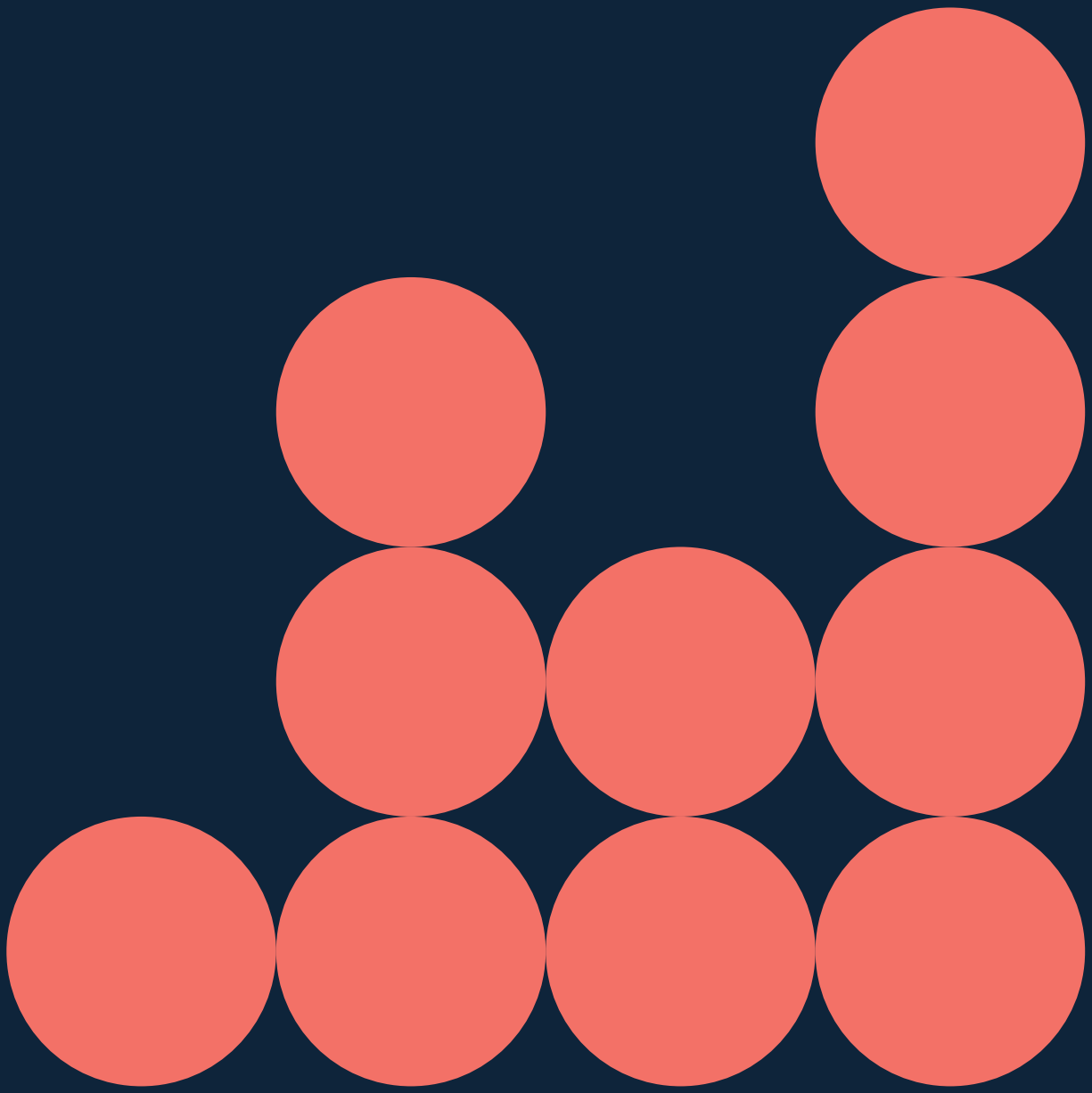
...Saltus

Saltus Wealth Index Report

September 2025



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Foreword
Jon Macintosh

This is our eighth Saltus Wealth Index Report

The report highlights the views of a constituency that is often overlooked and has its ambitions and values denigrated or subordinated to other agendas. That constituency is of course high net worth individuals (HNWIs). If Britain is to get out of the sluggish lane it appears to be stuck in, it is these people that will do it. HNWIs matter.

We conduct two surveys a year to track how opinions change over time. On the face of it the Wealth Index, our single barometer of confidence of respondents, has shown some improvement. It now stands at 64.7, representing a degree of recovery from the low in the winter following the first Labour Budget (where, at 58.2, it was lower even than the point following Liz Truss's Budget). However, it is still short of the levels we recorded in the summer of 2024.

A pinch of salt is required when considering this current number. The research was conducted in the context of strong rebounds in markets, following the volatility of the spring when Trump's tariffs caused much turbulence. It is reasonable to speculate that our respondents might feel more prosperous, but they do not feel more secure.

There is plenty here to support that view. Large numbers of respondents are considering leaving the UK. HNWIs do not think the tax they pay is fair and they believe that there is more ugly tax news in store for them from the Labour Government. They are continuing to experience the pain of being the squeezed generation - having to offer financial support to both parents and children. Significant numbers report putting in place steps to protect their wealth, particularly relating to intergenerational transfers.

These attitudes are spiced with a dose of regret. About half of those who voted Labour now wish they hadn't.

However, there is one glimmer which we should not ignore. HNWIs report in larger numbers than before that they are participating in nurturing the next generation of business whether that be in investment or in practical assistance such as mentoring. If things are going to get better - to almost coin a phrase - you feel that this mix of generosity and good old fashioned self interest will be the way it happens.

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 64.7, representing an important increase from the previous value of 58.2 in January this year. Some caution is necessary when considering this number. The research took place following the strong recovery in markets after the trough of the Trump tariff period and there are plenty of warning signals. They are still behind the recent peak of August 2024 (66.9), but have returned to levels last seen in December 2023 (64.4). This volatility reflects global and domestic uncertainties over the last year. On the positive side, the UK has seen slight growth in GDP and real wages, a fall in interest rates and the securing of a UK-US trade deal. Yet persistent inflation, geopolitical uncertainty, and the prospect of further tax rises in the November 2025 Budget continue to weigh on sentiment.

Most measures in the Index have strengthened, but not all. Confidence in the UK economy has improved, and belief in London's position as Europe's financial capital has strengthened (although this may be more a reflection of difficulties elsewhere in Europe than renewed domestic strength). At the same time, there has been slight downward pressure from a modest rise in money related anxiety and because of an increase in those citing inflation as a key risk compared with earlier this year.

There are also signs of reluctant acceptance of recent tax rises, with the proportion of HNWIs who feel their tax burden is 'too high' easing slightly to 42%, down from 45% in January. Nevertheless, expectations of further tax increases remain widespread, particularly around Capital Gains Tax, Inheritance Tax and pension relief. The report suggests that these expectations are shaping behaviour, with HNWIs considering and using wealth protection strategies such as trusts, gifting and estate planning.

This improving confidence has not translated into complacency. Instead, HNWIs are adopting a dual approach, with more pursuing opportunities such as early stage investments while at the same time strengthening protections for their families and estates. This combination of prudence and selective risk taking reflects a more deliberate, longer term view of wealth in an environment where uncertainty remains.

Looking forward, the Index suggests a more measured outlook than in previous reports. Confidence is rebuilding, but it is not yet resilient. HNWIs are ready to seize opportunities, but also remain wary of shocks that could quickly alter the landscape. This balance of optimism and vigilance is likely to define sentiment until there is greater clarity on inflation, taxation and the UK's broader growth prospects.

Dr Michael Peacey
Senior Lecturer, School of Economics
University of Bristol

Executive summary

Confidence in the UK economy edges upward while wealth protection takes priority

This report reveals a complex picture among Britain's HNWIs. The Index itself now stands at 64.7, representing an important increase from the 58.2 recorded in January this year. However, it is still well below the 66.9 peak of August 2024, and comes after the Labour Government's first Budget where the research recorded very weak confidence.

The increase in the figure has been driven primarily by a recovery of confidence in the UK economy. However, this is likely to have been driven by a strong performance by markets in the period that the research was undertaken rather than a genuine surge in optimism. This is underlined by the fact that the results are accompanied by fears over tax reform and inflation, and heightened anxiety about personal finances.

Today, two thirds (66%) of HNWIs now say they are confident, compared to fewer than half (48%) in the previous edition. However, this is still the second lowest level of confidence ever recorded and remains well below the 84% recorded prior to the Labour Budget in August 2024. HNWIs are clear that they do not yet feel a return to the strength of sentiment seen before the recent wave of policy changes.

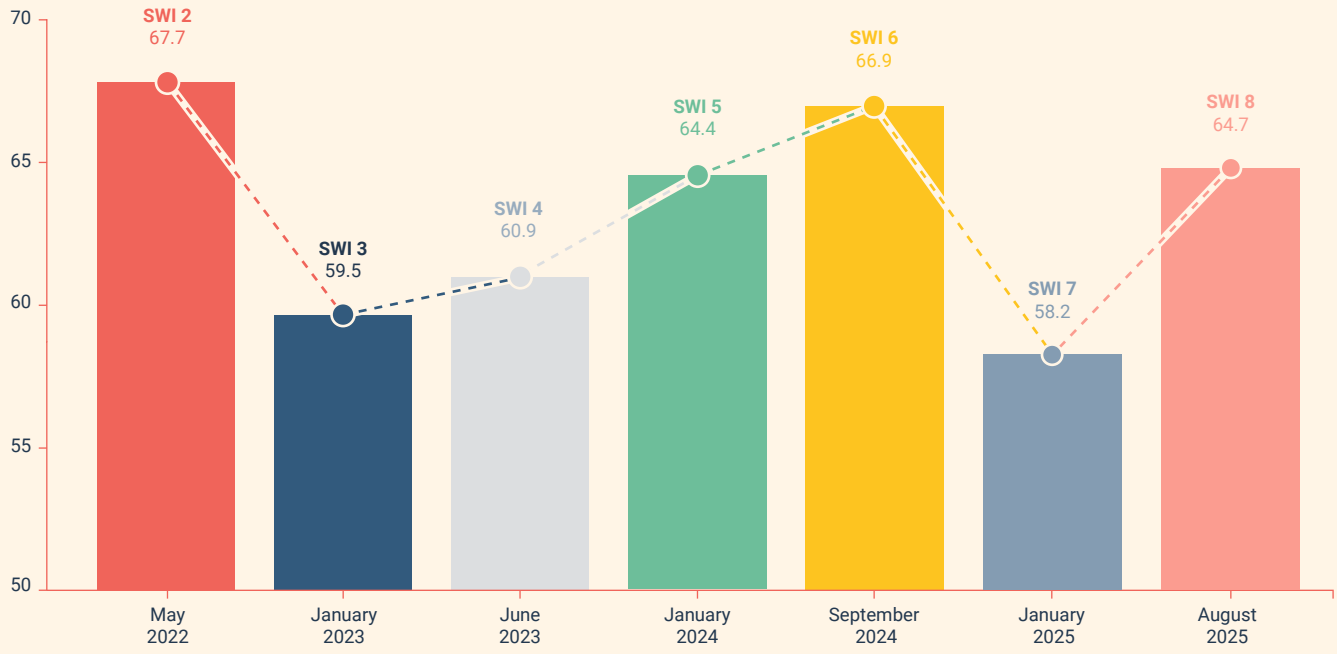
The findings also show that HNWIs are feeling more positive about their own finances, with confidence rising from 86% to 92%.

However, the research was undertaken in the period following the Trump tariff actions, when markets collapsed but then recovered strongly and, as with overall economic confidence, this rise may reflect that short term relief rather than a true rebound in optimism. This is further underlined by the fact that almost four in ten (39%) HNWIs continue to say that money makes them anxious, a figure that has remained largely unchanged.

Expectations of further tax rises are a key driver of this anxiety. With speculation mounting that the Chancellor could target housing, wealth and inheritance in the Autumn Budget - including rumours of a potential 'mansion tax' or Stamp Duty reform - this latest report shows that 78% of HNWIs expect tax rises within the next 12 months and almost half (46%) see tax changes as 'the biggest single risk to their wealth', second only to inflation (58%).

Almost half (46%) also anticipate increases in Capital Gains Tax, while similar numbers believe Employers' National Insurance (41%), Income Tax (40%) and pension contribution relief (40%) could be targeted.

Changes in the Saltus Wealth Index over time



* Dates refer to when the research was conducted

Executive summary (Continued)

Yet, adaptability is also clear. A growing number of HNWIs are investing in early stage businesses and entrepreneurs. 35% have already invested and 34% plan to do so, up from 26% in the last report. This willingness to support enterprise reflects a measured appetite for risk, and the importance of this constituency if the UK is to deliver the growth the Chancellor so badly needs.

