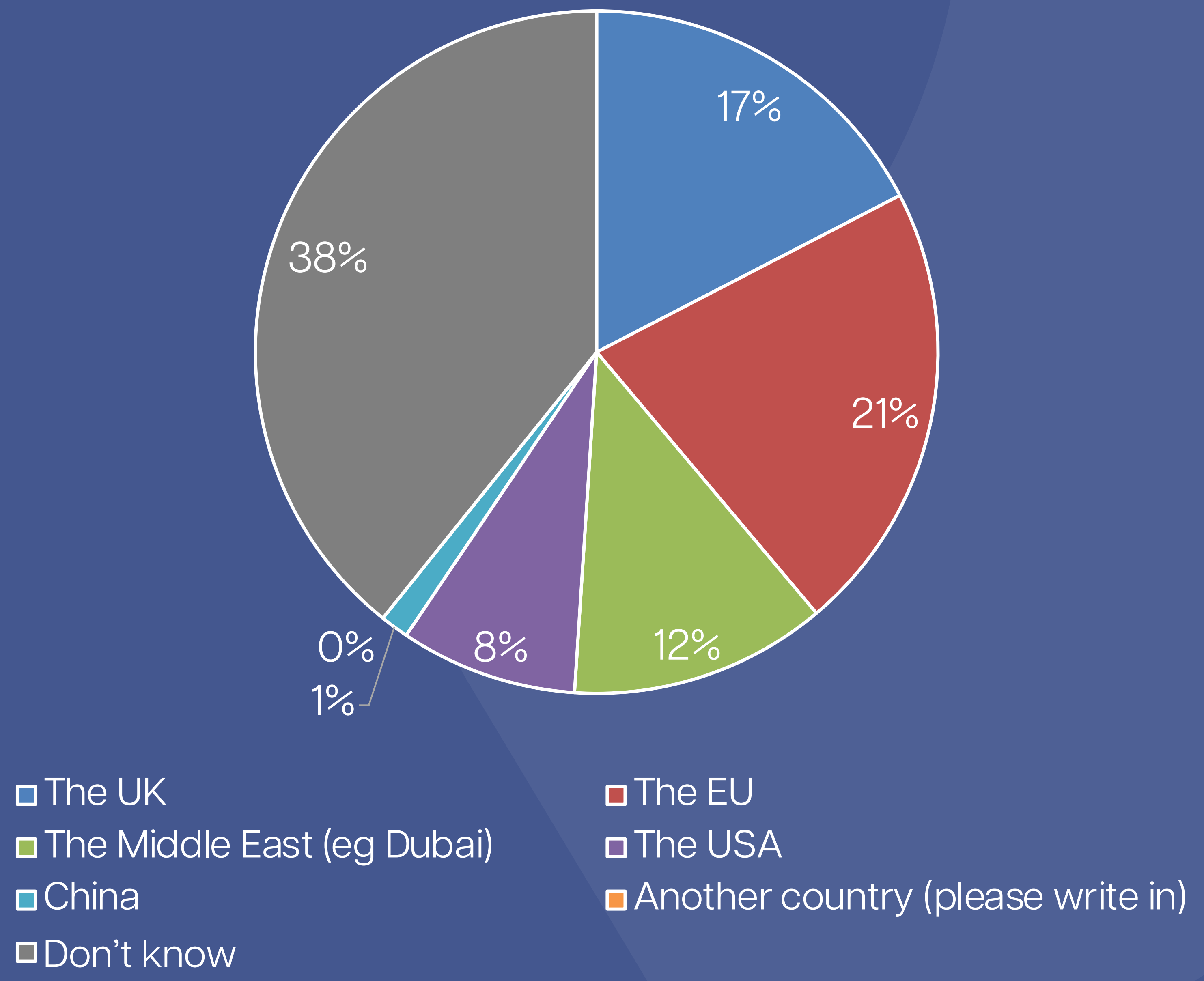


- The overwhelming sentiment was that **no party is really trusted help their business** to thrive, with 43% saying this.
- **Just 6%** of family businesses think Labour are the party they trust most to help their business thrive, the same percentage as trust the Green Party most.
- **The Conservatives and Reform UK are the top two** most trusted parties on enabling thriving businesses with 20% and 16% respectively.
- The Conservatives are **particularly ahead with 65-74 year olds**, with 29% trusting them most compared with 15% for Reform UK.

