



Governing Families, *Not Corporations*

*Family governance is how families stay
in control. Borrowed governance is
often how they lose it.*

SCOPE: *This guide addresses exclusively Single Family Offices (SFOs). Multi-family offices respond to a fundamentally different governance logic and are not covered here.*

DISCLAIMER: *Throughout this paper, the masculine form is used for convenience and readability. It refers equally to all genders.*



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*What this
paper contains*



A guide for families who govern their own family office: read it from the front, or open it where it speaks to a question you are already asking.

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Introduction

*Why do families lose control of what they built?
The answer, in almost every case we have
encountered, is not a technical failure. It is a
human one.*

BY GILLES ERULIN, FOUNDING PARTNER

00

Introduction

By Gilles Erulin, *Founding Partner*

Over the past three decades, I have seen a profound change in the Family Office space where industry experts have delivered a remarkably consistent message to wealthy families: to be taken seriously, you must professionalise. Professionalisation, the message continues, means importing the governance codes of the institutional world: formal boards, written investment policies, audit committees, and governance charters drafted by externals without consulting the family. Day after day, I watch a world of “family offices” where the pendulum has swung away from the *family* and towards the *office*.

Professionalisation is certainly a necessity, but the advice as framed today, while well-intentioned, almost always produces counterproductive results. Under these premises, Single Family Offices have, in large numbers, hired executives shaped by environments with fundamentally different logic: investment banks, listed companies, regulated asset managers. These are professionals of real calibre, but they carried a worldview designed for environments where governance is an external obligation, not a tool the family builds for itself.

The result is predictable. Governance becomes complex and self-standing. Complexity requires experts to navigate it. Experts become the peo-

ple who actually understand how the structure works, while the family, the owner of this family office and the only party it was ever designed to serve, progressively loses sight of what is being done in its name.

This paper is not a governance manual. It starts by naming the risks and the drifts, so we can move towards solutions. It does not claim to describe every family, only a steadily growing share of the ones I meet. It does not prescribe structures, and it does not reject governance outright. It asks a more uncomfortable question: why do families lose control of what they built? The answer, in almost every case we have encountered, is not a technical failure. It is a human one.

A last word before we begin. I should own a bias that comes with our work. Most of the families I meet come to us to step back, to build or repair a situation that no longer works for them, and to take back control of their future and their SFO. Our view is therefore skewed: we rarely see the SFO that simply runs well, the one where everything is already under control. If you are reading this from that second category, forgive us, and perhaps pause for a moment over where the others stand, the families who have lost that control, or do not have it yet.



Gilles Erulin

FOUNDING PARTNER

Westwick Melrose & Cromwell
[in VIEW PROFILE](#)

“

The family owns the family office. Governance defines how the family exercises its power over that tool. The moment that relationship inverts, something has gone fundamentally wrong.”

PART ONE

Three Tensions Every Family *Faces*

Every family of significant wealth faces, at some point, the same recurring tensions: the founder whose authority is the only thing holding the whole together; the office team to whom decision-making gradually drifts; and the absence of any shared way to decide when difficult decisions must be taken.



◆ PART ONE · THE THREE TENSIONS

The below tensions are not the result of poor decisions or bad intentions; they emerge from the nature of what it means to build, share and transmit wealth across generations. Left unaddressed, they erode both the unity of the family and the protection of what it has built. These three are the most common we encounter and, in our experience, the most consequential.

01 Tension The founder *and the family*

Almost every Single Family Office was built by one person. That person made decisions alone, moved fast, and built something significant precisely because he did not need consensus to act. His authority within the family is natural and, in most cases, entirely legitimate. It is also, structurally, the only thing holding the whole together.

This works until it doesn't — until illness, death, incapacity, or simply the slow accumulation of decisions the next generation was never part of making. The founder's authority is not a structure. It is a person, and when that person steps back, voluntarily or not, there is often nothing underneath. No agreed process for decisions. No clarity on who holds what responsibility. Sometimes simply no understanding of what the Principal has built and how the family should run what it has inherited.

Succession is always where this absence becomes visible and, in our experience, almost always surfaces too late. What could have been a gradual, deliberate transfer of responsibility becomes a handover under pressure at the exact moment the family is least equipped to absorb it. The next generation, meanwhile, inherits stakes in structures they did not build and decisions they were never invited to observe. They can quickly understand what they own (although not always) but will often have little sense of what they are now responsible for.

◆ SUCCESSION

86%

of family offices have no clear succession plan for their key decision-makers — the founder's authority is a person, not a structure.

59% expect to pass to the next generation within ten years.

Sources: J.P. Morgan, *2026 Global Family Office Report* (333 family offices); Bank of America, *2025 Family Office Study* (335 family offices).