Further changes to Inheritance Tax (IHT) are also a concern, with more than a third (35%) anticipating a rise. As a result, protecting and passing on wealth emerges as a key theme in this report, with a third (33%) of HNWIs actively looking at strategies to protect their pensions from IHT.

Wealth protection also dominates planning behaviour elsewhere. Four in ten (39%) respondents say they plan to gift wealth to their children, compared with 33% six months ago. A third (35%) have made formal pension beneficiary nominations, and a similar number (34%) have set up a trust, while 14% have attached conditions to gifts or inheritance. Among those who are married or in civil partnerships, almost one in five (18%) have put in place pre or post nuptial agreements. These figures underline the trend towards more deliberate structuring, with HNWIs determined to control how their wealth is guarded and passed on.

Other pressures are also shaping behaviour. The imposition of VAT on private school fees is forcing families to reconsider their children's education. One in five (19%) HNW parents say they have already removed their child from their existing private school, with half of those having chosen a cheaper private school and the rest having removed their child from the private school system altogether. A further 10% say they will have to remove their child from private education in the future. Furthermore, 71% of HNW parents whose children remain in the independent sector have either made - or will have to make - financial sacrifices to enable their children to remain in private education, including taking on debt and reassessing their living arrangements.

At the same time, a generation of HNWIs are navigating competing responsibilities: many are supporting adult children while also providing for ageing parents. The demands of this 'squeezed generation' make preservation of wealth a new imperative for our respondents.

Some are even looking beyond the UK for solutions. Up to a quarter of HNWIs have considered leaving the country, with the United States the most popular destination (for 22% of those considering relocation), followed by Canada (12%) and Australia (8%). For many, this is the product not just of a financial calculation, but also a search for stability and quality of life.

Taken together, these findings point to a constituency that is feeling substantial pressures but is resilient and adaptable. Confidence is edging upward, and many HNWIs feel better informed about their financial situation than before. But, faced with uncertainty over the direction of taxation and government policy, HNWIs are making structural changes to how they hold, preserve and pass on their wealth.

Views on the economic environment
Overview

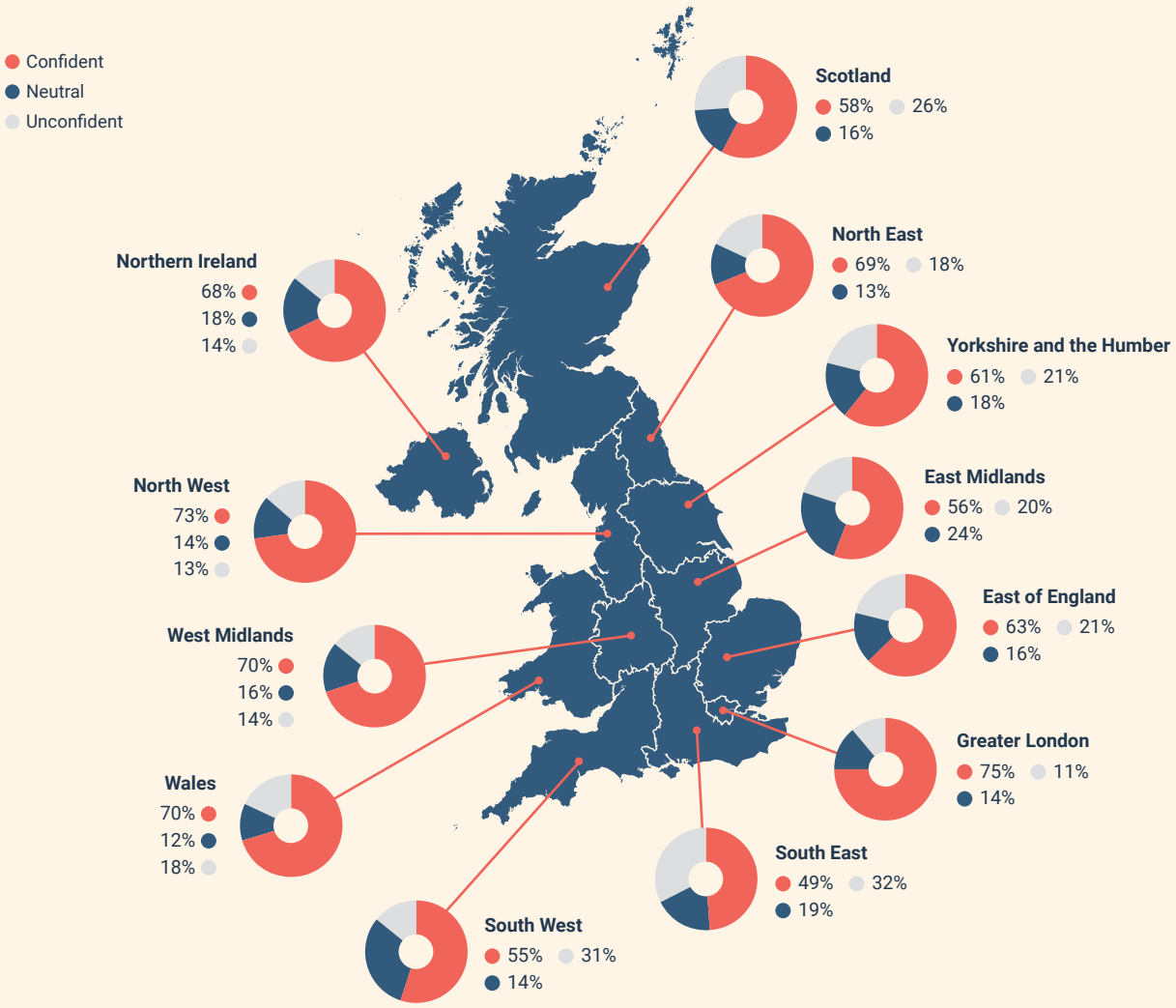
Confidence in the UK economy is rising, but fragility remains

HNWIs are beginning to show some confidence in the UK economy, but this confidence remains well below pre Budget levels. Two thirds (66%) of HNWIs now say they are confident in the economic outlook, up from 48% in the last Wealth Index Report, with almost three in ten (28%) describing themselves as very confident, a sharp rise from 19% six months ago. Yet, even with this recovery, confidence is still far from the 84% recorded before last year's Budget, and remains the second lowest level ever recorded, a reminder that confidence is fragile and far from having 'recovered.'

The improvement in confidence is tempered by continued concerns around taxation and growth. Asked which taxes they consider most unreasonably high, nearly a quarter (24%) point to the higher rates of Income Tax at 40% or 45%. IHT is the second most unpopular, cited by 17%, followed by VAT at 9%.

These findings reinforce the perception that the UK's tax regime is not only burdensome for individuals but also for the wider economy. When asked which taxes most hold back growth, HNWIs cite the higher rates of Income Tax, Employers' National Insurance and Corporation Tax as the most damaging. The combination of high marginal rates on income, significant employment costs and taxes on corporate profits is seen as a drag on enterprise and wealth creation.

HNWIs' confidence in UK economy as a whole

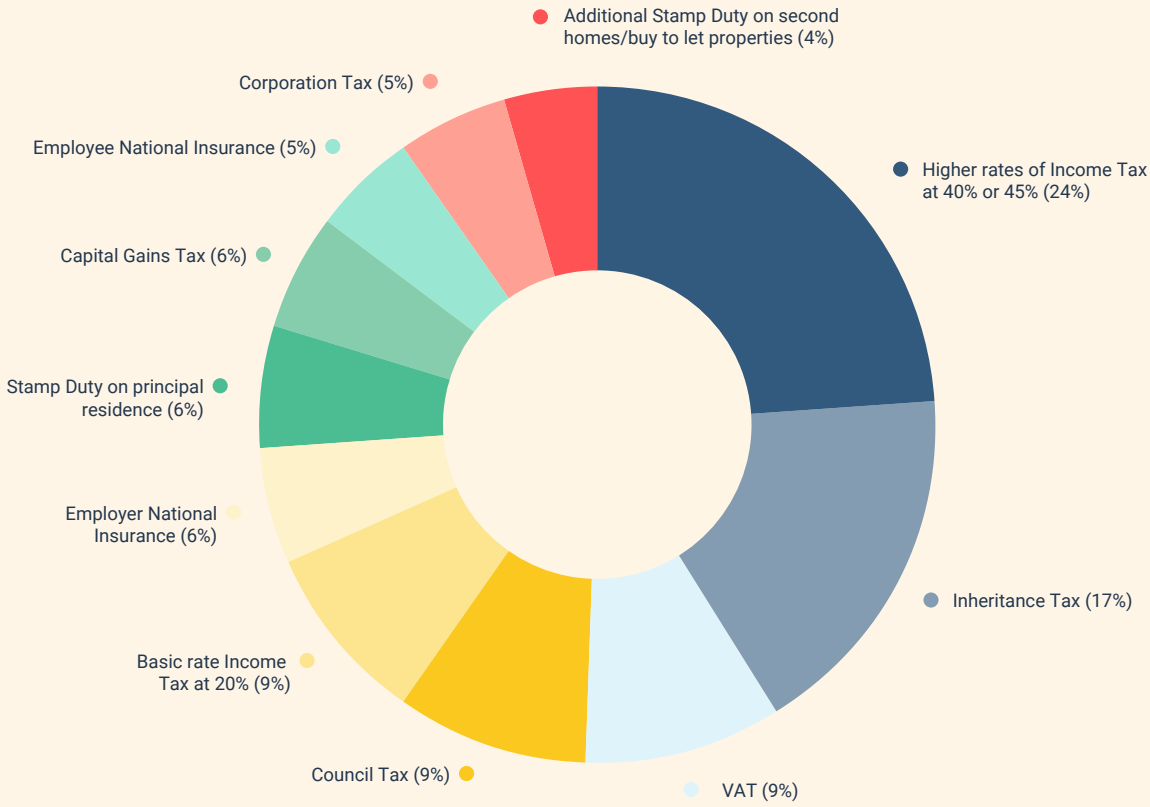


Views on the economic environment
Overview (continued)

Our respondents do not believe these problems are going to be addressed any time soon. Eight in ten (78%) expect more tax rises in the next 12 months, with almost half (46%) predicting that the Government will raise Capital Gains Tax. This aligns with a broader narrative of mistrust: while confidence in the economy has improved, few expect the policy environment to stabilise. Instead, they anticipate that the Government will look to fund its spending plans through further tax rises, rather than expecting a more stable or pro-growth policy environment.

The picture that emerges is one of caution. Confidence has edged upward, fuelled by strong markets and the sense that HNWIs are adapting and better informed than before. Yet it is tempered by the weight of taxation and by fears of further policy changes. For many, confidence in the wider economy and confidence in their own wealth are intertwined, with current sentiment reflected in a stronger focus on protecting what they already have.

The most unreasonably high tax



Views on the economic environment
The UK's economic prospects

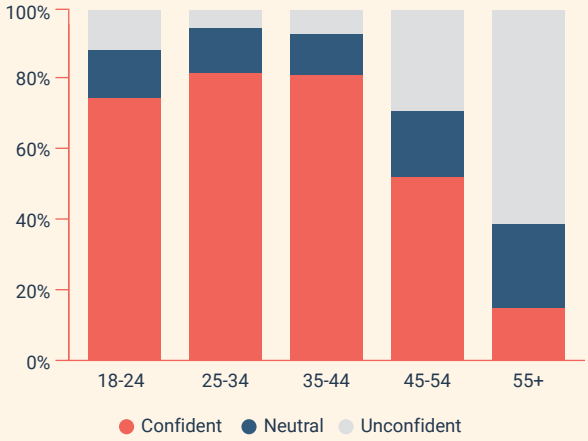
Overall confidence in UK economy rises from 48% to 66%

HNWIs are showing stronger confidence in the UK economy than six months ago, but optimism is subdued and tempered by political disillusion and persistent uncertainty. Two thirds (66%) now say they are confident, up from 48% in the last report, with almost three in ten (28%) describing themselves as very confident, up from 19%. Yet a fifth (19%) remain unconfident, including 5% who feel extremely unconfident, and overall confidence levels still remain the second lowest ever recorded since the first Wealth Index Report in October 2021.