6. UK Attractiveness

Only 17% would advise a young entrepreneur to set up in the UK

If you were giving advice to a young entrepreneur considering setting up a business, would you advise them to set it up in the UK or somewhere else? Please give your number one choice.

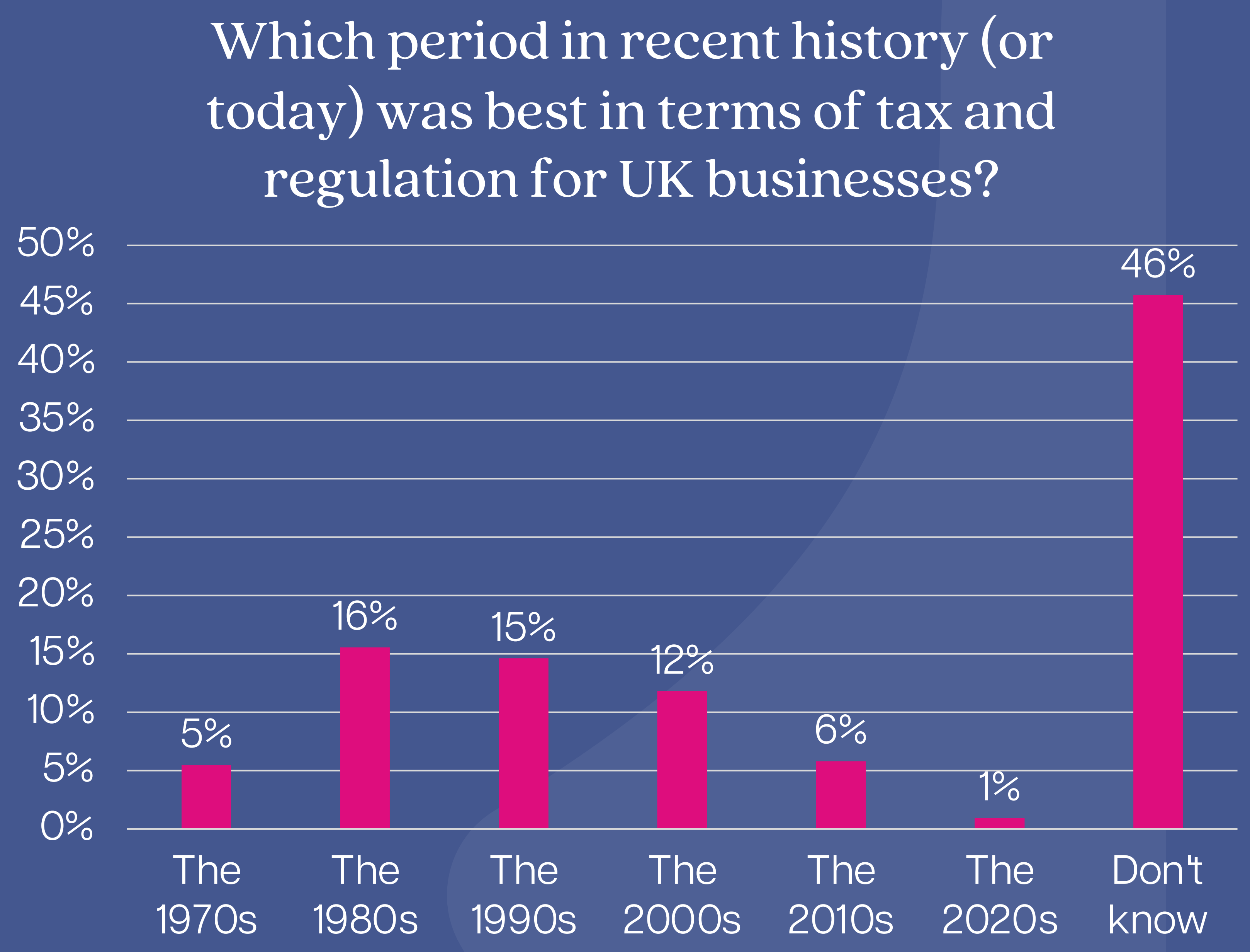


- Fewer than one in five (17%) are sure that they would advise a young entrepreneur to set up in the UK.
- 21% say they would advise the young entrepreneur to set up in the EU, with 12% for the Middle East and 8% for the USA.
