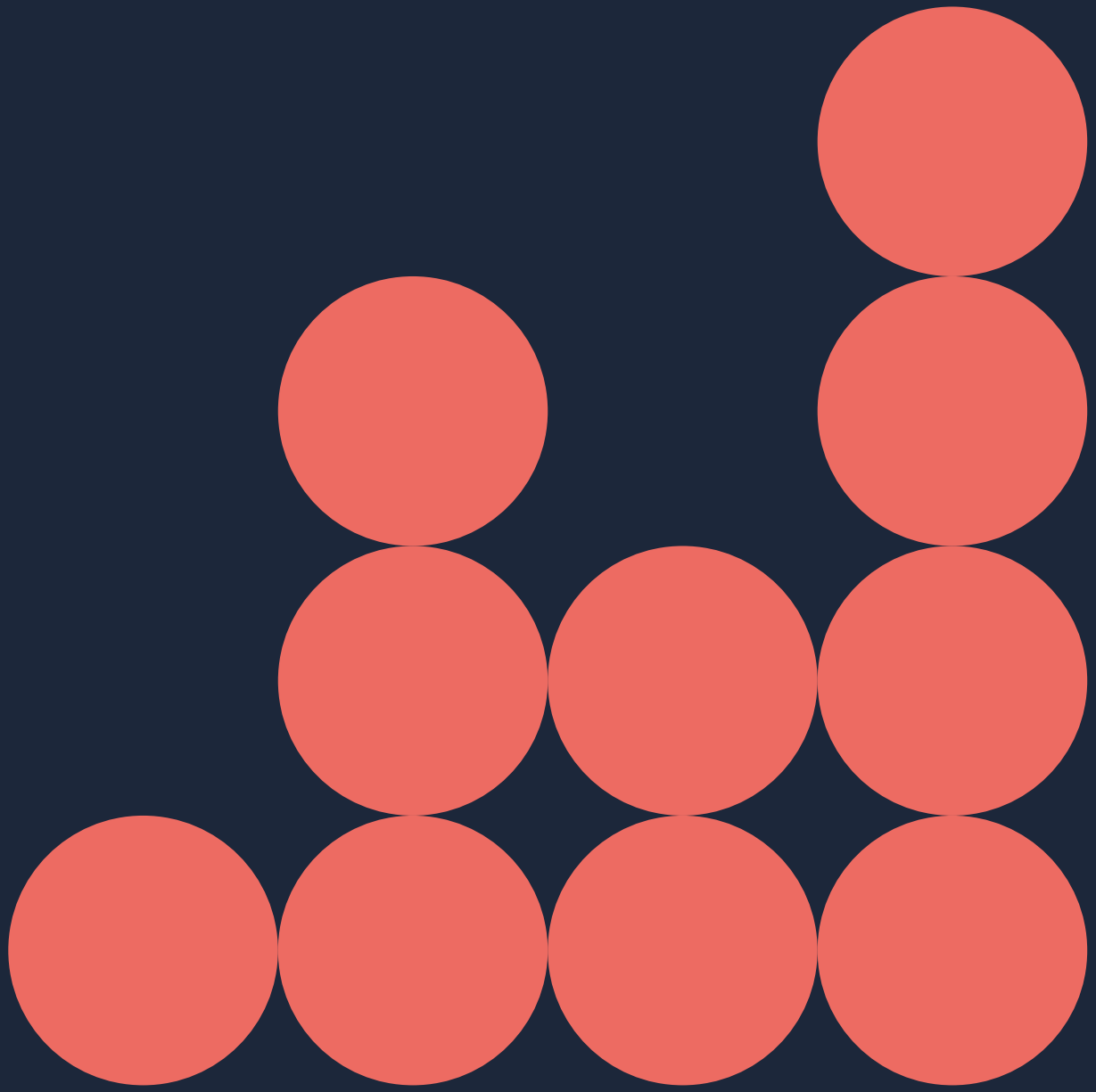


...Saltus

Saltus Wealth Index Report

September 2024



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Foreword

Jon Macintosh

This is our sixth Saltus Wealth Index Report

Our intention is to track over time the views of a constituency that has become increasingly important to the UK: high net worth individuals (HNWIs). These are the people that the new Government needs even if their contribution does not always appear to be valued.

Our respondents are the ones with the “broad shoulders”, who (according to the rhetoric from Downing Street) will be footing a significant proportion of the bill to fund the Government’s programmes. Even more importantly, HNWIs are active participants in the wealth creation of the future. Our survey shows that they are not just funding entrepreneurial activity but backing the next generation of wealth creators in other ways, for instance acting as mentors.

So what they think matters. There is a mixture of news here for the incoming Labour Government, both good and bad. The Saltus Wealth Index, which is a composite of a number of measures, has ticked up to 66.9, although it is still short of the levels we saw in February 2022.

Perhaps this is not surprising; the survey took place following the departure of an unstable government (that in a few years had presented the UK with more Prime Ministers than Bob Dylan has had number one hits) and in the wake of some better GDP growth figures.

However, an undercurrent of concern remains. HNWIs are stretched. They are supporting family members; there is discontent about tax, which becomes more pronounced when specific measures like VAT on school fees are raised; and, perhaps most worryingly, a significant proportion of our sample are considering moving overseas. The shoulders might be broad but they may not stay in the UK.

As always, my thanks go to our partners at Censuswide and our collaborator, Dr Michael Peacey of the University of Bristol, who helps us understand this valuable data. I hope you enjoy the report.

Jon Macintosh
Managing Partner, Saltus

Commentary

Dr Michael Peacey, University of Bristol

The Saltus Wealth Index synthesises some of the key information gathered from the questionnaire and provides a simple barometer of the subjective confidence and concerns that 2,000 UK HNWIs have relating to the UK economy. The Index ranges between 0 and 100, with higher values describing higher confidence in (and fewer significant concerns with) the UK economy and personal finances.

The Index now stands at 66.9, its highest level since early 2022, a rise from the previous score of 64.4. This uplift in sentiment follows positive economic developments in the UK, including inflation moving closer to target levels and expectations of forthcoming interest rate reductions. As a result, a lower proportion of HNWIs now consider issues relating to inflation and interest rates to be significant risks to their wealth (down from 71% to 60%). This tick up in optimism is also reflected in the increasing confidence HNWIs have in both their personal finances and the broader UK economy.

However, despite the growing optimism, there are lingering concerns. The upcoming Budget and the policies of the new Labour Government are clearly weighing heavily on the minds of many HNWIs. Although the most significant tax announcements are still pending (the survey was undertaken in the aftermath of the July General Election), the proportion of respondents who feel their current tax burden is appropriate has already declined from 64% to 58%. There is growing apprehension about potential changes to inheritance tax and capital gains tax, which are the two taxes which HNWIs already think are the least fair.

Another noticeable area of concern among HNWIs is the rising cost of private schooling, which is on course to increase further with the introduction of VAT on school fees at the start of 2025. This has prompted many to reconsider their children's education choices. However, although early in its parliamentary term, the new Government is also generating mixed opinions. Slightly more HNWIs see the new Government as an opportunity for their wealth (16%) than those who view it as a big threat to their wealth (14%).

In light of these concerns, it is unsurprising that the proportion for whom money makes them feel anxious has increased. A particularly thought-provoking addition to this iteration of the survey, which will be interesting to track in the future, is the question of whether respondents are considering leaving the UK permanently. While those with the highest net worths may have the broadest shoulders, they are also likely to be the most globally mobile with substantial numbers of respondents considering moving abroad. This striking proportion reminds us of the importance of monitoring the sentiment of this key group, as their decisions can have far-reaching implications for the UK economy.

Dr Michael Peacey

*Senior Lecturer, School of Economics,
University of Bristol*

Executive summary

HNWI confidence in the UK economy has risen to record levels, but specific challenges remain

This Saltus Wealth Index Report presents a picture of improving confidence among HNWIs following a period of more positive economic news in the UK and a change in government since we last took the pulse of this constituency.

The Saltus Wealth Index now stands at 66.9, a rise from 64.4 in January 2024 when the fifth report was published, but still below the peak recorded in February 2022. The Index is a composite measure and this improvement has been driven by confidence in the UK economy specifically, which has risen by six points, with 84% of HNWIs now confident in the prospects for the UK economy, a record level since this research was first published in October 2021.