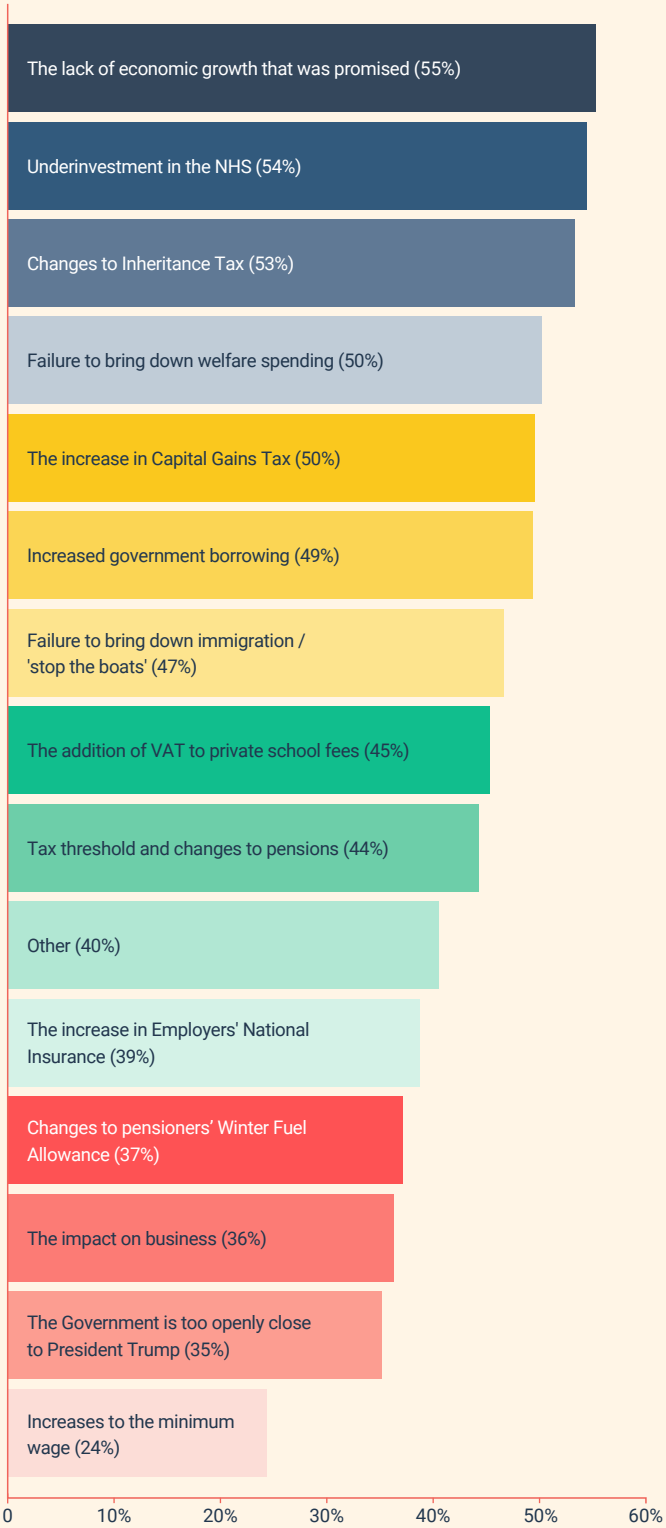
The findings suggest that political choices are a key factor in shaping this sentiment of caution. Almost half (49%) of all HNWIs reported voting Labour in the last election, but almost half (46%) of those that voted Labour say they now regret that decision. The reasons for regret reflect both disappointment in how the economy has performed alongside unease with policy changes; with more than half (55%) citing the lack of economic growth that was promised and a third (36%) the impact on business.

There are also striking differences in how confident people feel depending on their age. Younger HNWIs are generally more positive, with 81% of under 34s saying they feel confident, 43% of whom are very confident. This optimism falls sharply with age, to just over half of 45-54s and 15% of over 55s. In fact, of this group, 61% say they are unconfident in the UK economy, a third of these being very unconfident, marking no increase in confidence compared to six months ago amongst older respondents.

Confidence in the UK economy by age of repondent

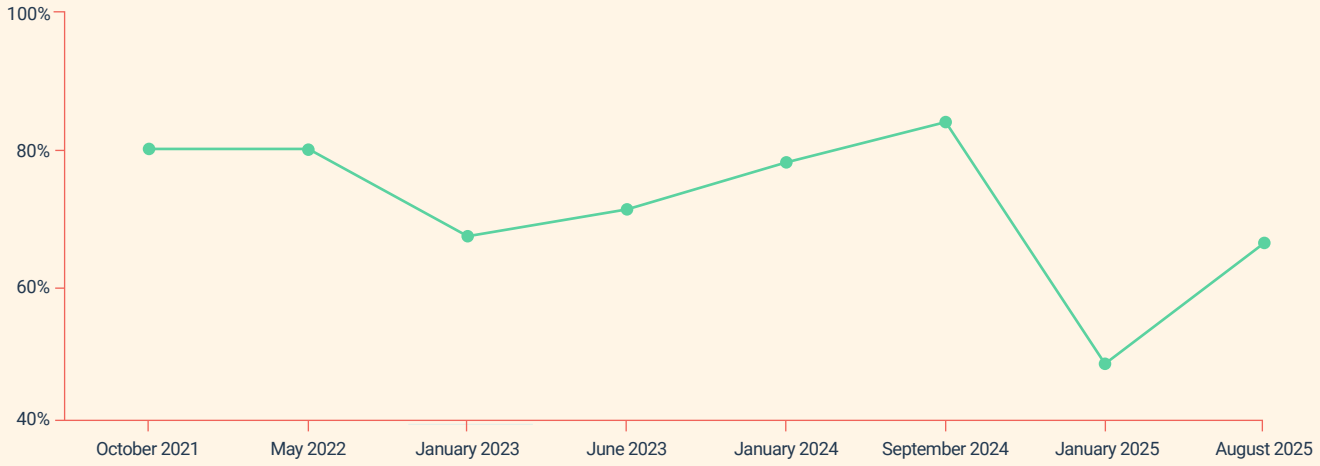


The reasons why those who voted Labour now regret it

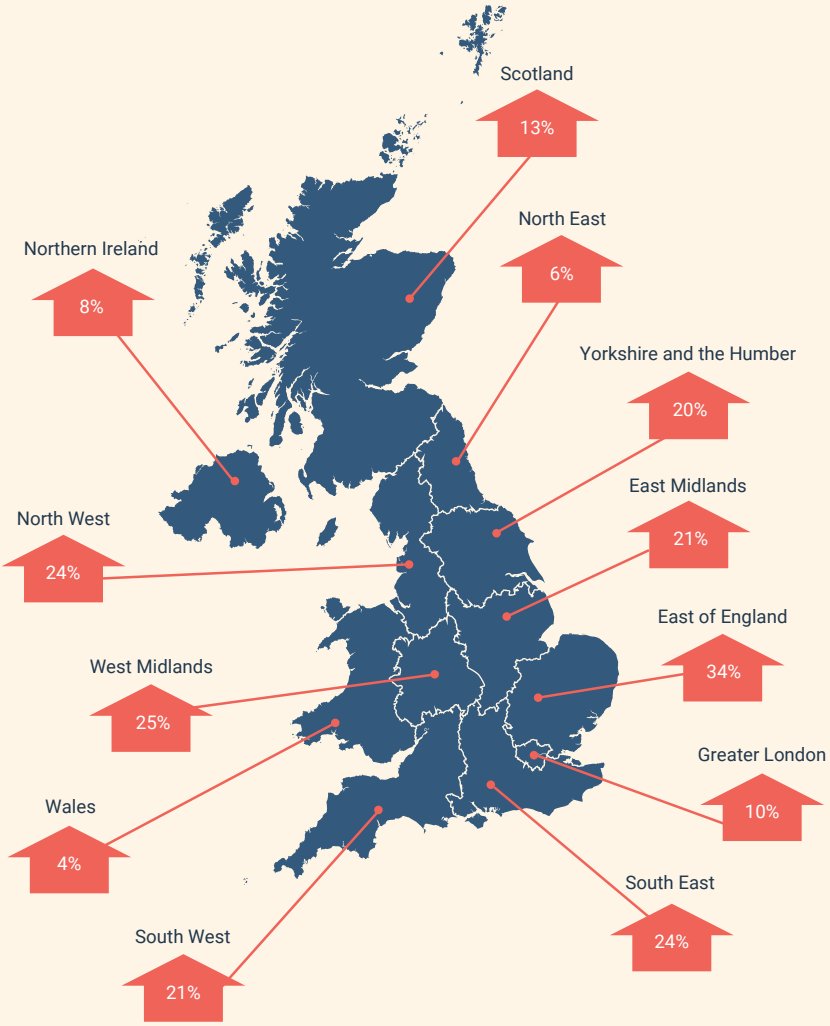


Views on the economic environment
The UK's economic prospects (continued)

HNWIs' confidence in the UK economy over time



HNWIs' rising confidence in the UK economy since January 2025



Views on the economic environment
Wealth creation

From mentoring to investment, HNWIs step up their role in wealth creation

Confidence in the UK economy has recovered slightly from the very low levels seen last winter, prompting some HNWIs to reassess their approach to wealth creation. While protection remains their dominant instinct, rising confidence in their own financial position may be enabling many to explore more active and community based opportunities. This is visible not only in how HNWIs are investing, but also in the roles they are taking to support innovation, enterprise and employment.

More than a third (35%) of HNWIs say they have invested, or currently invest, in early stage businesses or entrepreneurs, while 34% plan to do so in the future. Almost a third (32%) of respondents have mentored younger entrepreneurs, and 36% plan to do so, while a similar proportion have sat on boards (29%), with a further 33% intending to take on such roles.

Charitable engagement follows a comparable pattern. Over a quarter (27%) of HNWIs are trustees of charities, with 32% planning to become trustees in the future. Meanwhile, almost a third (32%) employ people through their own businesses, demonstrating a direct contribution to the wider economy as both investors and employers.

Taken together, these findings illustrate how HNWIs are gradually channelling their skills and experience into productive areas of wealth creation. They are supporting enterprise and innovation not only through financial commitments but also through experience and leadership. Yet they do so while remaining cautious, ensuring that wealth creation is balanced with protection.

While HNWIs remain concerned about taxation and policy instability - with eight in ten (78%) anticipating tax rises in the next 12 months - 90% say their wealth gives them freedom. They recognise the power this provides and, where opportunities for long term growth arise, they are prepared to act - reinforcing both their adaptability and resilience.

Views on the economic environment
Tax

Higher rates of Income Tax are the most 'unreasonably high'

Tax remains one of the sharpest pain points for HNWIs. While confidence in the UK economy is beginning to recover, optimism is tempered by the expectation of further tax rises under the Labour Government.

Income Tax is the levy viewed as the most unfair of all taxes, with almost a quarter (24%) of HNWIs highlighting the 40% and 45% rates as 'unreasonably high'. IHT ranks second in the most unfair taxes with one in five (17%) respondents regarding it as unreasonably high.

Furthermore, 30% of HNWIs believe IHT should be abolished altogether, up from 25% in the last Wealth Index Report. Only 18% favour retaining the current £325k threshold, while nearly half (46%) want to see the threshold increased.

Of those that want to see an increase, a third (32%) say a threshold of between £500,001 and £1m would be fairer, while 32% support a rise above £1m. On average, HNWIs say the threshold should be around £600k, almost twice the current level. These findings underline how deeply the tax is regarded as unfair, particularly when combined with rising property values and broader pressures on intergenerational wealth transfers.

Concerns about IHT are also shaping how our respondents review their pension arrangements. A third (33%) of HNWIs are considering strategies to protect their pensions from IHT exposure, three in ten (30%) are reviewing or adjusting their pension savings or retirement income plans, while 29% are exploring the use of trusts or other vehicles to manage tax exposure on their pensions and estate. More than a quarter (28%) are worried that potential changes to IHT rules could affect how they pass on pension benefits.

"Estate planning has always been a key priority for many HNWIs. However, recent policy announcements - and the intense media coverage which has followed - have brought IHT mitigation firmly into focus. Draft legislation from the Government proposes that, from April 2027, unused pension savings will fall inside the scope of IHT, which is one of the most significant changes in IHT legislation for decades. Unsurprisingly, the incoming changes and estate planning have dominated discussions with many of my clients. Many are also fearful of even further reforms to IHT.

"The recent announcements are a prime example of why estate planning strategies should be reviewed regularly - some plans might need overturning entirely as a result. The tradition of leaving pension savings untouched and depending on them to transfer wealth free of IHT could soon be no more.

"Understandably, clients are keen to act, but it is important to plan carefully between now and April 2027 and avoid kneejerk decisions. IHT planning with pension savings will demand much more strategic thinking - they cannot be simply gifted during your lifetime without first withdrawing funds, which could have Income Tax consequences. The lifetime tax implications need careful consideration against the anticipated tax on death.

"One upside is that recent announcements are prompting many to take long overdue planning action, which might have been discussed and contemplated before, but never implemented. Unfortunately, there is no silver bullet for IHT mitigation - the landscape is complex and evolving, and all mitigation strategies have their own trade offs. The use of Trusts and Life Cover are particularly topical in my discussions, and I expect this to only increase over time."