- It is clear that this is a matter of real anguish for family businesses with 38% unsure where they would advise a young entrepreneur to set up.

"An easy route out is to sell the business, so our children do not have to face the hurdle. This would be a very sad situation."
Denys Shortt, Chairman of DCS Group

6. UK Attractiveness

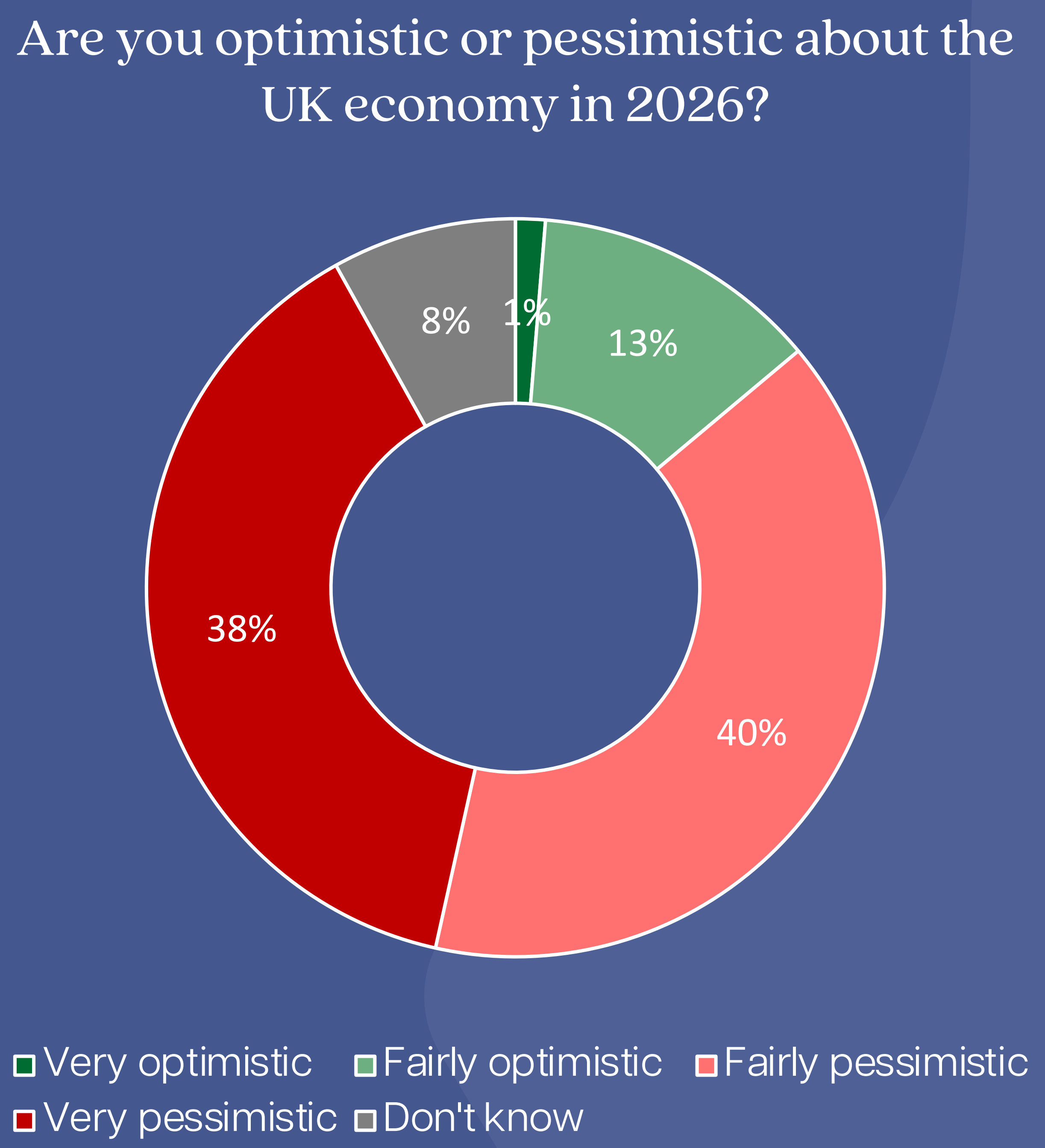
Family businesses think the 1980s were best for business, with the 2020s worse than the 1970s