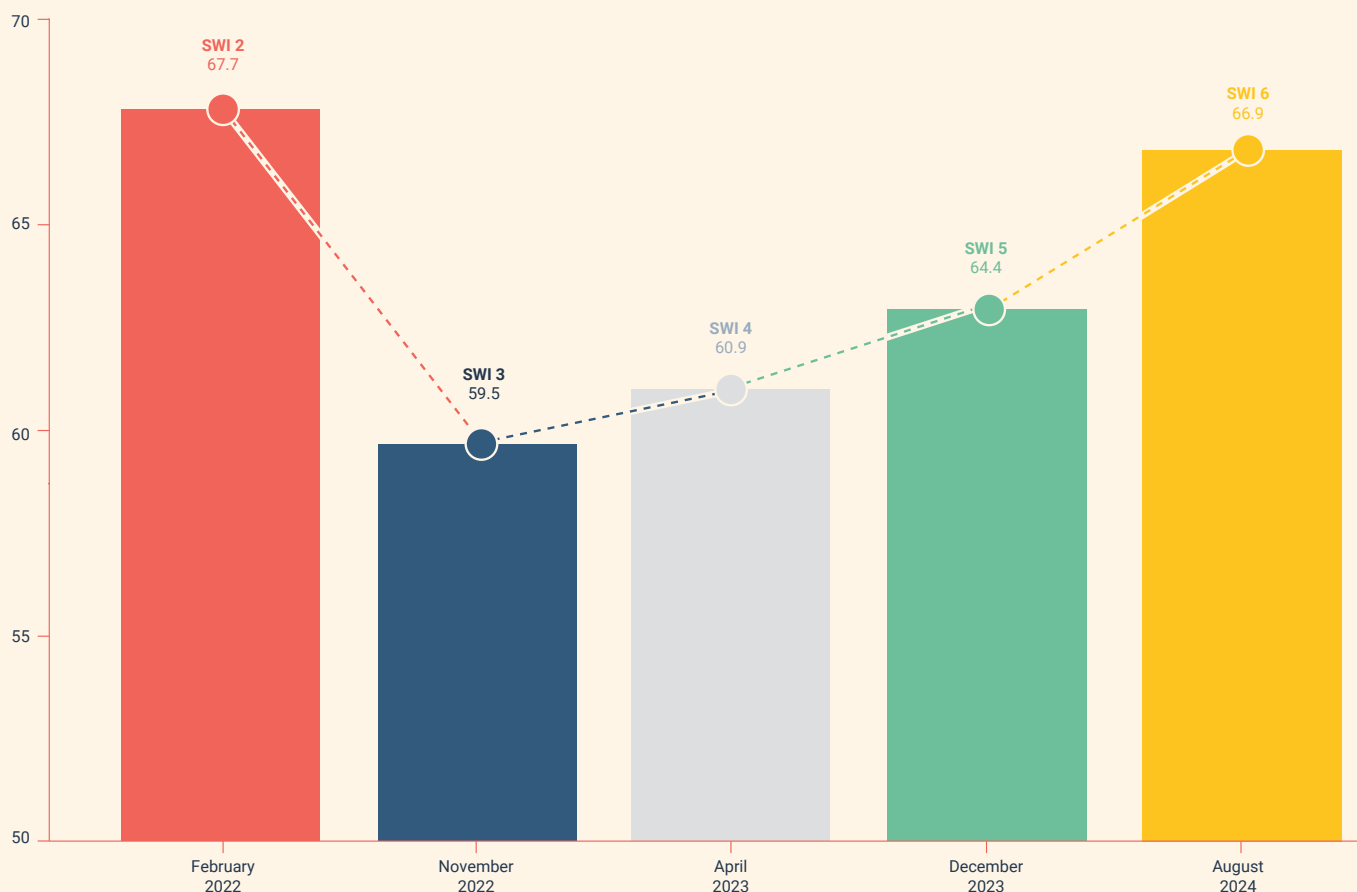
Confidence increases further when respondents think about their own wealth, with nine out of ten (91%) HNWIs confident in their own financial standing. The data also point to a broadly positive view about the new Labour Government, with more HNWIs seeing it as an opportunity than a threat.

Despite a positive picture overall, there remain areas of concern. Significant numbers of HNWIs are delaying key life decisions due to the financial pressures they face, such as putting off starting a business or, for older HNWIs, their retirement. These decisions not only affect HNWIs themselves but also those they support, including both family members and the early-stage entrepreneurs they back, the individuals whose new businesses will be vital to driving economic growth and creating jobs in the UK in the coming years.

One of the specific pressure points identified is the rising cost of private education. Our findings suggest that 13% of HNWIs with children at private school will move them into state education in the next year, with significant numbers of children potentially having their education impacted in some other way due to the rapidly increasing cost of education.

This trend will be exacerbated by the Government's announcement that VAT will be added to school fees from January 2025. Just 15% of HNW parents say the addition of VAT will have no impact on them or their children at all.

Changes in the Saltus Wealth Index over time



* Dates refer to when the research was conducted

Views on the economic environment

Overview

Overall confidence in the UK economy has risen

84% of HNWIs are confident in the UK economy, up from 78% in the last report, and those who are 'very confident' has increased to nearly four in ten (38%).

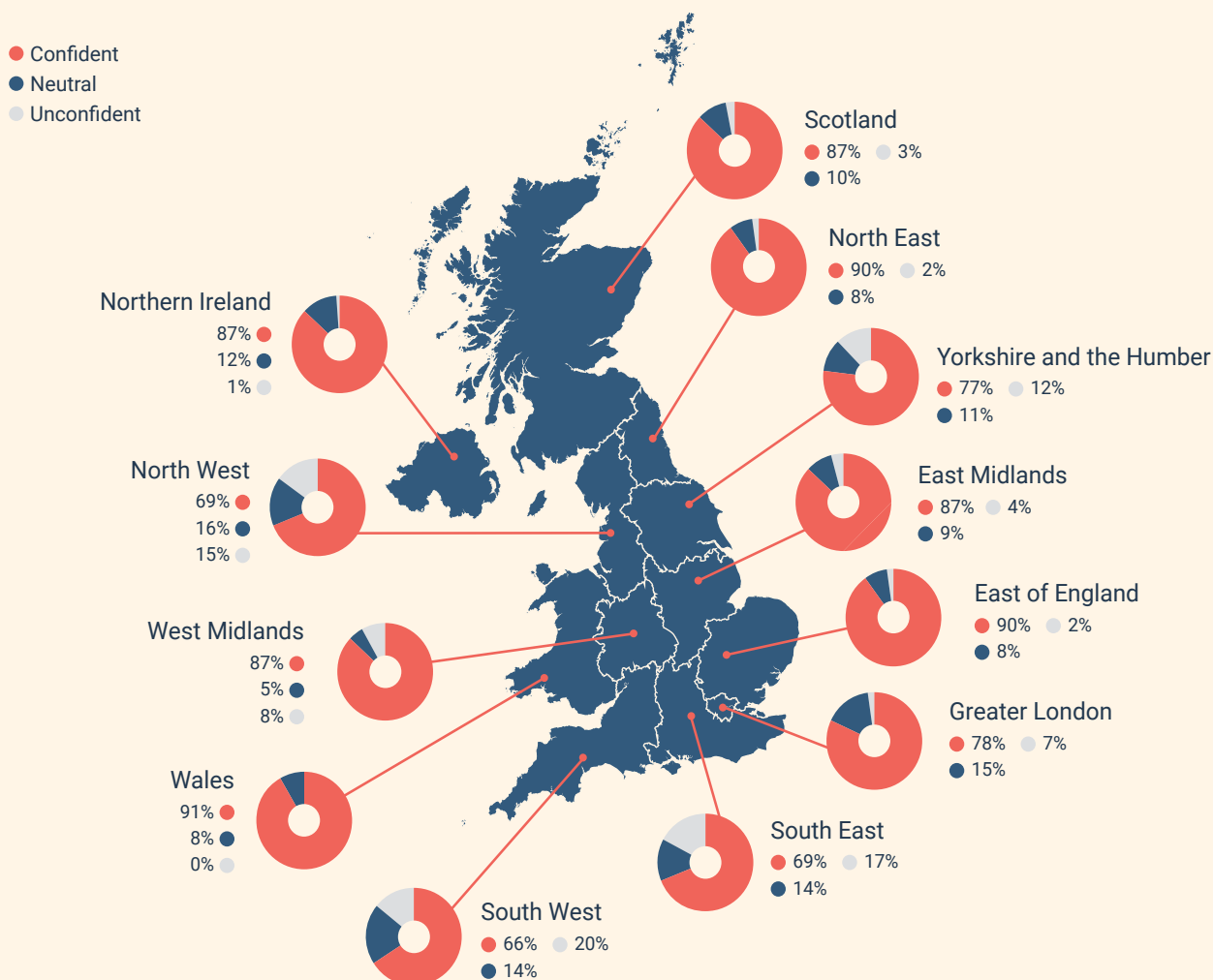
However, levels of confidence vary in different areas of the UK. HNWIs in the North East of England and Wales both show confidence above 90%, but this falls to below 80% for those in the South West, South East, North West, Yorkshire and the Humber, and Greater London. These mixed levels of confidence are reflective of greater uncertainty, with more respondents 'neutral' in their views than those that are negative. Only the South East and North West show 'unconfident' responses above 15%, with 17% and 15% of HNWIs in those regions being either 'unconfident' or 'very unconfident' respectively.

High tax rates remain the biggest barrier to economic growth, according to HNWIs, with 23% saying higher tax rates and a complex tax system is the main factor holding back growth.

When asked about the key priorities the new Government should focus on to stimulate economic growth, HNWIs identified the economy (23%), tax (21%) and education (18%) as the top issues. However, there remain challenges HNWIs see for the Government to tackle if confidence is to remain high and the growth it has made a key priority is to be delivered. Tax (23%), low productivity (19%) and labour market issues (18%) are the leading three areas identified by HNWIs as holding back growth.

78% of HNWIs remain confident in London continuing as Europe's financial capital in the next decade, rising to 83% of those in the Greater London region itself.

Thinking about the UK economy as a whole, not just your own financial position – how confident or unconfident are you about the next six months?



Views on the economic environment

UK economic prospects

Increasing confidence across the board

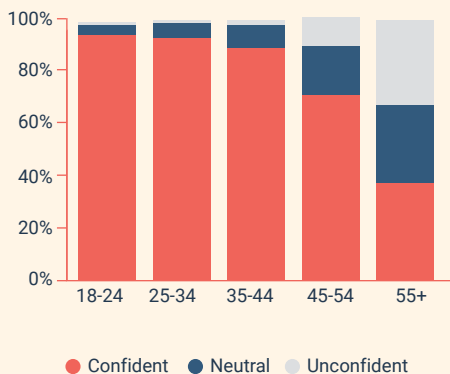
This edition of the Saltus Wealth Index Report paints a positive picture at a macro level, with confidence in the UK economy now standing at 84% amongst HNWI's. This is the highest level since the Saltus Wealth Index Report was first published in October 2021, when confidence stood at 80%. It marks a significant improvement from the low of 67% in November 2022, shortly after the infamous Autumn Budget under Prime Minister Liz Truss.