Ray Turner
Chartered Financial Planner at Saltus

Views on the economic environment
Tax

HNWIs say government is taxing away growth potential

HNWIs identify both personal and business taxation as significant barriers to growth. While confidence in the economy has risen since the last report, HNWIs remain clear that the current tax regime undermines consumer confidence, investment and enterprise.

The higher rates of Income Tax at 40% and 45% are regarded as the single most damaging taxes. Almost a quarter (24%) of HNWIs cite these rates as the single biggest barriers to growth, indicating strong support for lower personal taxation as a way to bolster confidence and activity. This sentiment is consistent with 42% saying they think they pay too much tax already, and half (46%) viewing further tax rises as the biggest risk to their wealth.

Business taxation is also identified as problematic by our respondents. 12% of HNWIs point to Corporation Tax as a drag on growth, while the same proportion identify Employers' National Insurance as a barrier. Almost one in 10 (9%) say the basic rate of Income Tax at 20% limits economic performance, while smaller proportions identify Stamp Duty on second homes (5%), Council Tax (5%) and Stamp Duty on primary residences (4%) as obstacles.

Most HNWIs expect further tax increases and are adapting their wealth strategies accordingly. Their views on growth highlight the same mindset: even where they are prepared to take measured risks in areas such as early stage investment, they remain wary of a fiscal environment they see as hostile to long term prosperity.

Views on the economic environment
Tax

HNWIs brace for more tax rises under Labour

Tax uncertainty remains a major source of concern, with eight in ten (78%) HNWIs expecting further tax rises ahead.

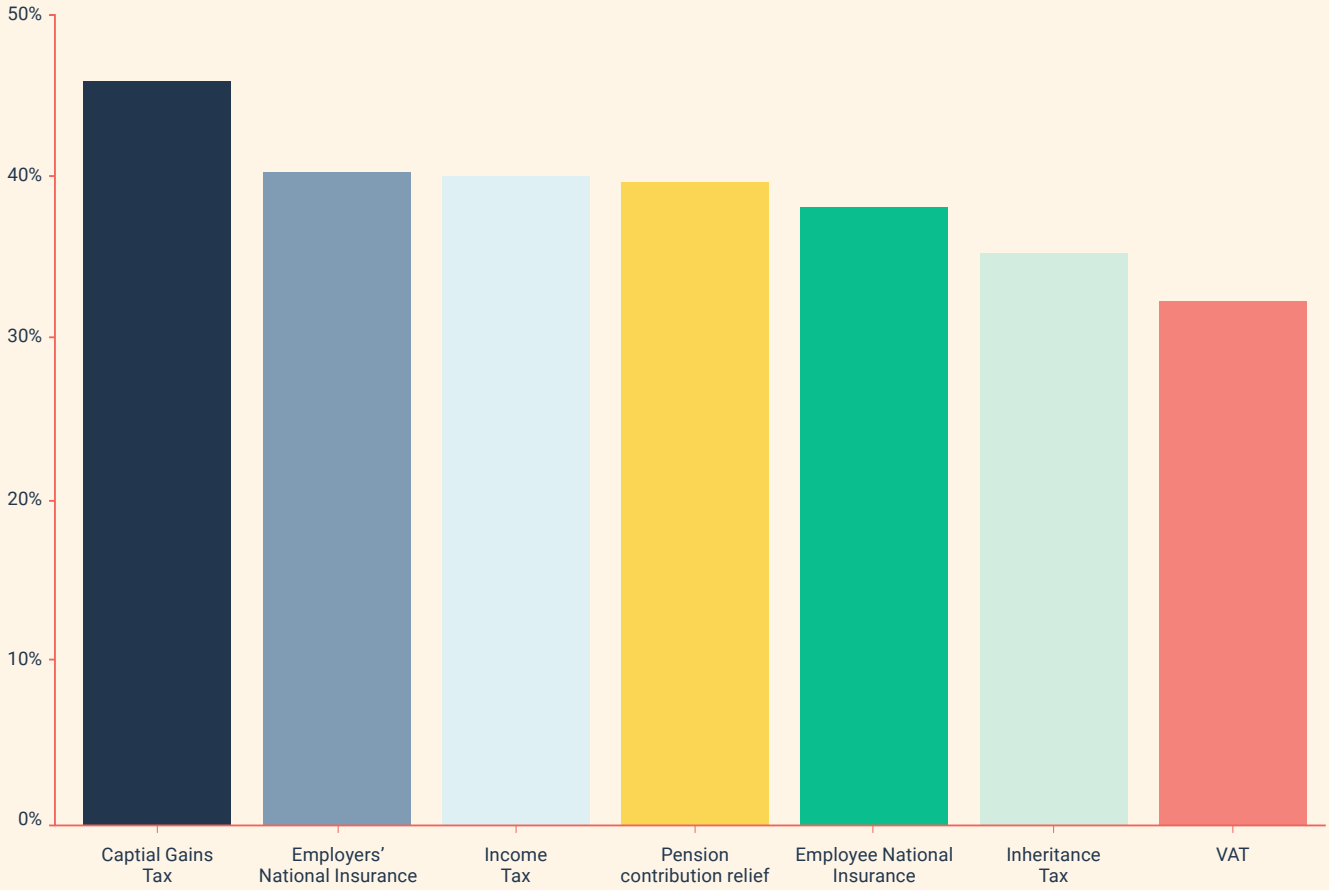
Capital Gains Tax tops the list of concerns with almost half (46%) of HNWIs saying they believe the Labour Government will raise it again within the next year. This expectation reflects not only unease about the direction of policy but also highlights how the cohort feel about the impact of previous increases on investment behaviour and long term planning, with 36% going as far as to say they regret voting Labour specifically because of the impact recent policy changes have had on business.

Employers' National Insurance is also seen as vulnerable to change by 41% of respondents, despite previous rises that have widely been acknowledged as having a negative impact on business and employment. Four in ten (40%) anticipate a rise in Income Tax, the same proportion that expect changes to pension contribution relief, with 44% of those who voted Labour saying the proposed changes by the Government to pensions has made them regret their decision.

IHT is also expected to come under pressure once more. More than a third (36%) of respondents believe the Labour Government will raise IHT again, despite widespread criticism of the reforms introduced in the previous Budget - half (53%) of those who voted Labour now regret this decision purely because of the IHT changes that have already been announced.

Not all taxes are expected to rise, however. Almost half (48%) of HNWIs say they expect VAT to be frozen over the next 12 months. Given VAT has remained unchanged since 2011, with successive governments reluctant to raise a tax that hits lower income households hardest, it is not surprising that HNWIs view this as something Labour would also want to avoid.

The taxes HNWIs expect the Labour Government to raise further in the next 12 months



Personal finance
Overview

HNWIs' confidence in their own finances is rising, but anxiety continues to shape behaviour

Confidence in personal finances among HNWIs has strengthened as markets have risen, outpacing their confidence in the wider UK economy. The latest survey shows that 92% of HNWIs now feel confident in their financial position, up from 86% in the previous edition. Nearly half (49%) describe themselves as very confident, compared to 41% six months ago, while 90% now believe their money is a source of freedom.

However, as with overall economic confidence, this rise may reflect short term relief from markets recovering quickly in April rather than a true rebound in optimism, as the findings show this growing confidence has not diminished caution. Instead, it has been accompanied by a parallel rise in protective behaviours. HNWIs are structuring their wealth more deliberately, gifting assets in carefully managed ways and making active decisions to safeguard long term family goals.

Inflation and tax changes are viewed as the biggest risks to personal wealth. 58% of HNWIs see inflation as a key threat, up from 52% in the previous Wealth Index Report, while 46% cite tax changes. These concerns are not unfounded, with the headline rate of inflation rising to 3.8% in August[1] (Office for National Statistics), shortly after the fieldwork for this research concluded, alongside unpopular policy changes including IHT relief on pensions, VAT on private school fees and rises for Employers' National Insurance and Business Asset Disposal Relief. The economy slipping into recession is the single greatest worry overall, with 24% of respondents ranking it as their top concern, ahead of health (13%) and the wellbeing of their children (13%).

The report also underscores how the introduction of VAT on private school fees continues to be a defining pressure point for many HNW families, with 71% of parents saying they have already made, or expect to make, specific changes to keep their children in private education. A third (31%) have already taken financial steps, such as cutting back on holidays and day to day spending, dipping into pensions, or even restructuring housing and borrowing arrangements to meet rising costs. A further 40% say they will have to make sacrifices going forward to ensure their children remain in private education. For many, however, the additional expense has already proved unsustainable. One in five (19%) parents have already had to remove their children from their current private school, either into a cheaper private school, into state education, schools abroad, or to home school them instead.

According to the report, levels of anxiety about money have remained stable with 39% of HNWIs saying that money is a cause of anxiety, broadly flat compared with six months ago. This suggests many may have found a balance between concern about risk but feeling better prepared to deal with uncertainty.

The findings on pensions are a good example of this. While reforms to pension relief are widely opposed - and further changes feared - most HNWIs are not fully utilising the tax efficiencies pensions currently offer. For example, following the announcement by the previous Government that the annual allowance would increase from £40k to £60k, the Wealth Index Report in April 2023 found that 43% planned to contribute the full £60k going forward.

However, in the following report, just 8% said they had used the full allowance in 2023/24, and these latest findings show that only 10% of HNWIs contributed the full amount last year. While 14% say they plan to utilise the full £60k this year, the majority are contributing less. This suggests that competing financial pressures and mistrust of long term policy - 44% expect pension contribution relief to be targeted in the next 12 months - are limiting uptake.

The findings also suggest that respondents are increasingly looking at wealth transfer as a way of protecting their assets, with the majority of HNWIs either planning to gift wealth to their children during their lifetime (39%) or already having done so (14%) - up from 33% six months ago. Almost a quarter (23%) already hold property in trust for their children. One in five (19%) plan to gift wealth to grandchildren, 11% have already set up a trust and one in eight (12%) say they have already opted to, or plan to, 'skip a generation' and gift straight to their grandchildren.

Overall, among those considering gifting to family during their lifetime, 18% intend to distribute wealth equally across generations, and 16% plan to vary support between children and grandchildren. In terms of how to gift the money, 22% want to do so while retaining some control or security while 15% would like to gift but worry that recipients are not ready to handle the responsibility.

Personal finance
Protecting wealth

HNWIs are restructuring how they protect and pass on wealth

Overall, the report shows that many HNWIs are increasingly focused on protecting their wealth, with a key motivation being the desire to pass it on to the next generation in the most tax efficient way possible. The latest data show that 39% of HNWIs plan to gift wealth to their children in their lifetime, though this falls to 33% among those aged over 55, suggesting younger HNWIs are more willing to commit to intergenerational transfers, while older respondents have greater pressures on their wealth such as the cost of retirement and care.

The report also shows a certain level of caution around gifting, with more than a fifth (22%) saying while they would like to pass on wealth, they would prefer to do so while retaining some control or security for themselves. This figure rises significantly among larger families, with 42% of those with five or more children preferring to keep hold of decision making power.

The findings also indicate that more formal protections are being utilised when it comes to wealth distribution. More than half (56%) of HNWIs have a will in place, rising to nearly eight in ten (79%) among over 55s. A third (35%) have made formal pension beneficiary nominations, ensuring clarity and security in the event of death. Another 34% have set up a trust and, of these, 41% have received financial advice in the last two years, suggesting that trusts are an area where professional guidance is both sought and valued.

One in seven (14%) respondents have attached conditions to gifts or inheritances, designed to protect assets in the event of divorce or third party claims. Among those who are married or in civil partnerships, 18% have pre or post nuptial agreements in place.

These findings highlight how wealth protection and distribution go hand in hand; HNWIs are transferring assets in highly structured ways, using legal and financial mechanisms to safeguard their wealth both for themselves and future generations.