- Family businesses are most likely to say that **the 1980s were the best decade for business** in the UK (16%).
- They are more than 5 times more likely to say that the 70s (5%) were the best period in recent history for tax and regulatory climate in the UK than the 2020s (1%).
- Interestingly, 65-74 year olds in family businesses are much more likely to think that the 1970s (14%) were the best business decade, despite having experienced the decade.

6. UK Attractiveness

Almost 8 in 10 are pessimistic about the prospects for the UK economy in 2026

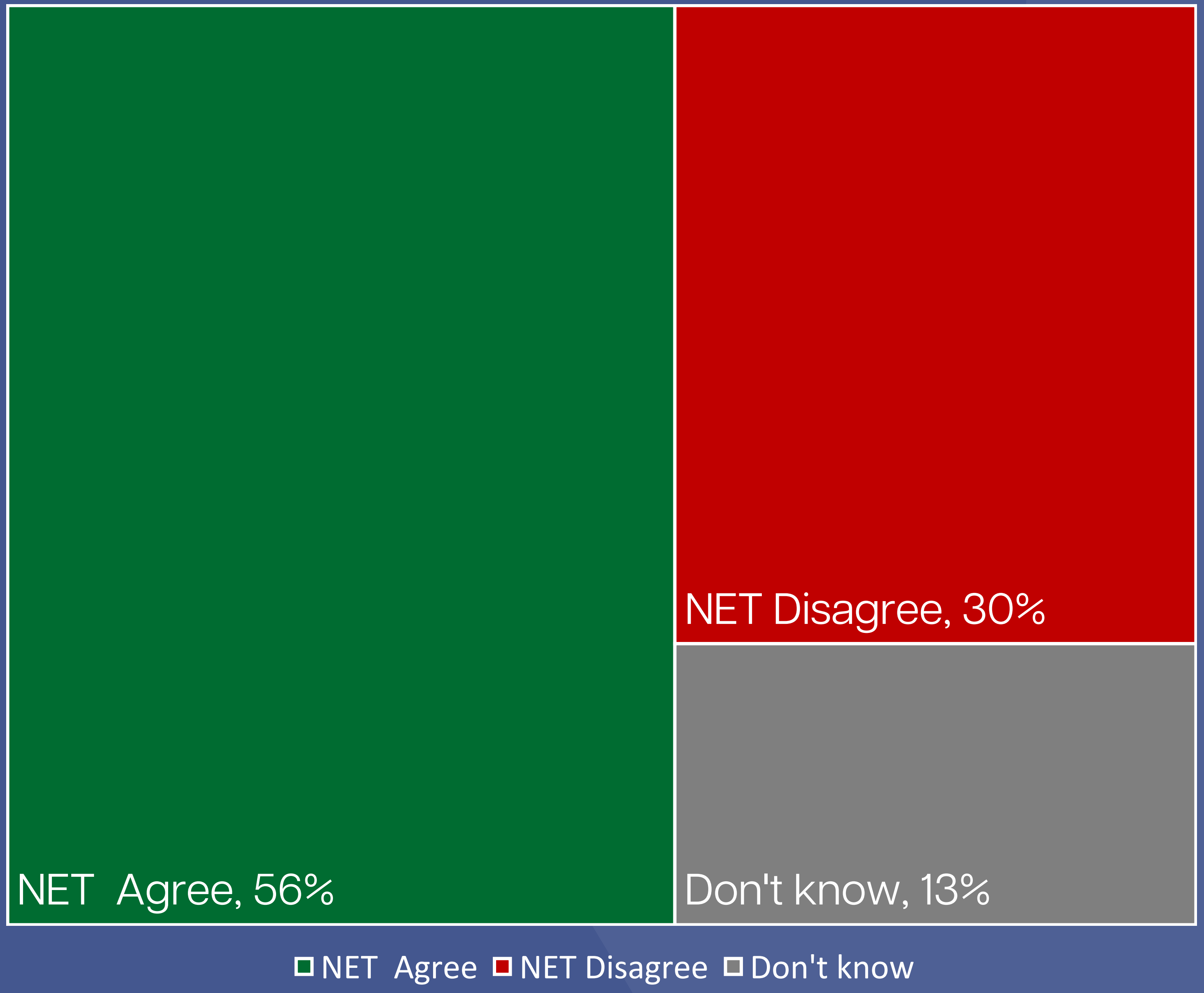


- Family businesses are hugely pessimistic about the prospects of the UK in 2026, with **78% being pessimistic** compared to just 14% who are optimistic.
- Businesses in **London and the tech sector** are more likely to be optimistic, with 29% and 18%.
- The most pessimism was found among agricultural businesses, with 90% pessimistic.

"If they are not incentivised to grow... where is growth going to come from."
Richard Ashness, Chairman at Jardox

Over half of family businesses think they are disincentivised to work hard

Punitive business and individual taxes mean that I am less inclined to work hard and take risks to grow my business.