Confidence among younger HNWI's outperforms older age groups, with 85% of those aged 18-24 and 93% of 25-34 year olds expressing confidence. The 25-34 age group also had the highest percentage (48%) of individuals who said they are 'very confident' in the UK's economic prospects.

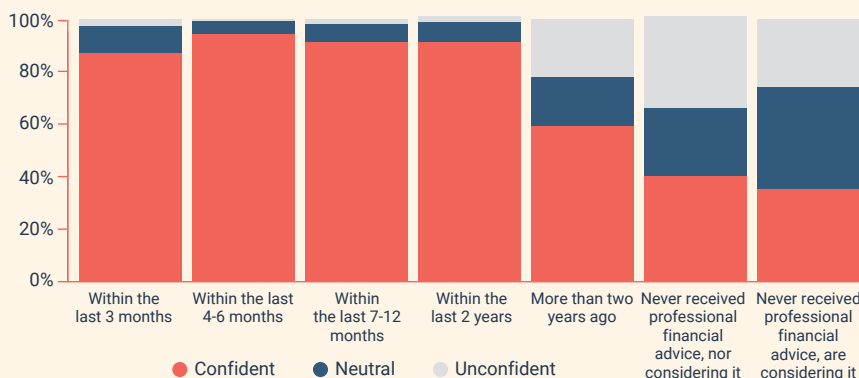
Among older HNWI's the picture is more mixed. Confidence stands at 71% for those aged 45-54 but drops to 37% for those over 55. However, this older group also had the highest percentage of 'neutral' respondents (30%), suggesting a 'watch this space' attitude among those who have experienced more economic ups and downs than others. Despite this more tempered response, the 37% confidence seen in the over 55s has risen significantly from 23% in the last edition of the Saltus Wealth Index Report.

Regionally, the confidence of HNWI's in Greater London has fallen marginally from 82% to 78% this time, while those in the East of England are the most confident at 90%, with 44% of them being 'very confident' in the UK's economic outlook. Only four of the 12 regions polled showed negative sentiment above 10% among HNWI's: the South East (17%), North West (15%), South West (14%), and Yorkshire and the Humber (12%).

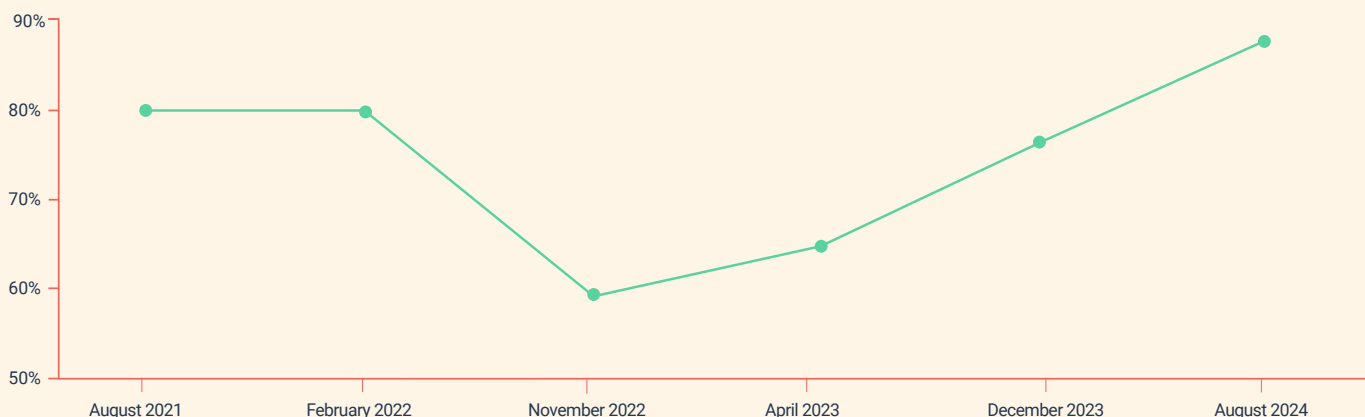
Confidence in the UK economy by age of respondent



Confidence in the UK economy by when respondent received financial advice



HNWI's confidence in the UK economy over time



Views on the economic environment

Barriers to economic growth

Reform of the UK's tax system could stimulate growth

There remain notable challenges for the Government to tackle to ensure confidence remains high in the eyes of the UK's wealth creators. High tax rates and a complex tax system are still the biggest barrier to economic growth, with 23% of respondents listing them as key factors holding back growth.

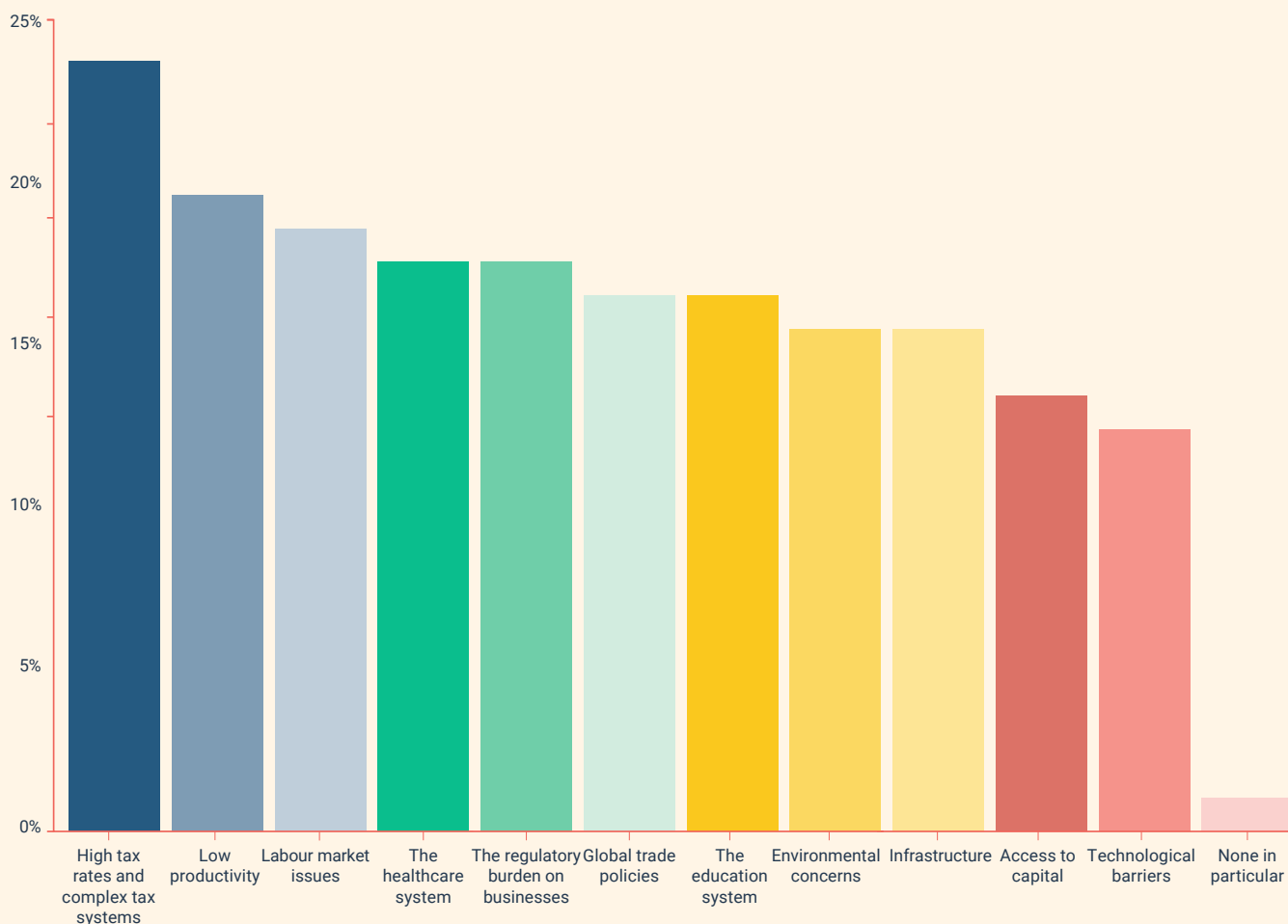
The three taxes disliked the most by HNWIs are inheritance tax (13%), capital gains tax (11%) and corporation tax (10%). However, despite having a clear dislike of certain taxes, this constituency also recognises the need for a tax system that is fair. 14% of HNWIs think the 20% basic rate of income tax is the fairest tax, followed by capital gains tax (13%) and corporation tax (13%).

Nearly two thirds (58%) of HNWIs think they pay the right amount of tax, but with 40% of HNWIs believing they pay too much tax, alongside the fact that tax is the leading area they believe to be holding back growth, there remains a strong level of nervousness about paying more tax or the prospect of increasing complexity in the tax system.

Low productivity (19%) and labour market issues including skills shortages (18%) complete the leading three areas identified as barriers to growth. These views were consistent across age groups, with only the oldest HNWIs over the age of 55 listing productivity and labour market issues ahead of tax.

Our respondents also cite further important obstacles to growth as the healthcare system (17%), the regulatory burden on businesses (17%), global trade policies (16%), and the education system (16%).