Personal finance
Respondent confidence in their personal financial position

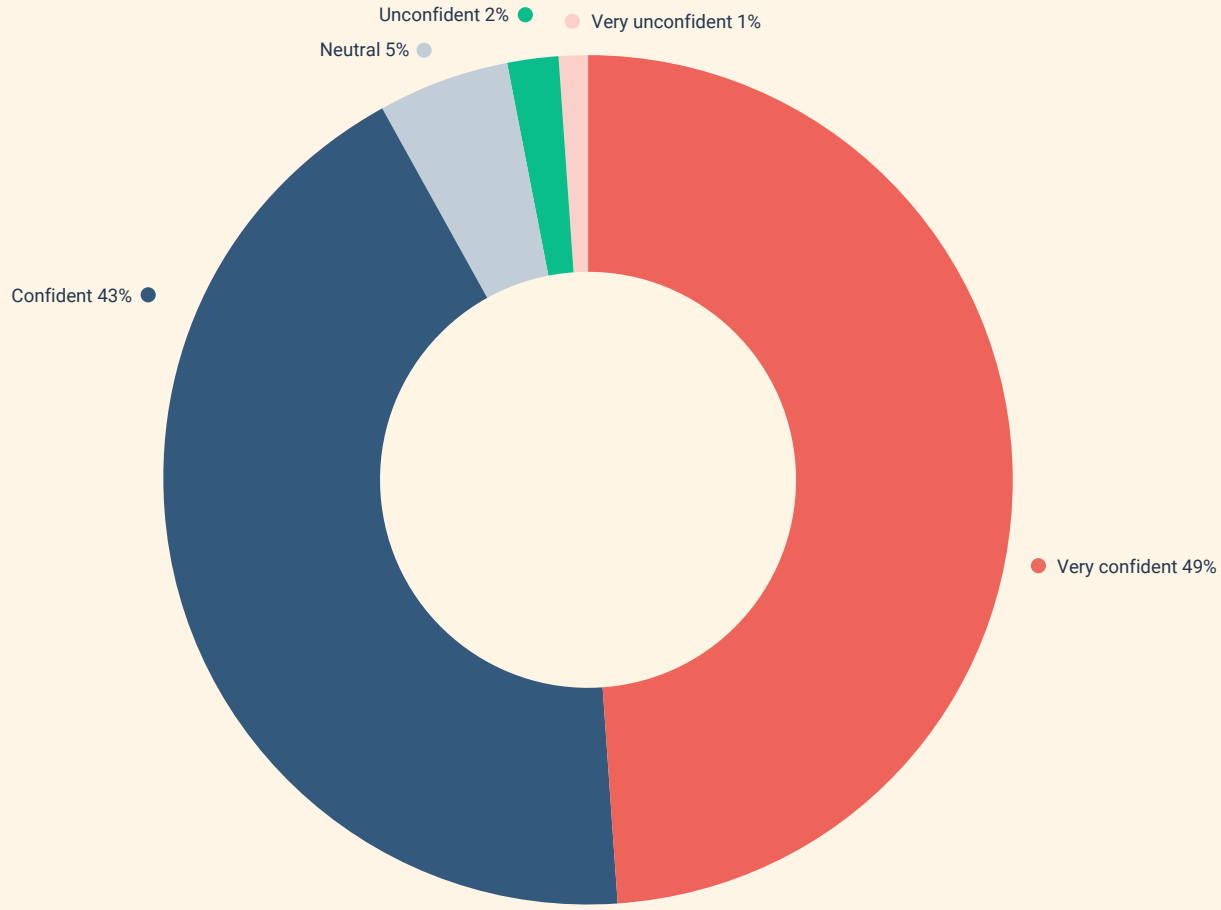
Overall confidence in HNWIs' personal finances has risen to 92%

The report also indicates that HNWIs are increasingly confident about their personal finances, with levels rising from 86% to 92%. Almost half (49%) describe themselves as very confident, compared with 41% six months earlier. This aligns with the GfK Consumer Confidence Barometer[2], which recorded a two point gain in August.

Yet, similar to broader economic sentiment, this increase may be more a reaction to the quick market recovery in April than a genuine return of optimism, especially given how much the picture varies across age groups. Those aged under 44 have the highest levels of confidence (96%), but after that age confidence falls sharply to 86% among 45-54 year olds and down further among the over 55s - and while four in five (80%) over 55s feel confident, this is no improvement compared to six months ago and is notably lower than other age groups.

The fact that confidence levels in this group have not shifted since the last report (78%) - or the six months previous to that (also 78%) - and are lower than other age groups, suggests a degree of entrenched caution among older respondents. This likely reflects both their later life stage and heightened focus on wealth preservation and associated risks.

HNWIs' confidence in their own finances



Personal finance
Risks and opportunities to personal wealth

Inflation and tax rises the biggest risks for wealth in 2025

This report shows that inflation and tax changes remain the dominant threats to personal wealth among HNWIs, with concerns rising in some areas and shifting in others compared to six months ago.

Inflation is once again identified as the top risk, with 58% of HNWIs now listing it as their single greatest concern, up from 52% in the last Wealth Index Report. The increase comes at a time when the headline rate of inflation has risen to 3.8% in August 2025[1] (Office for National Statistics), reinforcing the sense that inflationary pressures remain a tangible and immediate risk.

Tax changes are the second most significant concern, cited by 46% of respondents as the biggest threat to their wealth. This figure is broadly consistent with the previous report, suggesting that while inflation fears are rising, anxiety about the tax environment remains firmly embedded, with the vast majority of HNWIs (78%) expecting further tax rises in the next 12 months.

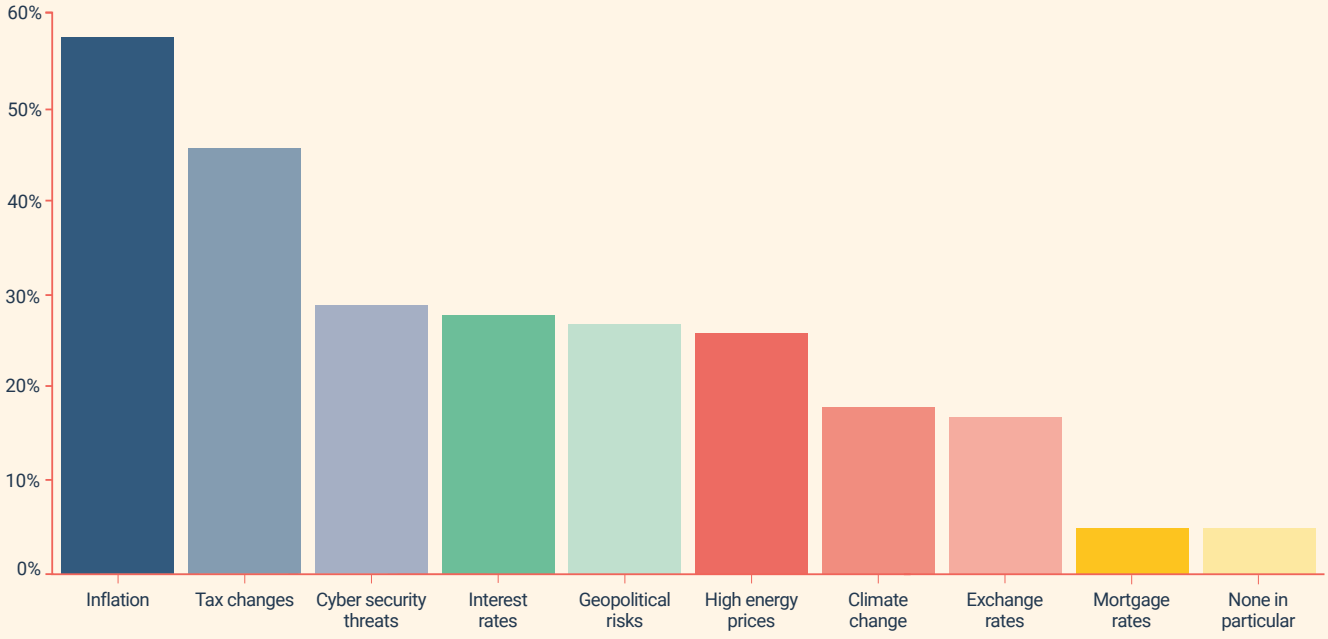
Cyber security threats have climbed steadily up the list of risks to wealth, with 29% of HNWIs now citing them as a major concern. This level of concern likely reflects a series of high profile cyberattacks since the last report, including incidents at Co-op and Marks & Spencer, the latter affecting more than nine million people. Cyber threats are now considered a bigger danger to wealth than geopolitical instability, which has dropped from third to fifth place among HNWIs' perceived risks.

Other risks have slipped in relative importance. Concerns about mortgage rates, for example, remain low at just 5%, unchanged from the last report. Similarly, while energy prices and interest rates remain notable risks (26% and 28% respectively, and up to 28% and 30% among over 55s), they have not displaced inflation or taxation at the top of the list.

Looking back across recent editions of the Wealth Index Report, the sharp rise of inflation and tax as the top two risks is striking. Our data from August 2024 found that only 26% saw inflation as the leading concern; by January 2025 that had risen to 52%, and in this edition it has reached 58%. Over the same period, concern about tax changes has remained high, moving from 22% in August 2024 to 47% in January 2025 and 46% today. Cyber threats show a similarly steady rise, from 16% a year ago to 29% today.

HNWIs are increasingly confident in their ability to navigate the future, yet their outlook is dominated by risks that lie outside their control. Inflation, taxation and cyber threats all underline the unpredictability of the environment, making protective strategies central to financial planning in 2025.

Biggest risks to personal wealth, according to HNWIs



Personal finance
Biggest worries

Economy entering recession is biggest worry for HNWIs

For HNWIs, financial worries far outweigh any other concerns, with recession the overriding fear. Almost a quarter (24%) of HNWIs name the economy entering recession as their single biggest worry. This concern has held steady since February 2025, when it stood at 22%, but represents a significant increase from August 2024, when just 8% cited recession as their top fear, reflecting a persistent unease among a sizeable minority of HNWIs about the resilience of the UK economy.

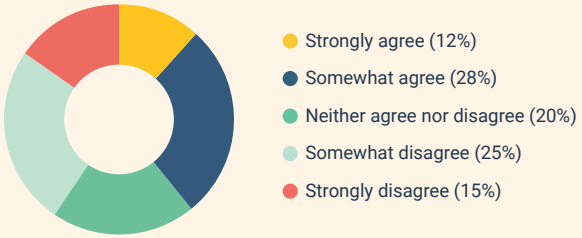
Other worries, though less widespread, highlight how family and financial stability are closely linked, with 15% of HNW parents saying that paying school fees and their child's education was their biggest worry. Elsewhere, 13% of HNWIs said that the general wellbeing of their children is their greatest concern, the same proportion who cited their personal health. The data show how these personal responsibilities intersect with broader financial and economic anxieties. For example, stock market volatility is an enduring threat for HNWIs, with concern remaining flat at 8%.

The report also shows that money is a source of anxiety for four in ten (39%) HNWIs. This suggests that, for some, financial security does not eliminate stress; instead, it brings new pressures about how to preserve and manage it effectively.

However, this anxiety is far outweighed by a powerful sense of freedom. Nine in ten (90%) HNWIs say they see their wealth as a source of freedom, broadly flat on the 85% recorded in January this year. This duality - anxiety and freedom - captures the defining mindset of the UK's HNW constituency in 2025. They are acutely aware of risks and worried about the potential for recession, but they also recognise that wealth equips them with resilience and choice in uncertain times.

HNWIs' feelings concerning their finances

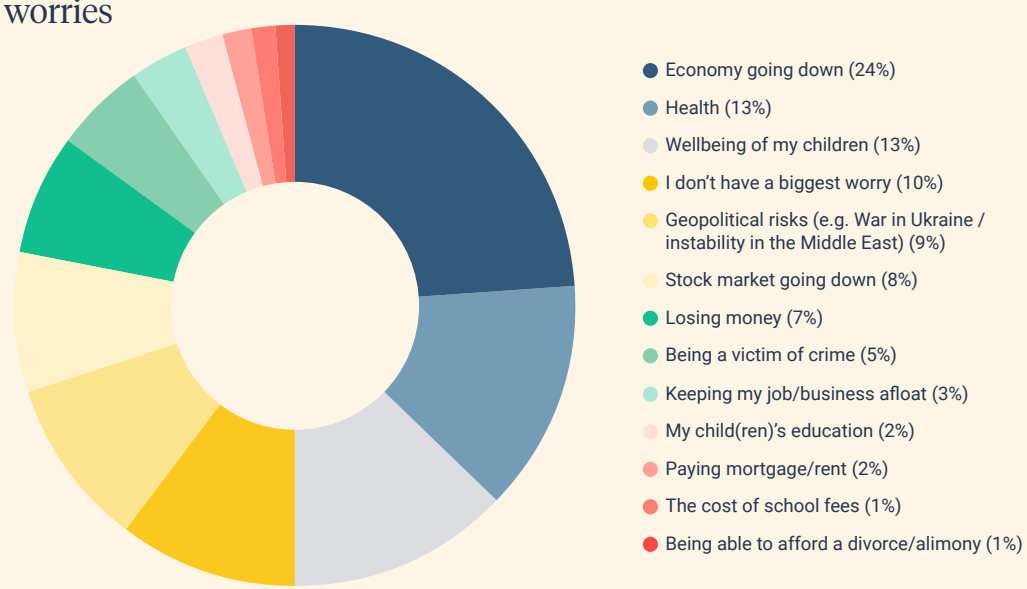
Respondents' reaction to the statement:
*My money makes me **anxious***



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



HNWIs' biggest worries



Personal finance
Private school fees

VAT on school fees causes education disruption for 1 in 5 private school families

The introduction of VAT on private school fees has continued to add financial strain to HNW parents. Six months ago, when VAT had just become payable on school fees, 42% of parents with children at private school said their children's education was likely to be disrupted as a result.

