

A New Era of IHT

Business Relief has shifted and it's
time for change

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Foresight

Invest Build Grow

Introduction

The landscape of IHT planning is shifting faster than ever and advisers are feeling it. Clients who once hesitated to engage with estate planning are now facing rising tax exposure, frozen thresholds and increasing pressure to act sooner. In the middle of this change, Business Relief ("BR") as a solution has quietly moved from the margins to the mainstream.

What was once considered "specialist" or "niche" has now moved firmly into the mainstream. As confidence in AIM-based BR fades ahead of the 2026 rule changes, advisers are increasingly gravitating toward unquoted BR solutions, not just to maximise the £1m allowance, but because these approaches also offer greater stability, predictability and clearer alignment with client priorities. The data supports it, client conversations echo it and adviser behaviour is already shifting. BR isn't just part of the estate planning toolkit anymore; it's starting to lead it.

BR is now a leading solution

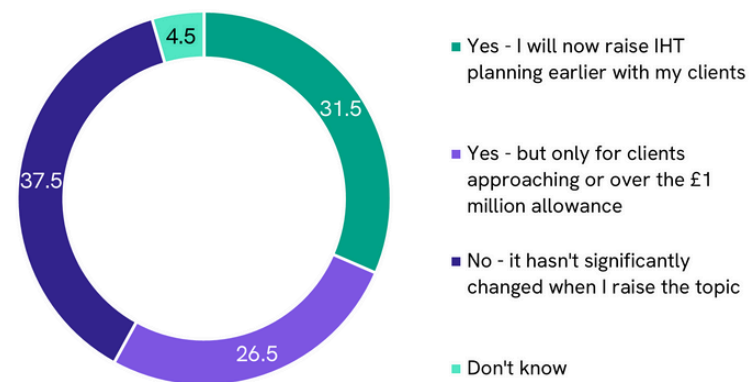
Our research demonstrates how BR solutions are the key tool in the adviser arsenal. Three key datapoints tell the story:

- **BR is now the most popular form of IHT planning** (63%), ahead of protection (54.5%) and discretionary trusts (42.5%). This signals a fundamental change in adviser priorities. BR isn't just an alternative, it's leading the pack because it combines tax efficiency with flexibility, something clients increasingly demand.

Source: Foresight data, survey of 200 financial advisers

- **57.5% of advisers are discussing BR more frequently than two years ago** - while 61% expect their use of BR to increase over the next two years. This rise reflects growing confidence and client appetite. Advisers are moving BR out of the "specialist" category and into mainstream conversations, making it part of standard planning reviews rather than a last-minute fix.
- **58% plan to raise BR conversations sooner, in the right circumstances.** Timing matters. Advisers recognise that early engagement avoids complexity and positions them as proactive partners. Introducing BR earlier means clients can act early - and that builds trust. Earlier IHT planning gives clients the time and clarity to make informed decisions, rather than reacting under pressure.

Percentage of advisers initiating earlier IHT conversations



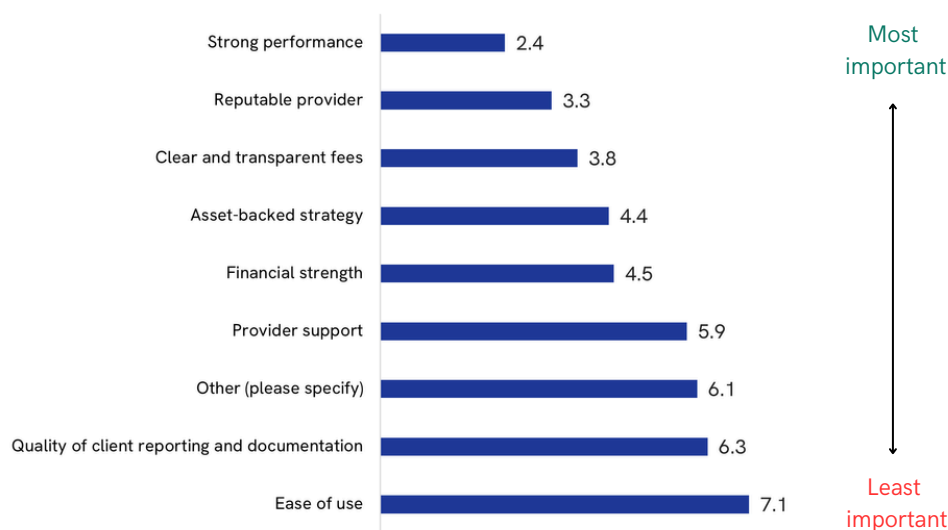
BR's flexibility and speed to IHT exemption make it uniquely suited to today's environment of policy uncertainty and client desire for control. Advisers who embrace BR as a mainstream tool will differentiate their service, deepen client relationships and futureproof their advice model.

Why innovation matters

While BR is gaining traction, advisers want more from providers. 39.5% say they want more competitive or innovative BR product options. Advisers are looking for solutions that differentiate and combine:

- A track record of success.
- Clear, transparent fees to build trust.
- Investments grounded in real, income-generating businesses with tangible assets, which can feel more secure and credible to clients.

What do you look for in a BR provider when recommending or writing this type of business? (Average rank out of 9)



Source: Foresight data, survey of 200 financial advisers

Partnering with providers that bring clarity and differentiation to their BR propositions can help advisers cater to client needs. As demand for estate planning grows and policy uncertainty persists, these qualities will define success in the adviser market.

Turning adviser insight into proactive planning

Here are three practical tips for advisers to make the most of BR's growing role:

1. Clearly position BR as a mainstream solution

Clients often see BR as complex or niche, but the BR allowance can significantly reduce inheritance tax liability, making it a powerful tool when used correctly. Reframe it as a standard part of estate planning - alongside trusts and protection.

- Include BR in your core estate planning toolkit.
- Use comparisons to show how BR complements other solutions.
- Share case studies where BR delivered flexibility and tax efficiency.

58%

of advisers are now initiating IHT conversations earlier with their clients

Turning adviser insight into proactive planning (continued)

2. Engage with clients earlier

Timing is critical. Start BR conversations while all options are open. Delays in planning narrow the options available for clients.

- Use life events (retirement, business sale, inheritance) as triggers.
- Highlight the two-year qualification period for IHT exemption.
- Position BR as a proactive step, not a last-minute fix.

3. Explore provider innovation

Clients expect solutions that are not only effective but also easy to understand and implement. With 39.5% of advisers calling for more competitive and innovative BR options, now is the time to evaluate what providers are doing to simplify planning and enhance solutions.

- Ask providers about new product structures designed for Unquoted BR and reduced complexity.
- Look for digital tools and client-friendly literature that make explaining BR easier.
- Prioritise partnerships with providers who demonstrate innovation in estate planning solutions, such as hybrid strategies or platform integration.

The bigger picture

Advisers who understand why BR is gaining momentum and how to position it confidently and proactively are unlocking deeper client engagement, stronger intergenerational relationships and planning solutions that keep clients firmly in control at a time when policy change is creating more uncertainty than ever.

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This report is based on research conducted by Foresight Group in December 2025, surveying over 250 UK financial advisers to explore adviser sentiment, client behaviour, and the impact of regulatory change.

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