HNWIs' views on the primary barriers to economic growth in the UK



Views on economic environment

Government priorities

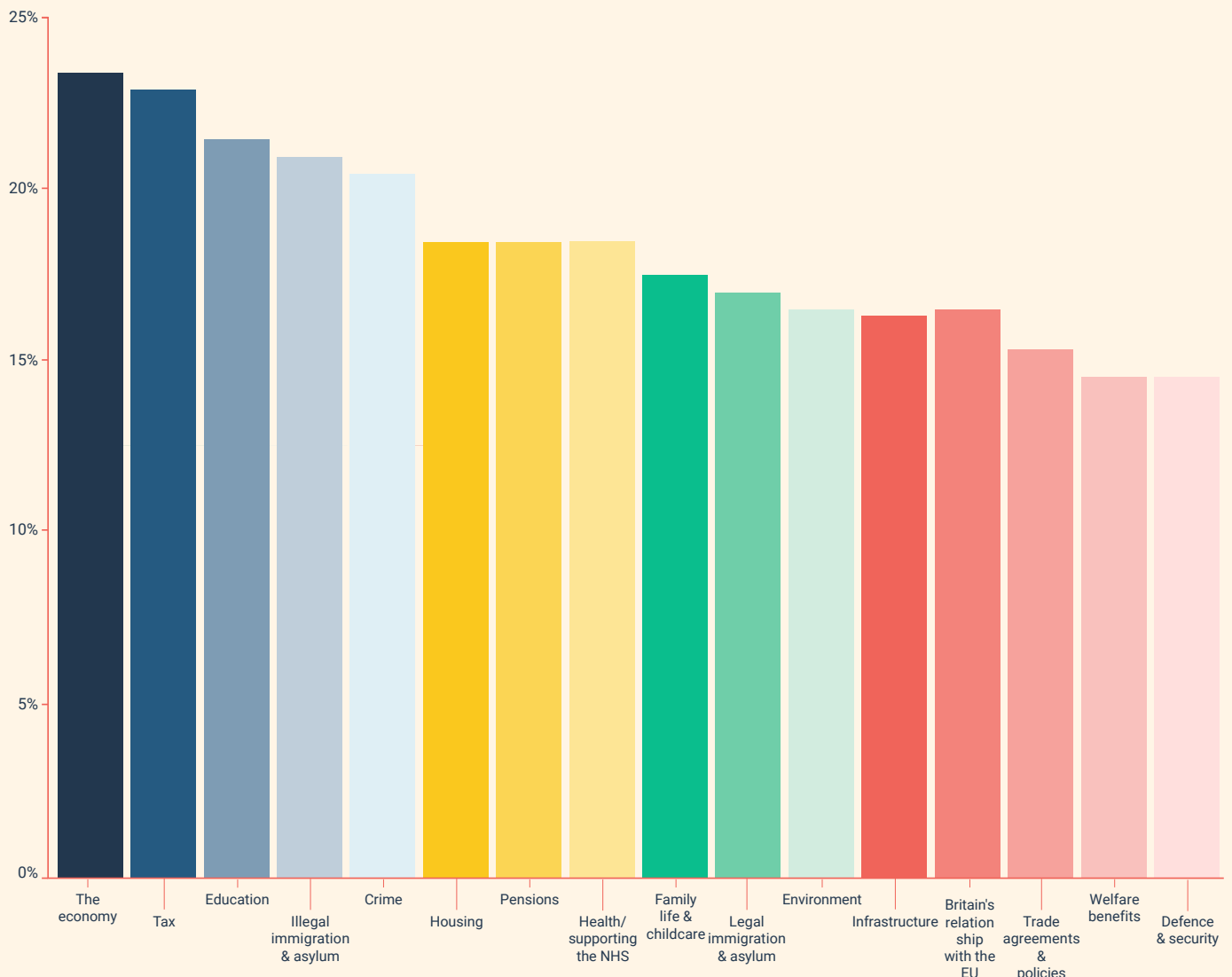
Growth, growth, and more growth

When we last asked HNWI's what they thought the key priorities of the next government should be, prior to the July 2024 General Election and regardless of which political party formed that government, they said growing the economy (23%) was their top priority. That position remains unchanged following the Labour Party's election victory and the fact that delivering economic growth is a key priority for Keir Starmer's administration will be welcome news to the UK's high net worth constituency.

In second place is tax, with 20% seeing it as the most important challenge facing the UK. 21% say that addressing this area should be a key priority to stimulate economic growth, followed by education (18%), illegal immigration (17%) and tackling crime (16%).

These findings align with the views of HNWI's on the primary barriers to economic growth in the UK: high tax rates and complex tax systems (23%), low productivity (19%), labour market issues including skills shortages (18%), the healthcare system (17%), and the regulatory burden on businesses (17%).

Most important challenges facing the UK that HNWI's would like to see the Government address



Personal finance

Overview

Confidence continues with HNWIs' personal finances, but new fears emerging

HNWIs' confidence in their own finances has risen to more than nine in 10 (91%) from 85% last time, aligning with the overall increase in economic confidence. Those saying they are 'very confident' in their own finances has risen from 35% to 42%.

When asked about their biggest worries, health remains top of the list, with 13% of HNWIs listing it as their primary concern. While many indicators have fallen on key issues compared to last time, an emerging area of trepidation is the cost of private education, with 6% saying that paying school fees is now their biggest worry. This is something that not one of the surveyed HNWIs pointed to the last time this research was carried out in January 2024.

It is not a surprise, therefore, that significant numbers of high net worth parents are planning to take action as a result of increasing education costs, which are set to rise even more sharply following the announcement that VAT will apply to school fees from January 2025.

13% of HNWIs with children currently at private school say they plan to move their child into state education in the next year.

While confidence in prospects for their personal finances has risen overall, levels of anxiety among HNWIs regarding the protection of their wealth have risen compared to last time. Today, 71% of UK HNWIs report that their money makes them anxious, up from 65% last time.

Personal finance

Confidence in own finances

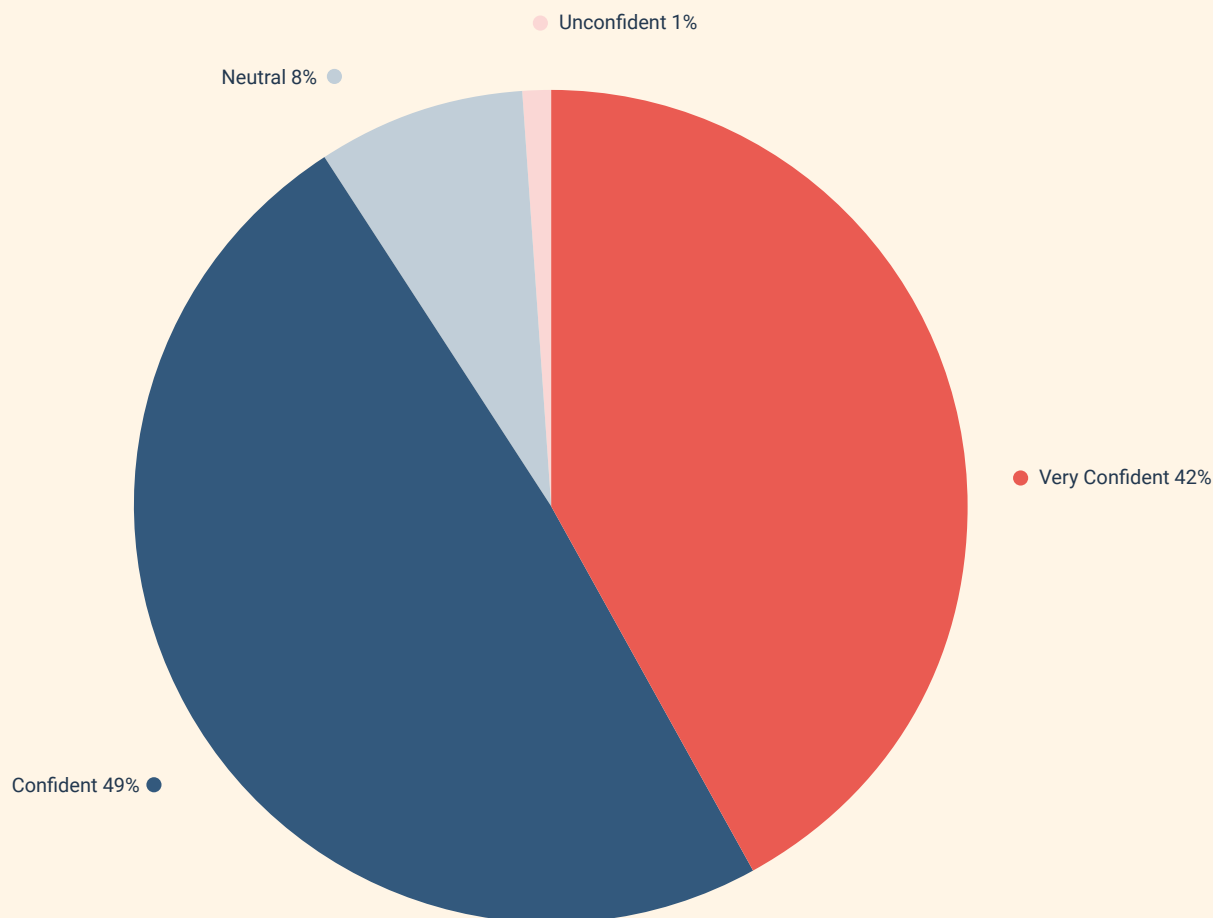
Confidence in HNWI's own personal finances exceeds confidence in the UK economy

Confidence in HNWI's own personal finances remains high (91%). This confidence is particularly high amongst younger HNWI's and levels of optimism decrease with age. 95% of 18-44 year olds are confident, but these figures drop to 77% of those aged over 45. As with other age-based trends, the data do not indicate a picture of negativity among these older groups but rather a more uncertain 'neutral' viewpoint, with 19% of those aged over 55 'neutral' rather than negative.