At that time, 32% of HNW parents said that, as a direct result of VAT, they were planning to remove their child from their current private school and either send them to their local state school (11%), a less expensive private school (10%), a private school abroad (7%), or to home school them instead (4%).

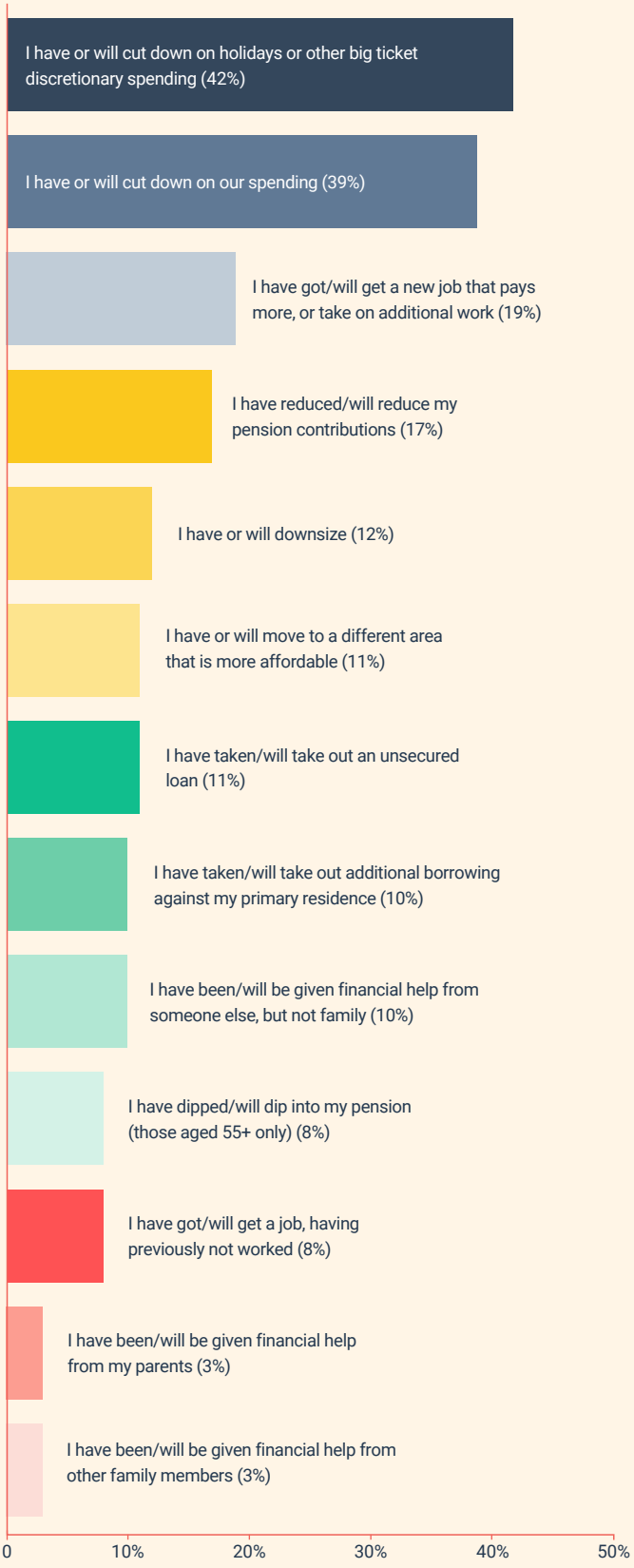
These latest figures - taken six months after the policy came into force, and early payment loopholes had been closed, something this latest report finds that 30% of parents had made use of - demonstrate the full impact the policy is having on HNW parents.

The findings suggest that almost one in five (19%) parents have actually removed their children from the private school they had been attending as a direct result of the addition of VAT to school fees. This includes one in ten (10%) who have taken their child out of the UK private school system altogether, either to go to state school (5%), to home school them (2%), or to attend private school abroad (2%) and 9% who have moved their child from their current school to an alternative, less expensive, private school. Furthermore, one in 20 (5%) say they have had to ask for support from family - and will have to continue to do so from now on - to keep their children in private school.

A further one in four HNW private school parents who have not yet made any significant changes regarding their child's education plan to in the future. 20% of respondents say they will remove their child from their current school, either to send them to state school (3%), a cheaper private school (11%), to home school (2%), or to move abroad (4%), while 3% plan to switch their child from boarding to becoming a day pupil at their existing school. 7% say they will keep their child in private school, but will have to rely on financial support from the bank of mum and dad, or other family, from now on.

The report also shows the sacrifices parents are having to make to keep their children in private education, with one in seven (71%) saying they either already have (31%) or will have to (40%) make specific changes to allow for the additional VAT on private school fees.

The impact of rising school fees on HNWIs



Personal finance
Private school fees (continued)

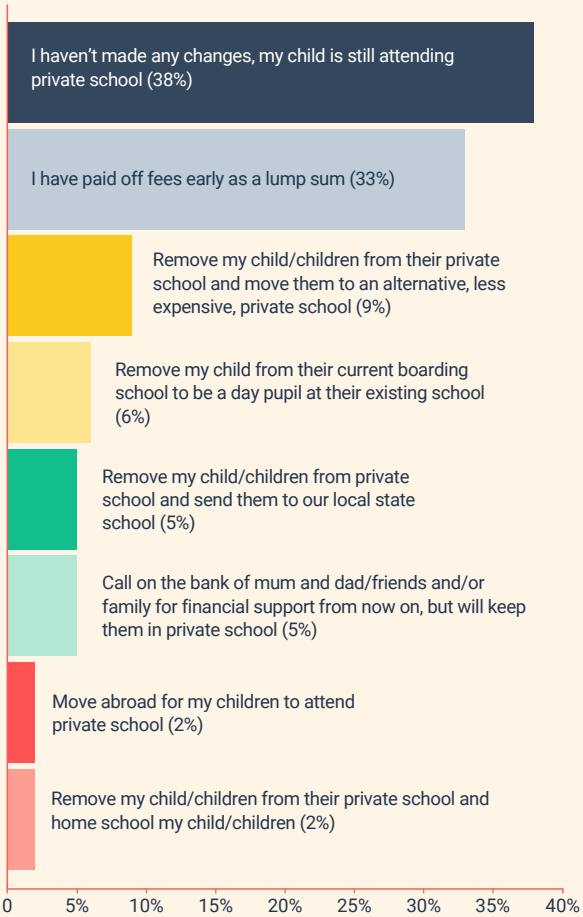
Of these, most have had to cut down on their own spending to afford the extra cost, with 43% cutting down on holidays and other big ticket expenses, and 39% cutting down on everyday spending. However, for others, the additional cost has caused much bigger problems.

Almost one in six (16%) have had to turn to others for financial help; 3% specifically from the child's grandparents, and 13% from other family or friends.

One in 10 (10%) have had to remortgage, while a similar number (11%) have taken out a loan, had to downsize (12%) or move to a different area that is more affordable (11%). Others have rearranged their finances, with one in four (25%) either reducing pension contributions (17%) or dipping into their pension (8%).

One in five (19%) have either taken on additional work or got a new job that pays more, while 8% of HNW parents who were not previously working have now got a job to cover that extra cost.

Action taken now VAT is payable on private school fees



"Since the introduction of VAT on private school fees, we are seeing a noticeable shift in parental behaviour - even among those who would have been considered financially comfortable traditionally. Parents are adopting a range of strategies to pivot, with many paying off fees upfront to avoid the additional VAT, a trend reflected in our data, while others are switching to less expensive private schools.

"Our data suggest that around one in ten parents are moving their children out of the private school system altogether and we are also observing an increase in client families choosing to transfer children into state schools - or, more commonly, grammar schools - at natural educational transition points, such as the start of secondary school or sixth form.

"These decisions are typically not kneejerk reactions to the higher fees, but rather carefully planned moves at times when changing schools is least disruptive to a child's education.

"Interestingly, this trend is not limited to families under financial strain. Even self made HNW parents, who could comfortably absorb the higher fees, are re-evaluating their long term financial plans, balancing the cost of education with retirement goals and broader family responsibilities. The effect is particularly noticeable in families where older children have already completed part of their education in private schools before VAT was introduced. Parents are now carefully considering whether to continue with private schooling for younger siblings in light of the significantly higher costs."

Alex Pugh
Chartered Financial Planner at Saltus

Personal finance
Pensions

Significant numbers of HNWIs not making use of full annual pensions allowance

Pensions remain central to the long term financial strategies of HNWIs, but the latest findings show that many are failing to take full advantage of the tax efficient opportunities available to them.

Almost half (49%) of respondents hold a pension pot valued at less than £600k, 15% have between £601k and £800k, 14% have between £801k and £1m, while 15% report savings of more than £1m. The average pension pot is worth just over £660k.

Respondents note that their partners hold similar levels of pension wealth, with 48% holding pots under £600k, 12% holding pension savings of between £601k and £800k, 11%, between £801k and £1m, and 13% with more than £1m. The average is slightly lower than respondents' own pots at just over £600k. One in 10 (8%) are unsure of the size of their partner's pension, consistent with findings six months ago (12%).

Despite most respondents holding significantly less than £800k in their pension pots, expectations of what is required to fund a comfortable retirement remain ambitious, with well over half (54%) saying they think they will need at least £800k, while 39% say they will require more than £1m.

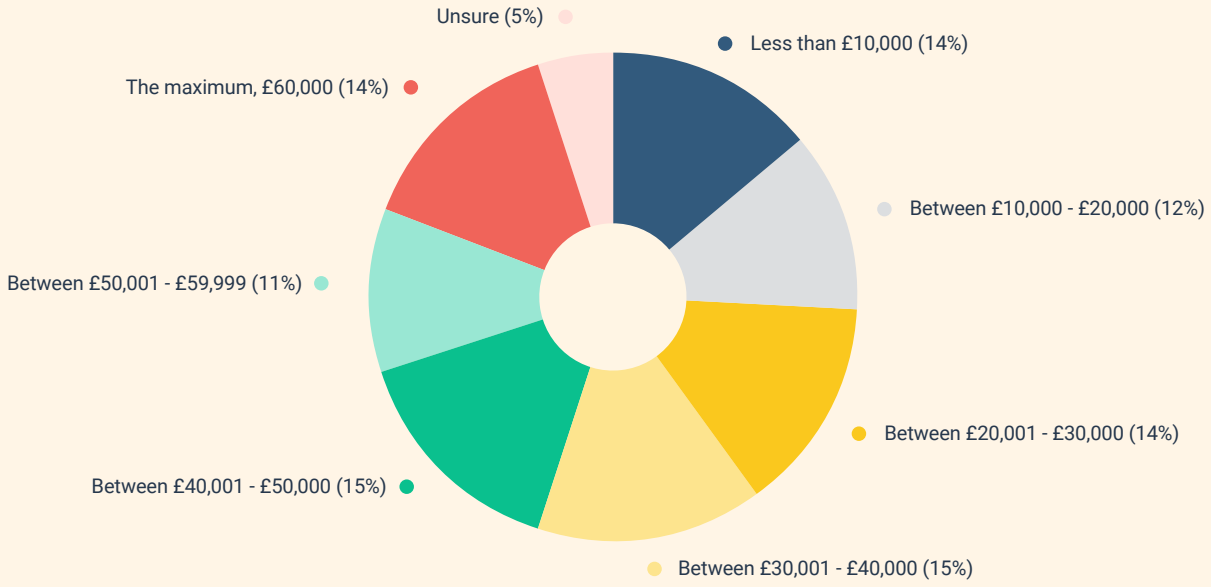
For couples, expectations are even higher; with 45% saying they think they will need more than £1m for a comfortable retirement, two thirds (66%) of whom think they will need a combined pot of £1.6m - at least £400k more than the figures suggest the average joint savings currently stand.

Despite the fact that expectations are high and current savings levels are not high enough to meet those expectations, actual contributions are falling well short of the full allowance. Last year, nearly a third (30%) of respondents contributed £20k or less, while (32%) contributed between £20k and £40k. Just 10% contributed the full £60k and the average contribution was £31,794, just over half of the annual allowance available.

Looking ahead, 26% of respondents plan to contribute less than £20k again, 55% less than £40k, and 14% say they will utilise the full £60k. The average expected contribution is £34,190, which does represent a modest increase, but still leaves much of the allowance unused for the vast majority.

The reasons for underutilisation are varied. Competing financial priorities may provide explanation in some cases, including funding rising private school fees (71%) and supporting children (76%) or ageing parents (56%). Mistrust of government policy may also play a role, with HNWIs wary of committing more to pensions when 40% expect the rules to change within the next 12 months. Instead, many are spreading contributions across different vehicles, from ISAs to trusts, to ensure greater flexibility and resilience.