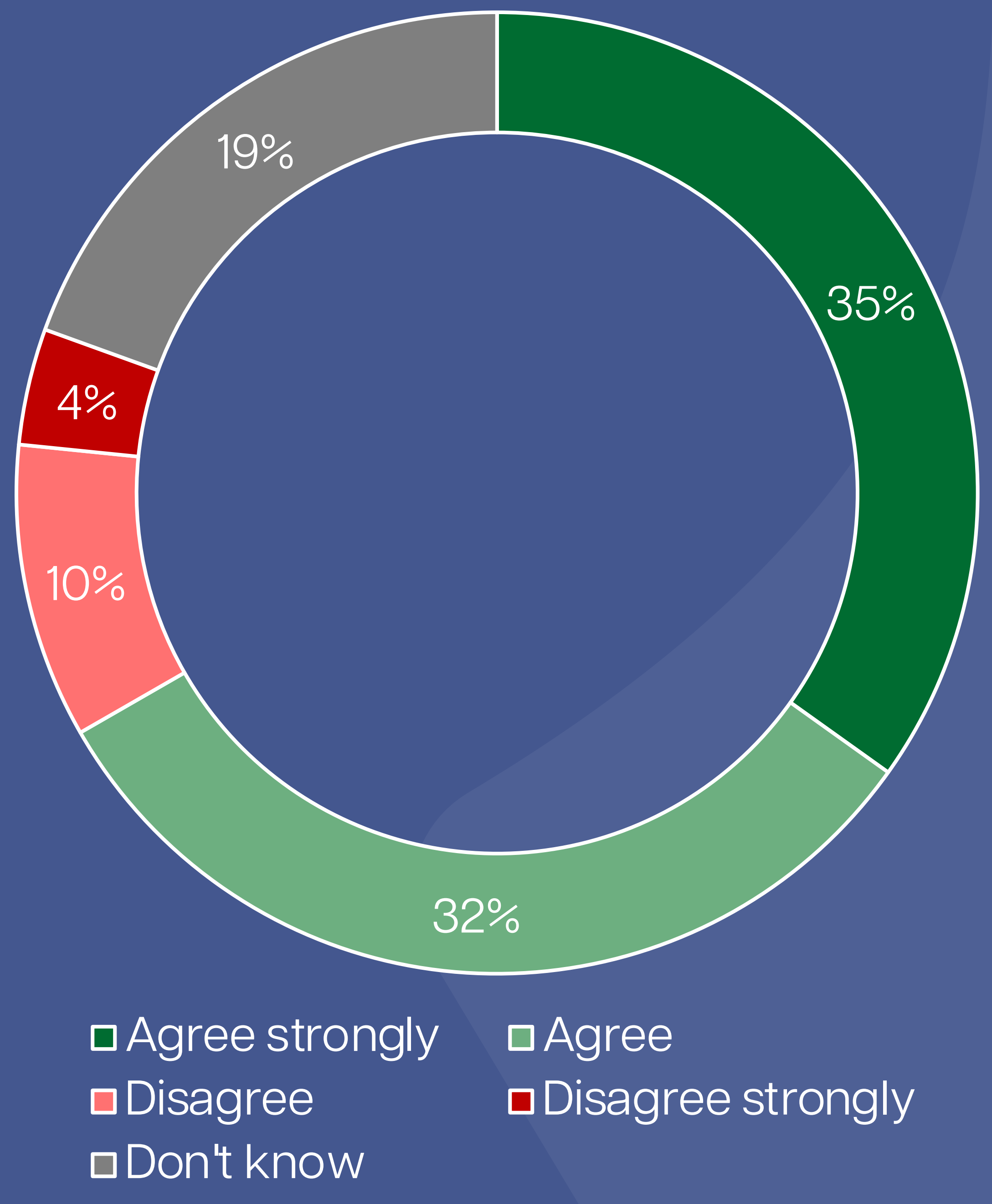


- **More than half (56%) agree that they are less inclined to work hard and take risks to** grow as a result of business and individual taxes, with 30% disagreeing and just one in 10 disagreeing strongly.
- Those in construction and property found it particularly pertinent, with 69% agreeing with the statement, with the statement less true for those in the healthcare sector (48%).

6. UK Attractiveness

Current tax arrangements are a disincentive on enterprise and risk taking, according to 67%

Current tax arrangements disincentivise enterprise



- More than **two-thirds (67%) agree** that the current tax arrangements for business act as a disincentive on enterprise and risk taking.
- This is **more than four times** those who disagree (14%).
- Those in construction are **significantly more likely** to say that the tax arrangements are a disincentive (73%).

"Family businesses also make contributions that are hard to put on a spreadsheet. By definition, family firms are rooted in their local communities, creating a wide range of jobs, investing in people, and supporting their areas across generations.
Carl Richardson, Director, RCL Partners

6. UK Attractiveness

Family businesses say lower costs and reducing inheritance tax would help them most

Which measures would most help businesses like yours?

47%	Reducing business **energy costs** (e.g., electricity, gas, fuel)
38%	Reversing the increase in **Employer National Insurance** contributions
32%	Making it easier to pass a business to the next generation without tax penalty (inc **reform of BPR / APR**)
30%	Abolishing or significantly reducing **Inheritance Tax**
27%	Increasing **capital allowances** or investment incentives (e.g., full expensing)
26%	Reforming **business rates** (or agricultural property valuations)
21%	Limiting future increases in the **National Living Wage**
17%	Reforming or replacing the **Employment Rights Bill**
15%	Speeding up **planning and development approvals**
7%	Other (please specify)
17%	None of these

Please contact jamie@thejobsfoundation.com with any questions.

You can view the full set of tables here.

JOBS FOUNDATION