These levels of high confidence in HNWI's personal finances are consistent across the UK, with only three regions showing confidence scores below 90%: the South East (84%), Yorkshire and the Humber (80%) and South West (79%).

However, HNWI's with older children – those whose youngest child is aged 18 or over – have seen a drop in confidence in their personal finances from 81% to 76%, possibly reflecting ongoing challenges their children are facing due to continued cost of living pressures. As we outline later, HNWI's financial support for their adult children and grandchildren remains high.

HNWI's confidence in their own finances



Personal finance

Risks to and opportunities for personal wealth

Consistent risks but emerging opportunities: a clear picture of hope from HNWI

Inflation remains the number one risk for HNWIs, despite the headline rate of inflation falling over the course of 2024. A quarter (26%) of HNWIs say inflation remains the biggest risk, flat on last time (28%), suggesting a certain degree of scepticism around whether this lower level can be maintained longer-term. Tax changes (22%) and high energy prices (20%) complete the top three risks, mirroring the results seen earlier this year, though both have fallen by 5% and 6%, respectively. While tax is the most important challenge HNWIs want the Government to address, the fact that only 20% still see it as a continued risk to their wealth suggests a more optimistic view of the direction the new Government is likely to take.

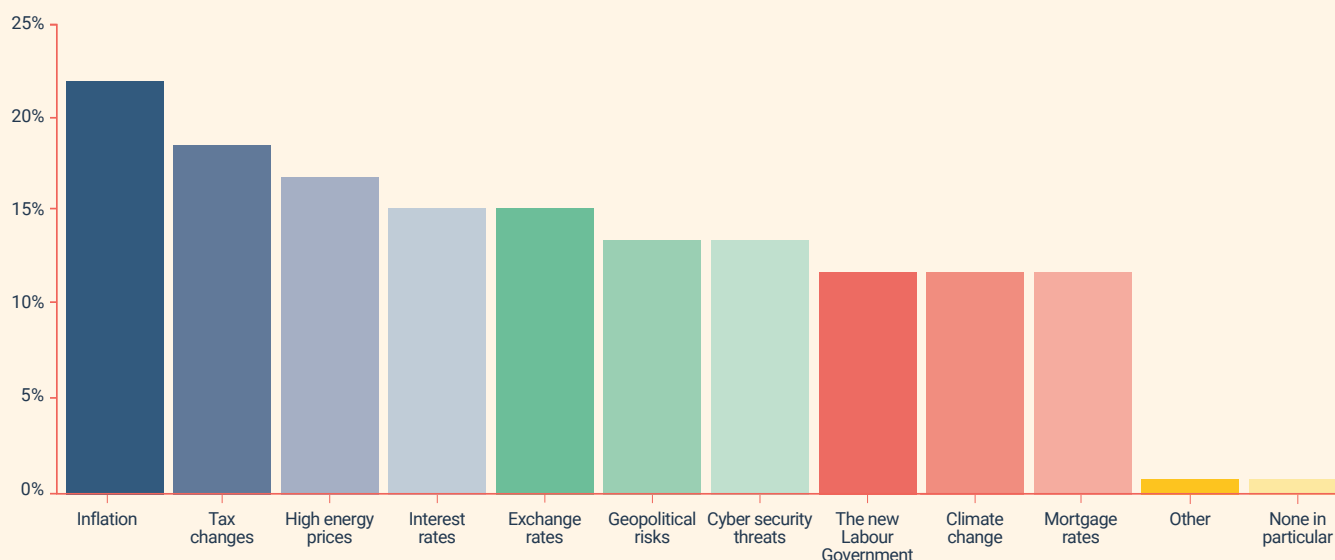
This is supported by the finding that just 14% of HNWIs think the new Labour administration is a threat to their wealth, down from the 19% of respondents who said any change in government at the General Election was the biggest risk when surveyed in January 2024.

More respondents (16%) see the Labour Government as an opportunity than a threat. There are certain areas that HNWIs see as providing opportunities for their personal wealth. With an element of 'wait and see' when it comes to inflation, and significant numbers still listing it as the number one risk, falling interest rates provide an equal opportunity, with a quarter (24%) of HNWIs seeing base rate reductions as the biggest opportunity for them.

Tax is a polarising issue for HNWI respondents. While tax remains a key threat for some, it also presents an opportunity for others, with one in five (18%) seeing tax changes as the biggest opportunity for their wealth.

This view aligns with HNWIs' priorities for government action to stimulate economic growth, with tax top of this list for 21%. Additionally, 23% see high tax rates and a complex tax system as the primary barriers to economic growth in the UK.

Biggest risks to personal wealth, according to HNWIs



Personal finance

Biggest worries

Health remains top concern for HNWI

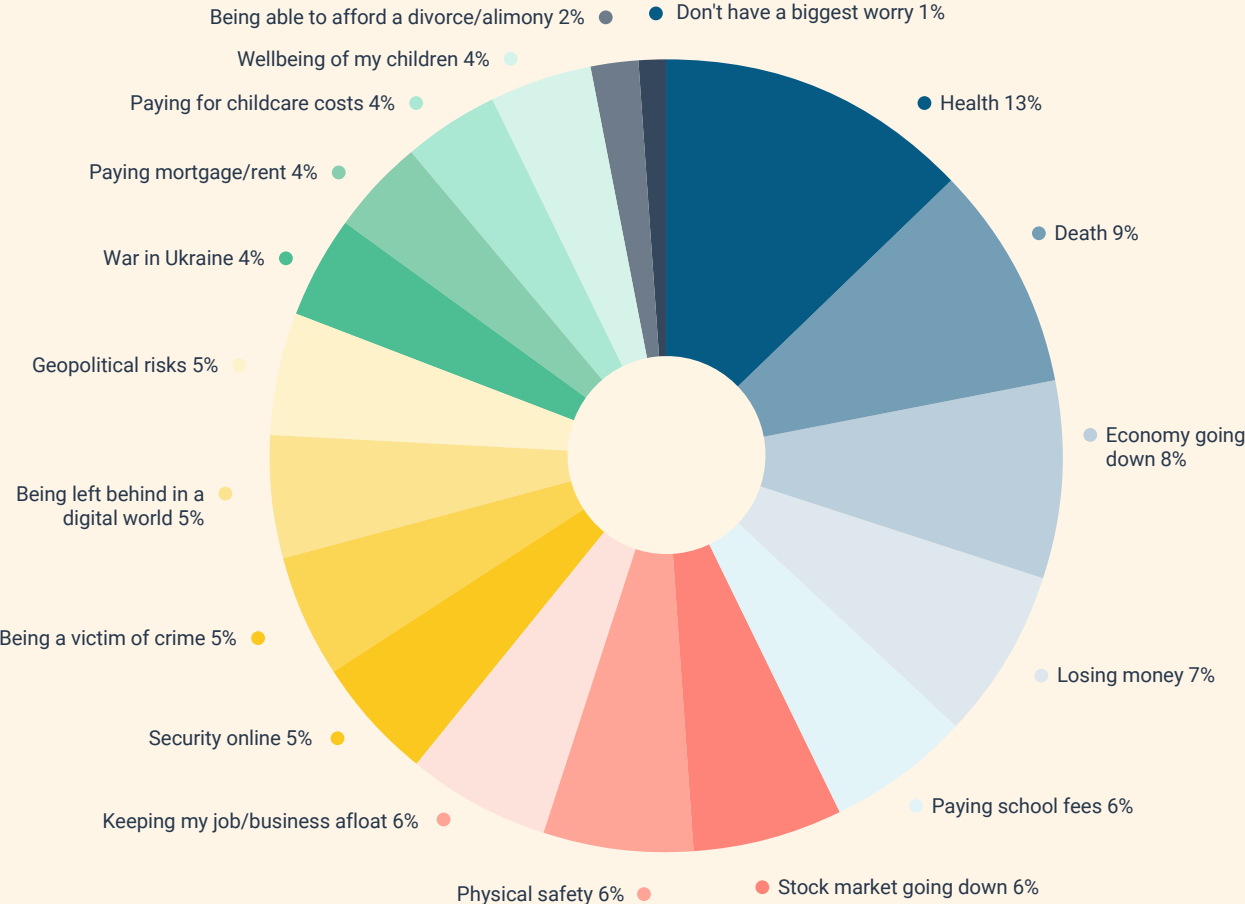
Health remains the biggest worry for 13% of HNWIs. This is consistent with previous editions of the Saltus Wealth Index Report, with health topping the list of fears last time among 15% of respondents.

Concerns about the stock market and the economy, each standing at 14% last time as biggest worries, have dropped significantly to 6% and 8%, respectively.

This is in line with rising confidence in both the economy and individual personal finances and reflects both more positive macroeconomic news through 2024 as well as the strong performance of global markets, with the [MSCI World Index](#) up 15%.

Despite a broad picture of increased positivity and fewer worries among our HNWI audience, one area of increasing concern is around personal security. 16% of respondents, up from 8% last time, said physical safety (6%), being a victim of crime (5%) or security online (5%) was their biggest worry. It comes as no surprise, therefore, that 18% of respondents said tackling crime is one of the most important challenges they would like to see the Government address.

HNWIs' biggest worries



Personal finance

Private school fees

13% of HNWIs with children at private school will move them into state education in the next year

Another emerging worry not evident in previous editions of the Saltus Wealth Index Report is around the cost of private education, with costs rising significantly even before the announcement that the new Government is to apply VAT to school fees from next year. 6% of HNWIs said that paying school fees is now their biggest anxiety, which is a rise from zero respondents last time this research was conducted. Only 15% of HNW parents say that the addition of VAT will have no impact on them or their children.