HNWIs' planned pension contributions in the next year



Lifestyle
Overview

Competing pressures on finances a cause for concern

For many HNWIs, the return of confidence in their own finances is enabling them to take a broader view of family responsibilities. Wealth is no longer regarded purely as a matter of individual security but as a resource to support adult children, ageing parents and future generations. The balancing act between these demands makes preservation of wealth as important as growth.

More than three quarters (76%) of HNW parents have provided financial support to their children over the past five years - a similar figure to six months ago (74%), suggesting the bank of mum and dad is a constant source of support rather than the provider of a one off gift.

This is further illustrated by the fact that this support covers a broad range of needs, from education costs and housing deposits to everyday living expenses. At the same time, the majority (56%) are still also providing support to their parents (68% were six months ago), and 22% are providing support to both parents and children, highlighting the extent to which many HNWIs are squeezed between generations. This dual responsibility, often undertaken while still planning for their own retirement, is a defining feature of the current wealth landscape.

These pressures are being intensified by new taxes, including VAT on private school fees, which has disrupted many families' long term planning. For some, support that might otherwise have gone towards wealth building or retirement is now being redirected to education, while others are having to reassess their broader financial priorities.

Relocation has also emerged as a lifestyle consideration. Up to a quarter of HNWIs have considered leaving the UK, with the United States, Canada and Australia among the most popular destinations. While most HNWIs remain committed to the UK, the fact that so many are weighing alternatives reflects the erosion of trust in government policy and confidence in the UK's long term economic outlook.

"Conversations with clients suggest that supporting children and wider family is often treated as an instinctive part of wealth management rather than a distinct financial strategy. HNWIs are structuring gifting, trusts and wealth transfers in ways that align with both emotional priorities and practical considerations, such as Inheritance Tax planning. Our data support what we're seeing: the vast majority (76%) of HNW parents have provided financial support to their adult children over the past five years.

"Interestingly, this support is not limited to families under financial strain. Even HNWIs with significant resources view helping family as a given, motivated as much by emotion and practical planning as by necessity. Advisers note that these decisions are rarely reactive; instead, they are embedded into broader wealth planning, forming a seamless approach where family provision sits alongside protective strategies to safeguard assets and ensure stability across generations."

Alex Pugh
Chartered Financial Planner at Saltus

Lifestyle
Supporting others - children

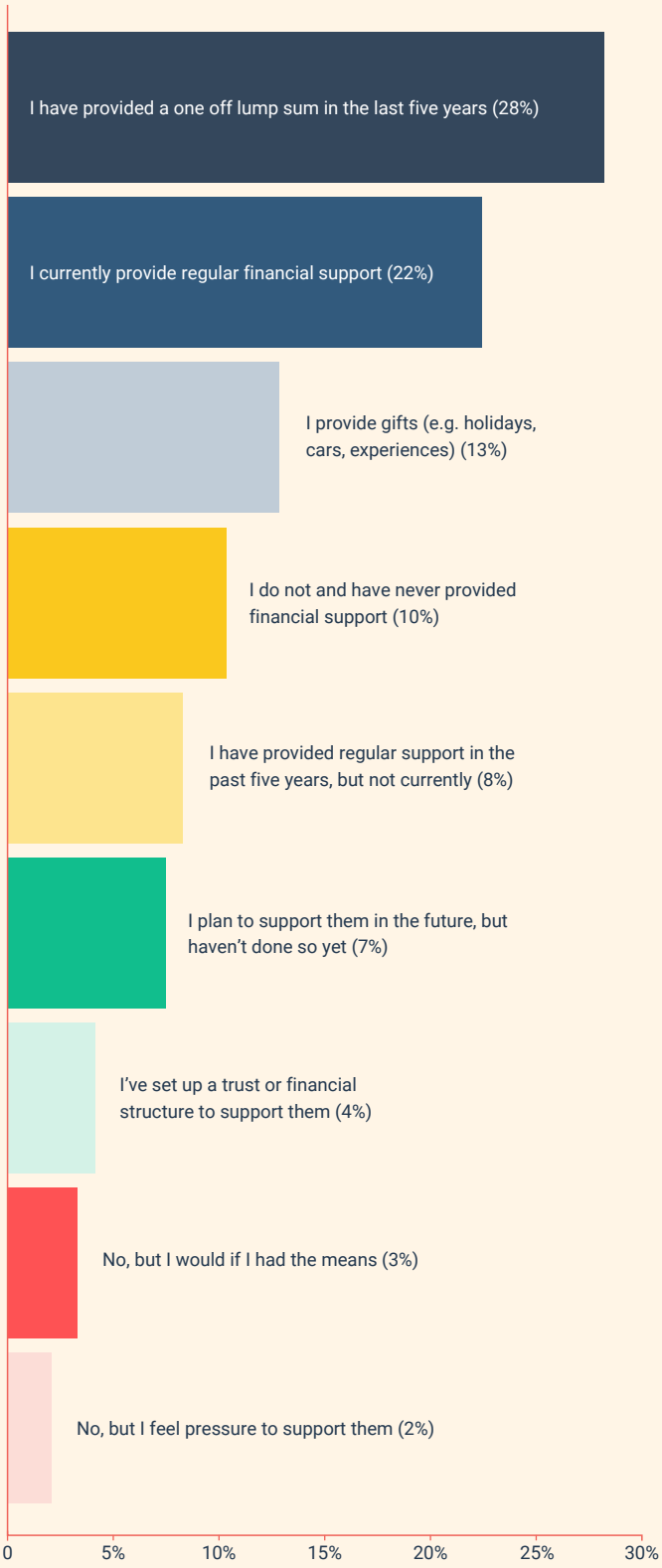
Three quarters of HNW parents have supported adult children

This report highlights the scale of intergenerational support provided by HNWIs, underlining how family responsibilities shape financial and lifestyle choices. Far from focusing solely on their own wealth, the majority of HNWIs are also financially supporting adult family members who might otherwise struggle.

Over the past five years, three quarters (76%) of HNW parents have provided financial support to their adult children, while 42% have done the same for adult grandchildren. More than one in five (22%) are currently providing regular financial support to adult children, while 28% have made a one off lump sum contribution in the past five years. A further 7% plan to provide help in the future, though they have not yet done so. Only a tenth (10%) have never provided any financial support to their adult children.

The level of support is considerable. On average, HNWIs provide £5,560 annually to their adult children, £7,081 to their parents and £4,056 to their grandchildren. In some cases, the scale of generosity is much higher, with 14% of parents planning to contribute more than £15k per year to their children. Among the most significant areas of assistance is housing, with a third (33%) of HNW parents having provided help with a house deposit for their adult children, up from 23% in January. This finding reflects both rising property costs and the determination of parents to ensure younger generations can achieve security in an uncertain market.

HNWIs providing financial support to adult children



Lifestyle
Supporting others - children (continued)

"Holistic financial planning starts with defining personal goals. For many parents, this often includes supporting adult children, not just with education or a first home, but increasingly with ongoing costs such as mortgages, discretionary spending and even grandchildren expenses.

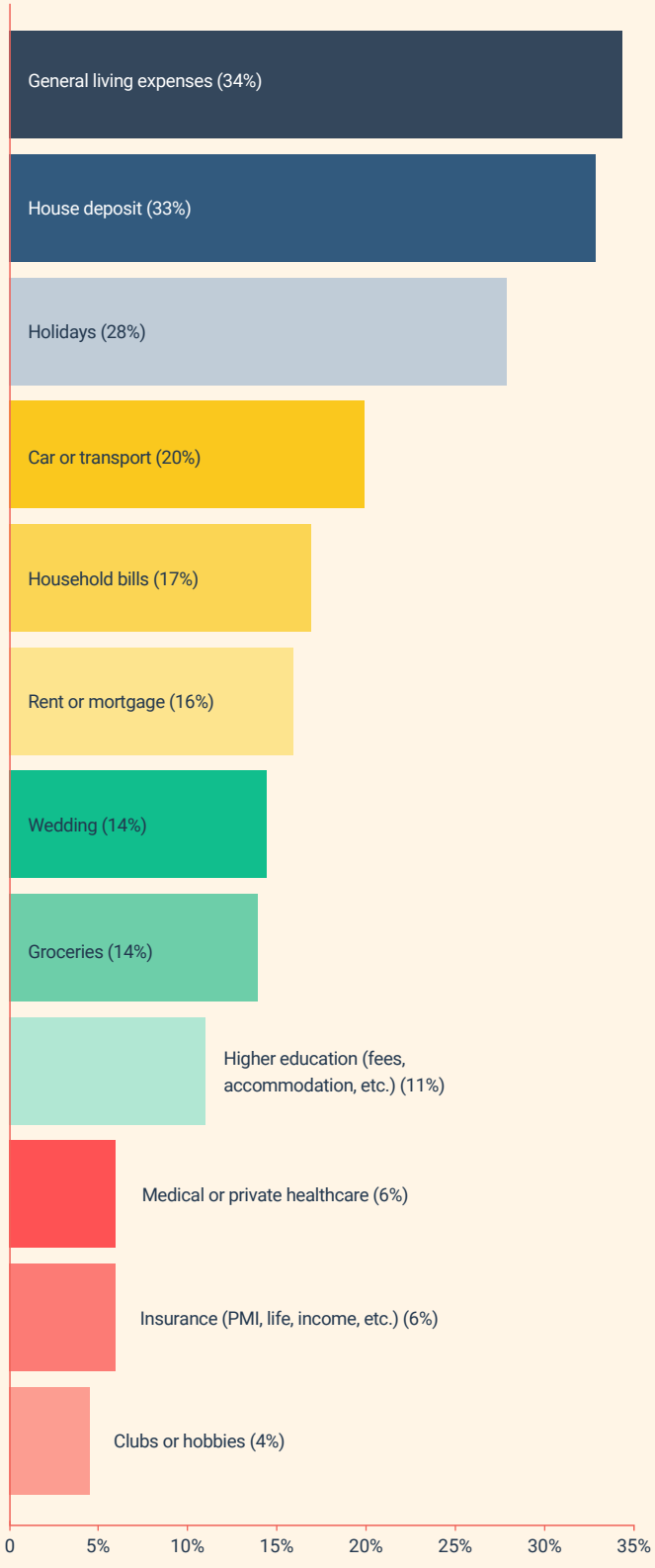
"Many clients now prefer to pass on wealth during their lifetime rather than on death. While tax can influence this decision, it is more often driven by financial necessity and a desire to give children a better start, particularly with property. The key challenge for advisers is to ensure this support doesn't compromise the client's own long term needs.

"Advisers must first assess a client's capacity to give. Where surplus funds exist, the method of transfer matters: outright gifting is simple but means giving up control, which can create risks if relationships change or future costs, such as care, arise. Trusts can provide protection and, in some cases, flexibility for funds to be accessed again if needed.

"The 2024 Autumn Budget has heightened urgency around estate planning, with more clients exploring early transfers of assets or pensions. While taxation is a factor, it should not be the sole driver. Poorly planned decisions risk creating a higher tax burden across generations rather than reducing it."

Henrietta Grimston
Chartered Financial Planner at Saltus

Reasons why HNWIs are providing this support



Personal finance
Supporting others – parents & grandparents

More than half of HNWIs have provided financial support to their parents

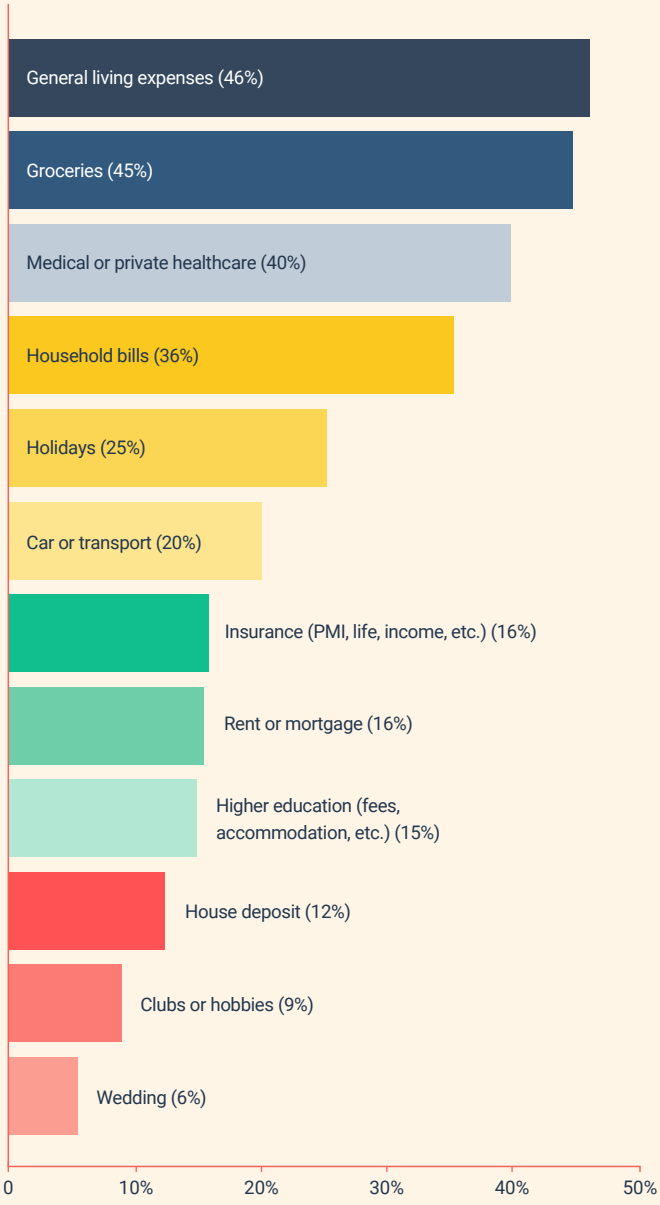
The latest data reveal the extent to which HNWIs are providing financial support not only to their children but also to their parents. More than half (56%) have provided financial support to their parents, while two in five (40%) are doing so on a regular basis.

