



# Advice for young people returning to the family farm



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**AHDB**



Department  
for Environment  
Food & Rural Affairs

# Deciding to come back into the family farm deserves far more thought than it is often given.

In lots of families there is an unspoken expectation that the person who is keen on farming will join the business at a future date. When that time comes little is said of how that person will be integrated into the business and if, how, when the business will eventually pass to them.

In fact little is discussed at this time and wrong assumptions are often made. Years down the line the result of this lack of planning is often the loss of good family relationships and people feeling they have wasted the best years of their working lives.

## Things to consider:

### ● **Why do you want to join the family business?**

Because 'you can't think of anything better' or 'the family expect me to' are not good reasons! Clarity in this means you are prepared for a meaningful discussion on how you would fit into the business.

### ● **Should you go to work for someone else after education?**

This demonstrates to your family and importantly to yourself that you have skills and experience to offer the business. It may also give you the ability to acquire capital to grow the size of the business to accommodate you.

### ● **Will you find it difficult to work together?**

Often young people don't want to appear ungrateful by asking questions about their future role and expectations. However if you find it difficult to discuss these issues, will you find it difficult to work together? These are fundamental questions and if you cannot discuss them as a family then you have to ask do you have the capacity to sort out future succession issues and run a successful business together in challenging times.



● **Do you get on well with family currently in the business?**

If you don't, going into business together is not going to work and your relationship will deteriorate even more.

● **What if it doesn't work out as planned? How will you know?**

What will you do? Have a plan for this to give yourself options.

● **Is there a planned path with dates on when you will take on various responsibilities in the business?**

It's important to discuss and document your plans.



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# Communication is the key

The key to a successful collaboration is good, clear communication. Here are a few tips.

## ● **Family Meetings**

Have several family meetings to clarify your role before you commit to the business. Sort out payment, living arrangements, responsibilities and a timeline for complete succession. If you find this difficult use a trained facilitator.

## ● **Share decision making**

Hold weekly or fortnightly organisational meetings so that you are integrated into the running of the business and share the decision making.

## ● **Annual planning**

Hold an annual strategic meeting where you assess the last year's performance and set targets for the next. This can involve your advisor, accountant or bank manager. This is also the time for you to examine how your succession plan is working and implement changes if needed. Succession plans are living documents and can change with circumstances so it is important to revisit them and revise if necessary.

## ● **Professional advice**

If you need professional advice on the tax or legal implications of succession, make sure you have had a family meeting to clarify what you want to happen. You can then go to the professionals with your agreed plan and they can advise you on how to implement your plan. Going to the professionals first and trying to make your plan fit to their advice is the wrong way round.

## ● **Separate issues**

When discussing succession, separate the ownership of the assets from the responsibility of running the business because they do not have to happen at the same time.



### ● **Get advice on business structures**

Get good advice on business structures from people like AHDB, accountants and specialist advisors.

### ● **Set the date**

Set a date for when you intend to retire. This creates a smooth pathway for another generation. It also means you will tend to make the best of your time. Don't lose your hobbies. You will need to have something to do when you retire. It's your generation's responsibility to make sure succession in the future is a smooth effective process and not the taboo subject it is today.

*This advice guide was written by Siân Bushell  
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Succession...We need to talk

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