Even before the impact of the addition of VAT to school fees is considered, many HNWIs were struggling with the rising cost of private education. 96% of HNW parents say rising school fees are already affecting them, with 15% no longer able to enrol their children.

To finance school fees, 22% say they could be moving house to be nearer a more affordable private school, 18% need additional financial support and 17% have made, or will need to make, financial sacrifices.

13% of HNWIs with children currently at private school plan to move their child into state education in the next year. This is down a third from 21% of HNWIs we asked in January 2024, before the General Election, but still demonstrates the significant impact the VAT addition could have.

The impact of rising school fees on HNWIs



Personal finance

Private school fees

However, the impact of the rising costs of private education on children could be felt beyond solely those who could be moved from private to state education. In addition to those 13%, a further 21% of children currently in private education could be moved to a less expensive private school and an additional 11% could change from boarding to day pupils at their existing school. 10% of HNW parents also say they are considering moving abroad because of rising costs and the impending addition of 20% VAT on fees. One in ten (11%) say they will have to call on the bank of mum and dad or friends and family for financial support. A further 10% say they will have to do this just to get through this academic year and will then move their children to a different school – either into the state sector or a cheaper alternative private school.

All in all, more than half (55%) of children currently at private school could see their education disrupted in some way in the coming academic year because of the Government's imposition of VAT on school fees.

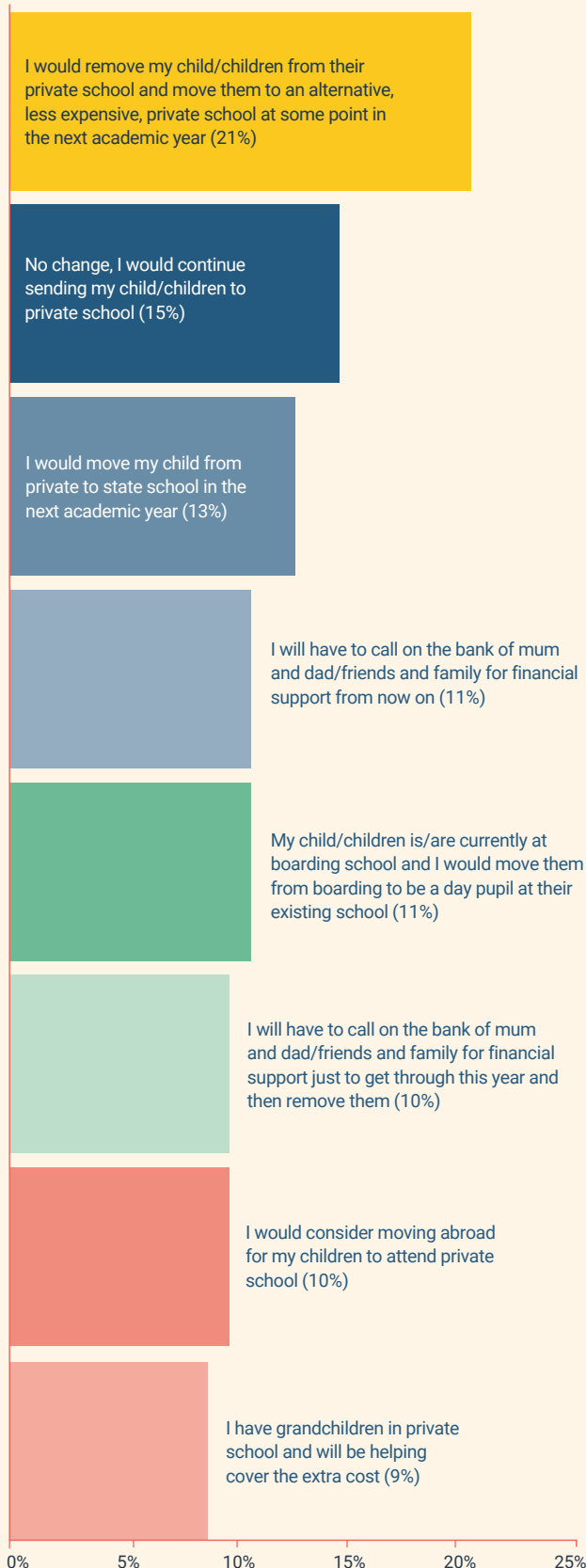
"In recent times, it has been common to see parents helping their adult children afford big purchases, such as deposits on houses or buying their first car, but we are now seeing this financial support trickling down to cover the smaller, everyday costs that have risen so steeply. With private school fees rising over the last few years, this is an expense we are seeing more and more clients looking to help with, and there has been a noticeable spike in the number of people – particularly those in their 50, 60s and 70s – coming to us to ask advice on the best way in which to financially support their families including regular expenses such as school fees.

"The fee increases we are seeing are not something that was reasonably expected when HNWIs may have made their decisions about where to send their children to school. If they made their decision four or five years ago then we have had more than two years of rampant inflation, and now we are talking about another possible 20% via Labour's proposed VAT. It's potentially a 30-40% increase in fees over the last four to five years.

"For those parents worried about affordability seeking financial advice is key. A financial adviser can help provide a clear view on the current shape of your finances and outline ways in which parents – and other family members if they want to help support – can most effectively finance their school fees."

Gianpaolo Mantini
Chartered Financial Planner at Saltus

Action taken if private school fees are no longer VAT exempt



Personal finance

Anxiety about money

More HNWI's are anxious about their money than ever

Nearly three quarters (71%) of HNWI's now see money as a cause for anxiety, up from 65% last time. These anxiety levels are higher among younger HNWI's, with 78% of 18-24 year olds, 76% of those 25-34 and 77% of those 35-44 agreeing that money makes them anxious. Only respondents over the age of 55 see more people not anxious about their wealth (47%) than those who are (34%).

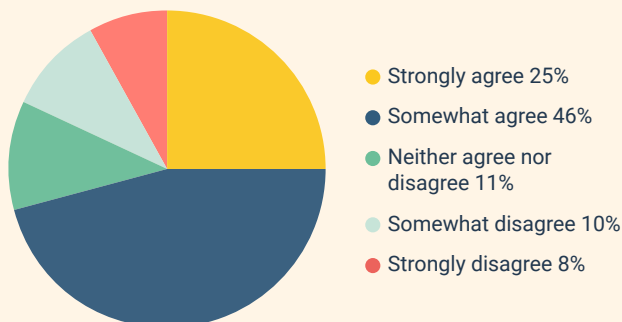
These data underline the fact that, while many are confident about their current financial standing, they remain equally anxious about what an uncertain future might hold.

Levels of anxiety towards money have been steadily increasing over the last four Saltus Wealth Index Reports, from a low of 59% in February 2022 to today.

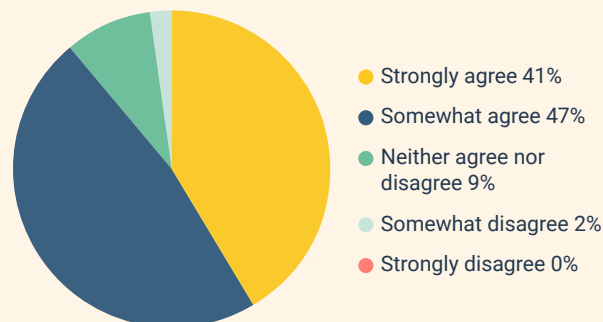
Respondents resoundingly say that money is a source of freedom for them, now standing at 88%. This is the highest level since our records began, surpassing the previous high of 86% recorded in February 2022, and an increase from 82% last time.

HNWI's feelings of anxiety and freedom concerning their finances

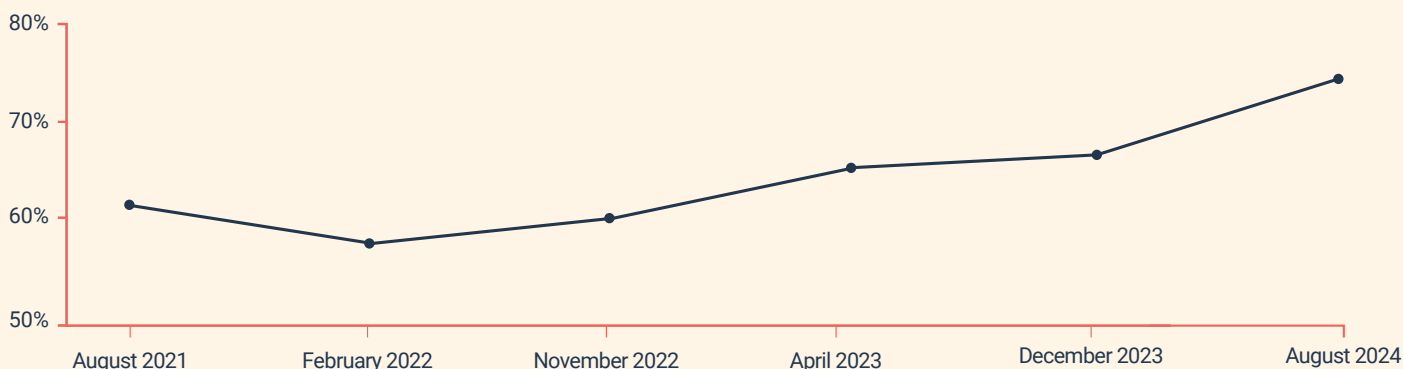
Respondents' reaction to the statement:
My money makes me anxious



Respondents' reaction to the statement:
My money is a source of freedom for me



HNWI's money anxiety over time



Respondents agree with the statement: *My money makes me anxious*

Lifestyle Overview

Significant pressures on HNWI's finances a cause for concern

Despite broad positive sentiment about both the economy and HNWI's finances on an individual level, there are several pressures still facing this group that are concerning for both individuals and the UK economy as a whole.