The nature of this support is wide ranging. Almost half (46%) provide help with general living expenses, while 45% contribute towards groceries. Four in ten (40%) are helping to cover medical or private healthcare costs, underlining the impact of longer life expectancy and rising healthcare pressures. More than a third (36%) contribute towards household bills, and a quarter (25%) help their parents with holidays. These figures show how support goes beyond emergencies, extending into the everyday costs of life.

The overlap between supporting children and parents is particularly striking. More than one in five (22%) HNWIs are currently providing regular financial support to both, while 28% have made one off lump sum contributions to both groups within the last five years. This dual responsibility defines the 'squeezed generation', with many simultaneously helping adult children and ageing parents while still planning for their own retirement. These multigenerational responsibilities require careful balancing between immediate needs and long term wealth preservation.

Support for parents is no longer an occasional act of generosity but a regular feature of household budgeting. As with education costs and property deposits for children, these responsibilities are being built into long term wealth planning, often requiring more formal structuring of assets.

Reasons why HNWIs are providing financial support to their parents



Lifestyle
Leaving the UK

Up to a quarter of HNWIs have considered leaving the UK

For some HNWIs, mistrust of government policy and concerns about long term prospects are prompting serious consideration of relocation. This latest data show that up to a quarter of HNWIs have contemplated leaving the UK permanently, demonstrating that while HNWIs' confidence in the UK economy has shown an uptick since January, considerable numbers maintain doubts in both the economic outlook and what the future direction of government policy may hold for their wealth.

The reasons why HNWIs are considering leaving the UK are varied, but each reflects unease with the current environment. Almost one in five (19%) say they feel the UK is no longer connected to the world following Brexit. A further 16% point to changes in IHT underlining the importance of intergenerational planning in HNWIs' decision making. One in seven (14%) say they do not believe the UK is a good place to raise a family, while 12% feel the UK is no longer a good place to start a business.

Another key reason is the introduction of VAT on private school fees. 14% cite this as a factor, reinforcing the general opposition to this policy more generally. The majority (90%) of respondents with children send their children to private school; and 71% say they already have - or will - have to make sacrifices to allow for the additional VAT on school fees, while 45% of respondents who voted Labour say they regret their decision purely based on the school fees policy.

For those looking abroad, the United States is the most popular destination. More than one in five (22%) of those considering relocation say they would move to the US, followed by 12% who favour Canada, 8% who would choose Australia, and 7% who see the UAE as their preferred destination. A notable 12% say they do not plan to relocate permanently to one location at all, demonstrating the global mobility and flexible lifestyles that many HNWIs are able to pursue.

This theme reflects the broader tension running through this report. HNWIs are confident in their financial resilience but see a lack of certainty from government. For some, the answer is to stay and adapt, making greater use of trusts, pensions and structuring tools. For others, the solution may be to explore life abroad, weighing the potential benefits against the disruption of relocation.

What unites both groups is caution. Whether they remain in the UK or consider leaving, HNWIs are weighing their choices carefully, prioritising long term security and family wellbeing above all else.

"In recent months, conversations with clients have revealed a sharp rise in questions around leaving the UK. Many are not planning to leave permanently but are instead exploring how to spend more time abroad while keeping strong ties to home. This shift is often driven by family needs, business interests, or lifestyle choices - this is most pronounced in business leaders where being based in the UK is a choice.

"Global mobility offers flexibility, but it also brings complexity. Clients are increasingly aware of the practical implications, especially around what it means for their tax status. The statutory residence test can be difficult to navigate, and small changes in travel patterns or ties to the UK can have big consequences. There's also growing concern about access to healthcare, schooling for children, aged relatives, and how to maintain a sense of belonging while living part time overseas.

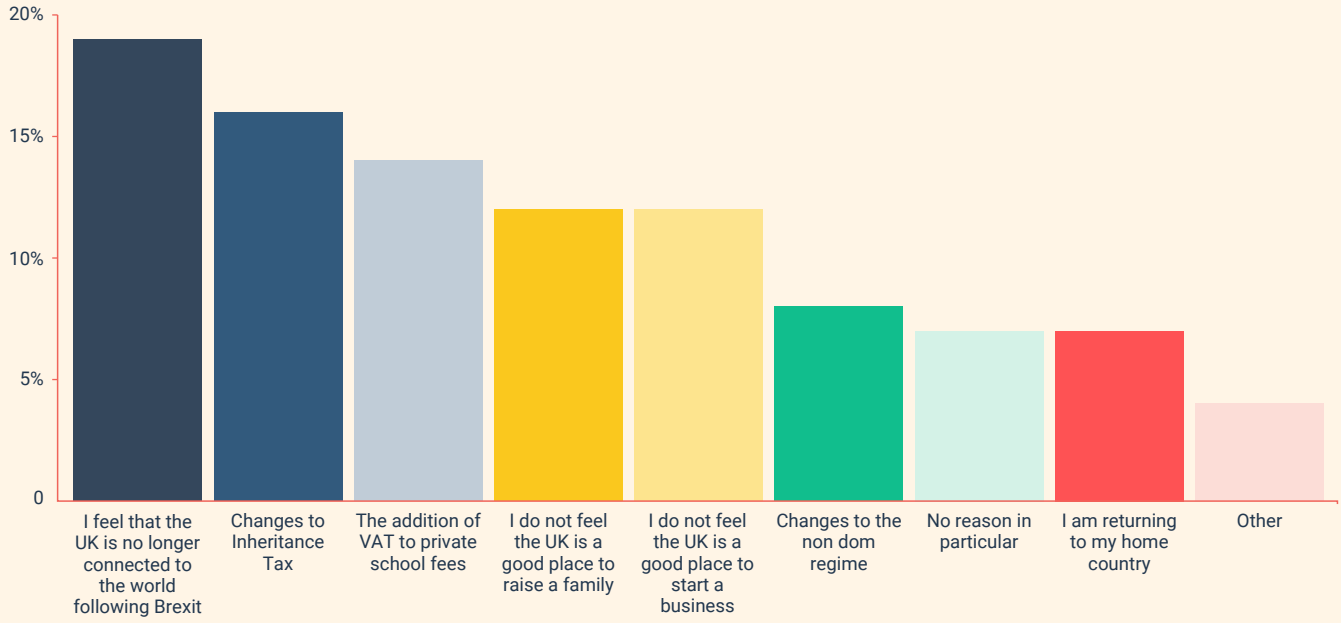
"Some clients are considering relocation to jurisdictions with more favourable tax regimes, but many are simply trying to balance life across borders. The challenge is making sure their plans don't unintentionally trigger a worse tax position or unforeseen issues.

"These conversations often lead to broader discussions about values, priorities, what 'home' really means, and whether the tax benefits outweigh their lifestyle preferences."

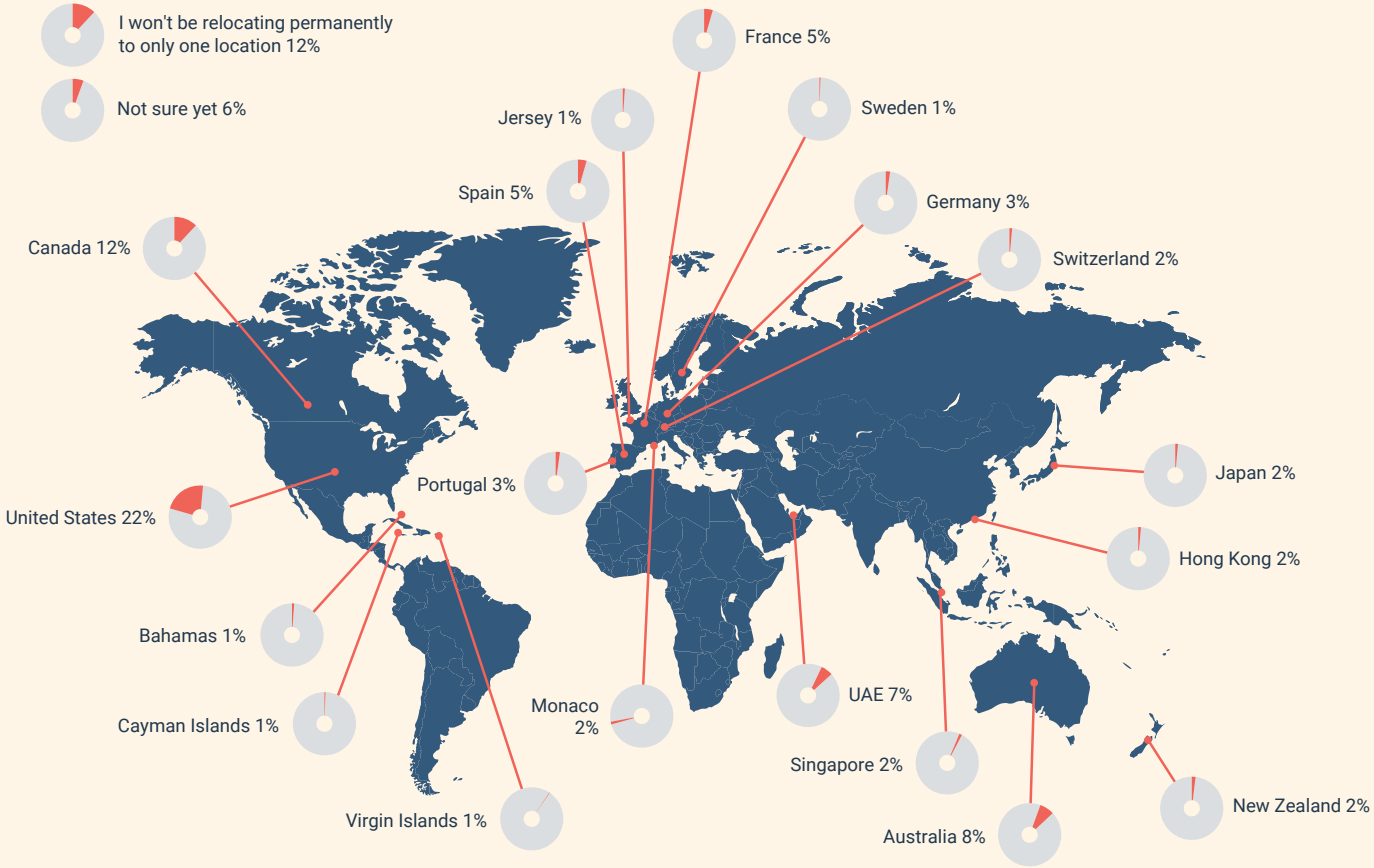
Gianpaolo Mantini
Chartered Financial Planner at Saltus

Lifestyle
Leaving the UK (continued)

Why HNWIs are considering moving abroad permanently



Destination of choice for HNWIs permanently leaving the UK



Methodology

- 2,003 UK respondents (aged 18+) who have £250k+ investible assets - not including primary residence - full breakdowns on age, assets, gender, etc.
- Censuswide (Censuswide abides by and employs members of the Market Research Society, based on the ESOMAR principles).
- Carried out online in August 2025.
- 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 have 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 about UK economy
- Proportion of people who don't view interest rates, inflation, rising mortgage rates or high energy prices as one of their biggest risks to wealth
- Confidence in London remaining as Europe's financial capital
- Anxiety about money
- Belief in freedom that money can give
- Belief that taxation is too heavy or too light

References:

1. Office for National Statistics - https://www.ons.gov.uk/releases/consumerpriceinflationukaugust2025
2. GfK Consumer Confidence Barometer - https://nielseniq.com/global/en/news-center/2025/uk-consumer-confidence-up-two-points-in-august-to-17/

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 companies now employ over 400 people, and we have the privilege of looking after over £9bn for our clients.

Find out more at **Saltus**

Meet the experts



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