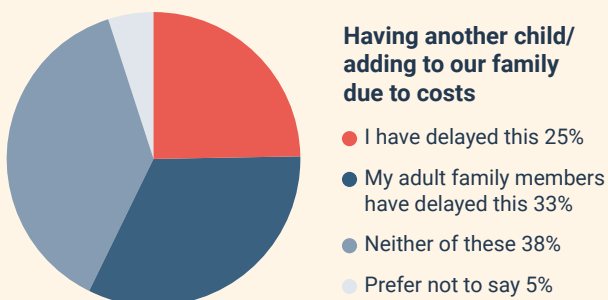
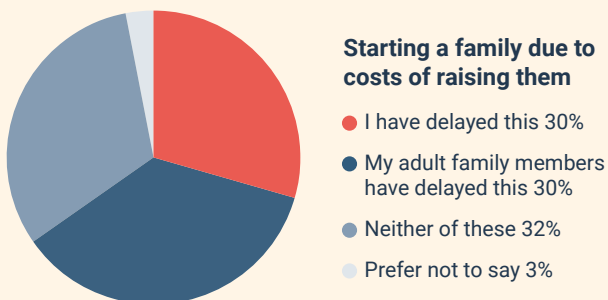
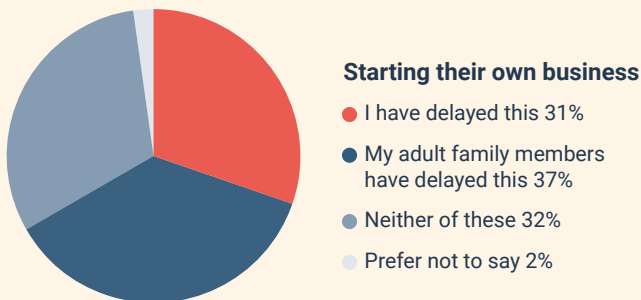
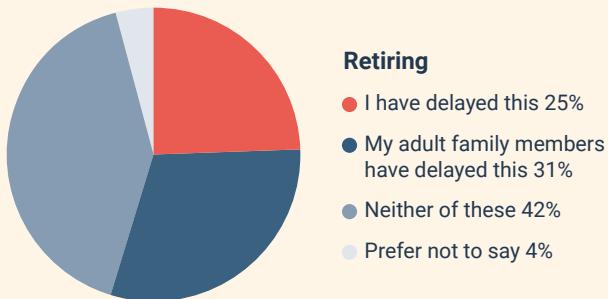
Significant numbers of HNWI's are currently delaying key life decisions due to some of the financial pressures they face. The impact of some of these delays extends beyond simply lifestyle changes or decisions that solely affect them personally, such as delaying starting a business or key investment decisions.

The findings of this Saltus Wealth Index Report demonstrate the important role HNWI's play in supporting both their own families and the next generation of wealth creators in the UK, as outlined in the next section. In the most extreme circumstances, our findings demonstrate that some HNWI's are considering leaving the UK permanently.

The impact this cohort has on economic growth in the UK is significant and these short-term financial pressures are a concern that should not be taken lightly.

Lifestyle

Delays to major life moments



Significant increase in HNWI's delaying key life decisions due to cost of living pressures

The increased cost of living is having an impact on some major life decisions by HNWI's and their families. The figures in this area are significantly higher than last time, suggesting the change in government has made people reluctant to commit to major life decisions, at least in the short-term. 30% say they have delayed starting a family due to the costs of raising them, a figure that rises to 36% for family members who have delayed for the same reason. A quarter (25%) of HNWI's have delayed having another child due to costs, rising to 33% among their adult family members. A third (31%) also say they have delayed starting a business, rising to 37% for adult family members who have delayed doing so. This compares with 19% and 12% respectively when this research was last conducted in January 2024. Additionally, 35% have delayed buying a second property, 20% getting divorced and 39% making a big purchase such as a car or property renovations. In the previous Saltus Wealth Index Report, just one in ten HNWI's said they had delayed their retirement due to cost of living pressures, but this figure has more than doubled to one in four (25%) this time.

"It's interesting to see that the number of HNWI's delaying life events has increased as economic factors have arguably remained the same. This could suggest that people are delaying making these bigger milestone decisions through fear of the unknown given the change in government.

"The delay in HNWI's starting business ventures could have a domino effect on reducing the new job opportunities in the market. Equally, delays in property purchases of second homes are extending to many landlords selling down portfolios and we have a number of clients looking at reducing leveraged exposure and liquidating property for more flexibility and control.

"Although these figures are more concerning than the last report it does highlight a need for more detailed stress testing and forecasting to provide more confidence in financial decisions. This can sometimes result in the answer being "delay" but in many scenarios there may be more ability to absorb risk than people realise by capitalising on other allowances available to help them."

Jack Munday
Chartered Financial Planner at Saltus

Lifestyle

Leaving the UK

Significant number of HNWIs could consider leaving the UK at some point

16% of HNWIs in the UK say they are definitely considering leaving the UK permanently in the next year and a further 33% are considering it longer-term. 28% could consider leaving the UK but have not yet decided, and just 24% say they are not considering leaving the UK at all.

Nearly two thirds (63%) of those aged 18-24 say they are definitely considering moving abroad, 51% of 25-34 year olds and the same (51%) among 35-44 years olds. This then falls to just 41% of 45-54 year olds and to less than one in four (23%) of those aged over 55.

HNWIs are often ambitious, globally mobile individuals, and so it is not surprising that many maintain the ambition to live and work abroad at some point in their lives. This is supported by the fact that relatively high numbers of younger HNWIs are considering it, falling to a minority of older age groups.

However, the potential for HNWIs to leave the UK in large numbers is worth watching given the significant impact this key group has on the prosperity of the UK economy.

Supporting family and backing the next generation of wealth creators

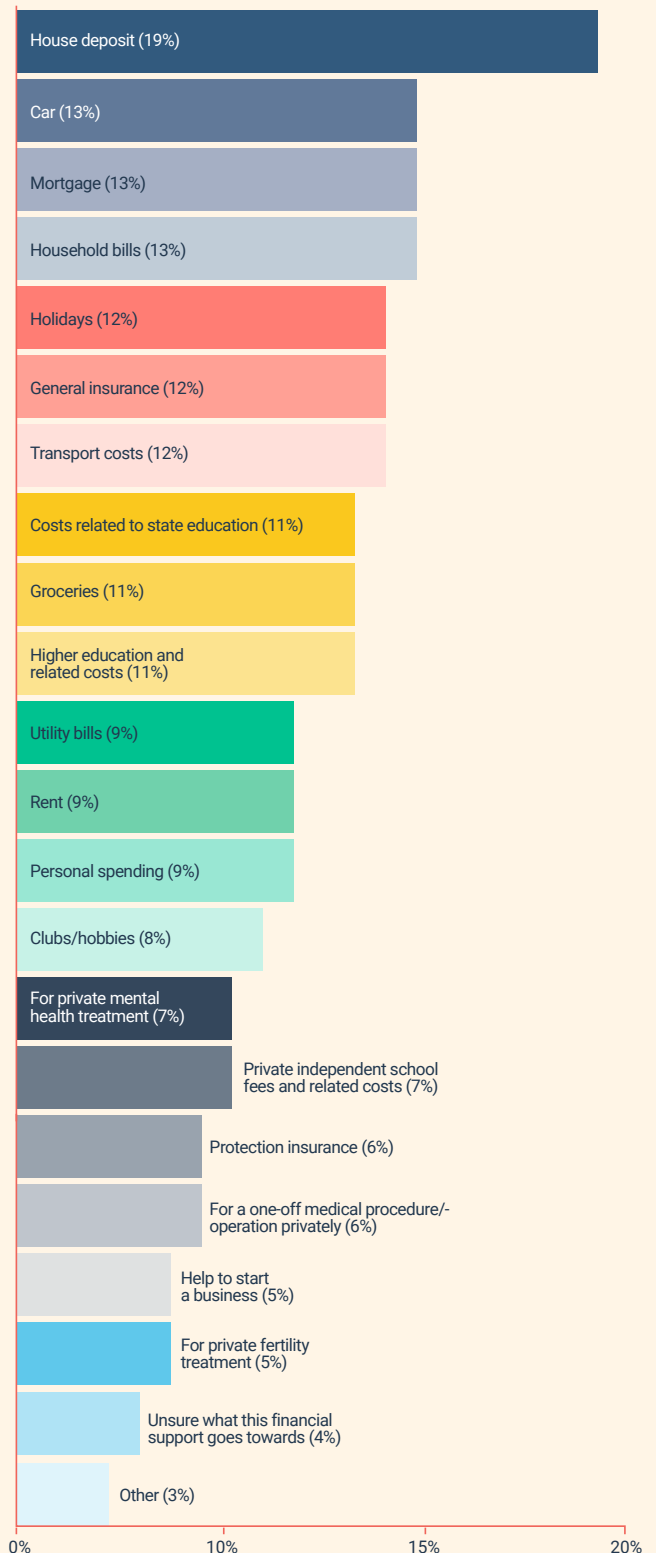
Overview

HNWIs are crucial to the growth of the UK economy and are helping to support family members

The impact HNWIs have on the UK economy is significant when it comes to supporting the next generation of entrepreneurs, with eight in 10 (84%) having investments, or planning to invest, in early stage businesses.

In addition, the support HNWIs provide to their adult children, as identified in previous Saltus Wealth Index Reports, continues, especially as younger generations or those in less financially secure positions feel financial pressures more acutely when managing key life moments.

How HNWIs are supporting their wider family financially



Supporting family and backing the next generation of wealth creators

Entrepreneurs and growth

HNWIs are crucial to growth of the UK economy

Over a third (38%) of HNWIs have already invested in early-stage businesses and a further 47% say they plan to do so. This finding is supported by the numbers of HNWIs (37%) who have already invested in SEIS/EIS businesses – early stage, high-growth businesses that typically require investment from individuals and/or angel investment networks in seed funding to get them off the ground.

HMRC data reveal that more than 4,000 businesses raised just under £2 billion in EIS investment in the 2022-23 tax year, in addition to 2,000 businesses that raised £157 million under SEIS.

These numbers have been broadly consistent at or around this level since 2017-18. HNWI support for the next generation of wealth creators is equally clear through wider support they provide.

Eight in ten (84%) are or intend to be a mentor to younger entrepreneurs, while 38% currently sit on at least one company board.

“HNWIs play a pivotal role in supporting the entrepreneurial ecosystem in the UK, by injecting capital into startups and emerging businesses, they empower entrepreneurs to take risks, innovate, and pursue ambitious growth strategies. This influx of funds allows businesses to invest in research and development, scale their operations, and expand into new markets.

“Beyond financial support, many of these individuals have built successful businesses themselves, and their knowledge can guide new entrepreneurs through the complexities of launching and scaling a company. This mentorship often includes helping startups refine their business models, improve their go-to-market strategies, and navigate regulatory environments.

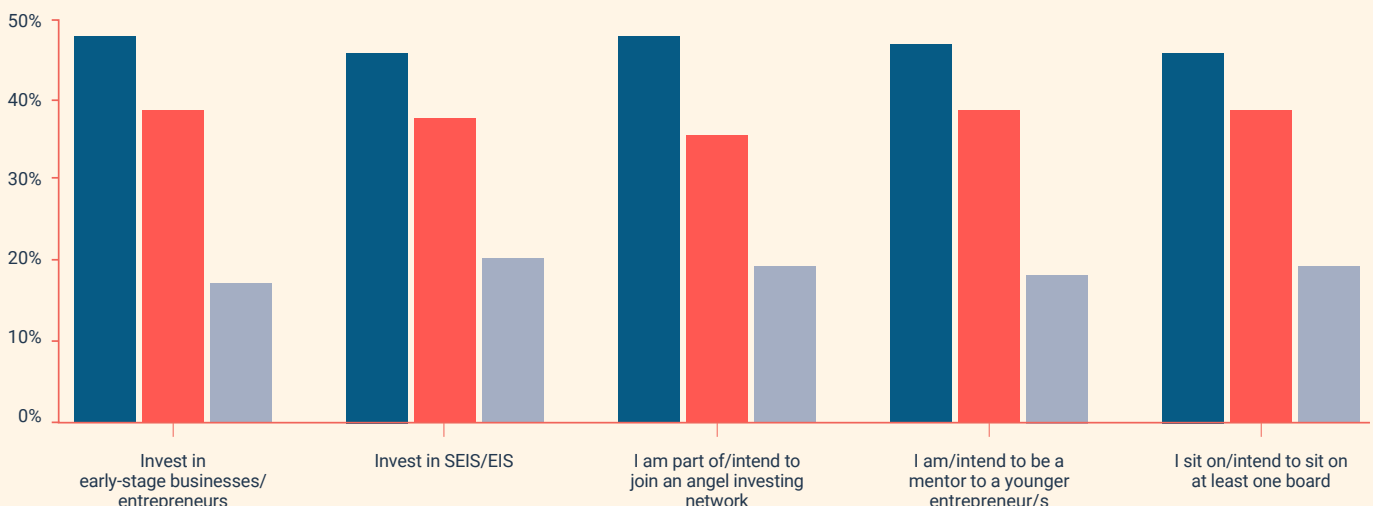
“Additionally, investments from HNWIs are often focused on high-growth sectors that are vital for future economic development. By channelling their resources into these areas, HNWIs are not only fuelling economic growth but also driving job creation and helping to build a sustainable, knowledge-based economy.”

Damien Rylett

Chartered Financial Planner at Saltus

How HNWIs are supporting others in creating wealth and driving growth

- I plan to do this
- I do/have done this
- I have not done nor plan to do this



Supporting family and backing the next generation of wealth creators

Supporting family

Nine in ten HNW parents have provided financial support to adult children

87% of HNWIs are providing, or have provided, regular financial support to their children or grandchildren in the last 12 months, with 91% having provided a one off lump sum at some point. 35% are providing their family members with more regular financial support and a third (33%) say they have provided more lump sums because of the current financial climate. Over the past 12 months, more than eight in ten (88%) respondents have provided family members with monthly support, of just under £600 (£572.55) per month on average. The way in which HNWIs have funded this support has changed slightly since the last Saltus Wealth Index Report. Previously, excess income was the top source of funding (32%), but now other investments are the primary source at 28%, up from 20%. In addition, 17% of HNWIs say they are taking more from their pension, if retired, and 11% of pre-retirees have reduced pension contributions, down from 15% last time.

Supporting family members financially can have

mixed effects on relationships, but our findings show that the impacts have been largely positive on HNWIs' children. 29% say they see each other more often as a result and 28% say they are closer – but for a fifth (21%), this financial support has made the relationship more strained.

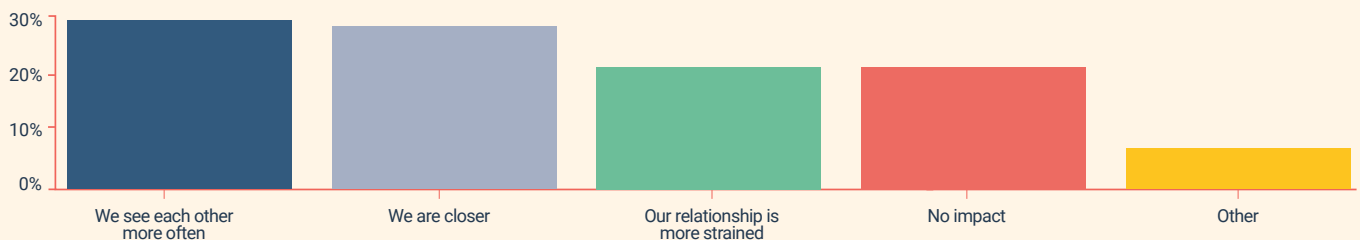
“Providing financial assistance has always been a common aspiration among HNWIs and we do not expect that to change any time soon as clients recognise how much harder it is for the younger generation starting out.

“The conversations we are having with clients very much align with the data, and the top source of funding for gifts is now through investments, as opposed to surplus income, which is being squeezed due to increased expenditure.

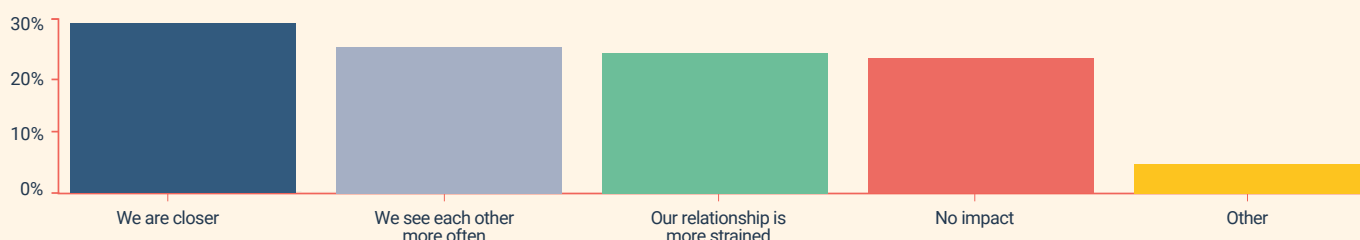
“As a result, clients are seeking peace of mind prior to making gifts and want to ensure it does not have a detrimental impact to their personal situation, but remain resolute in their aim of providing help.”

Alex Pugh
Chartered Financial Planner at Saltus

HNWIs' relationships with their adult children



HNWIs' relationships with their partner or spouse



Methodology

- 2,000 UK respondents (aged 18+) who have £250k+ investable assets – full breakdowns on age, assets, sex, etc.
- Research conducted by Censuswide (Censuswide abides by and employs members of the Market Research Society, based on the ESOMAR principles).
- Carried out online in August 2024.
- Some of the figures in this report have been rounded to the nearest whole number. This means that in some cases the total value of a graph will be above or below 100%. The original data provided by Censuswide included data accurate to 13 decimal points. The data has been rounded, where relevant, to present the clearest picture to readers of this report.

The formula which drives the Index is as follows:

$$SWI = \sum_{i=1}^7 w_i M_i$$

This is the sum of the seven measures outlined below, M_i multiplied by their corresponding weights, w_i .

- Confidence in respondent's own finances
- Confidence in the UK economy
- Proportion of respondents who are not concerned by either
- Inflation or interest rate rises
- Confidence in London remaining as a financial centre
- Anxiety about money
- Belief in the freedom that money can give
- Belief that taxation is too heavy or too light

References:

1. [MCI World Index](#)
2. [Enterprise Investment Scheme, Seed Enterprise Investment Scheme and Social Investment Tax Relief statistics: 2024](#)

About Saltus

Saltus is a wealth management company that combines empathy and intellect in equal measure. We help our clients achieve their goals in life through expert financial planning as well as providing sharp focused investment management.

We started life as an investment management firm in 2004, yet over the years we saw that providing high quality investment management is just one of the ways we can help people achieve their aspirations.

Saltus Financial Planning was launched in 2015, with the aim of being an industry leader in providing financial advice. Saltus now employs over 230 people, and we have the privilege of looking after over £5bn for our clients.

Find out more at [Saltus](#)

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