02 Tension

The office *expert team*

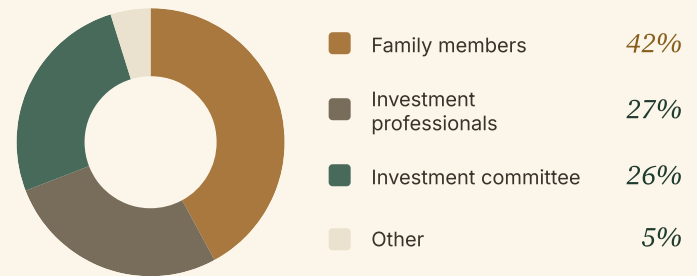
Family office teams are often among the most loyal and dedicated teams we have encountered anywhere in business. Still, it is a very easy and common drift to see a family office reaching a point where the family is no longer the most informed party in the room. The assets have grown complex and only the SFO executives fully understand the structures, the holdings, the risk exposure. The family, increasingly the next generation (NextGen), who inherited a structure they had little part in building, may lack both the preparation and the sense of legitimacy to engage with decisions they know little about.

So the team starts making calls. Not the big ones at first, but the ones that seem operational, or technical, or urgent enough that informing the family would slow things down. A counterparty needs an answer. A position needs to be adjusted. A legal structure needs updating. These are reasonable decisions, made by competent people, entirely within the spirit of their mandate.

The problem does not lie in any single decision but in accumulation. Progressively, the family office team develops its own momentum, its own view of what the family wants or needs, what the family would approve, what the family does not need to be consulted on. They are not wrong, most of the time. But by doing so they are substituting their judgement for the family's that they are supposed to serve.

By the time the pattern is clear, the family has lost the habit of deciding. They receive updates. They ask questions. They occasionally push back. But the centre of gravity has shifted from the family to the team that serves it.

♦ WHO DECIDES INVESTMENTS



In a majority of family offices, the binding investment decision already sits outside the family.

Source: Citi, 2025 Global Family Office Survey (346 family offices, 45 countries).

03 Tension

Unity in the face of *hard decisions*

Every family, at some point, faces a decision that cannot be deferred and cannot please everyone. A member who wants to exit a shared structure, a significant asset that must be sold (or that someone refuses to sell), a dispute over distributions, a disagreement about who leads next etc.

These moments reveal whether the family has ever built the habit of deciding together. Quite a lot have not. Decisions, until that point, have been made by the founder, sometimes by the SFO, maybe deferred, or simply avoided through silence. Nobody has ever had to agree on a process, because the need never felt urgent enough.

When a hard decision needs to be taken, there is no agreed mechanism for reaching a conclusion, and no internal voice that every member or branch of the family will accept as neutral. The founder, if still present, can impose. If not, the absence of any structure for navigating disagreement means that the outcome is determined by whoever has the loudest voice, holds the most capital, or has the strongest legal position but not by what the family collectively wants.

The first NextGen layer (G2) is particularly exposed. Family members who have grown up as beneficiaries of a structure rather than participants in its decisions know what they are entitled to receive. They have little sense of what they are now responsible for or how to exercise that responsibility together.

Left to themselves, these situations (e.g. unresolved demands, decisions taken on voting power alone, opaque alliances) tend to end in disputes settled in a courtroom: a waste of energy and momentum for the office, and a wedge driven into the family's unity. Unity is rarely easy, and at times dull. But the cost of disunion will outweigh any sum at stake: legal fees, a fractured structure, and a family divided for a generation.

◆ RISKS TO FAMILY OFFICE CONTINUITY

The five biggest risks a family office faces

% OF FAMILY OFFICES RANKING EACH AS A TOP-THREE RISK



Three of the five greatest risks to continuity are internal to the family - the risks it can actually govern.

Source: J.P. Morgan, 2026 Global Family Office Report (333 family offices, 30 countries) — Exhibit 14, international respondents. % ranking each as a top-three risk.

PART I · CONCLUSION

Families that build significant assets will, at some point, face challenges that goodwill and the founder's authority alone cannot resolve.

It is precisely to address this kind of challenge that the concept of family governance exists. Not as a set of rules borrowed from the corporate world, but as a framework the family progressively builds on its own terms to be able to navigate internal challenges.

PART TWO

Family versus Corporate Governance *Two Different Logics*

The measure of good family governance is not compliance. It is unity.



Two frameworks, *two different problems*

THE INSTITUTIONAL WORLD

Corporate governance

Corporate governance exists to solve a specific problem: protecting stakeholders, pensioners, insured persons, who have entrusted their capital or future income to managers they cannot directly supervise.

It is standardised to enable security, comparability and resilience, and works well in the environments it was designed for — listed companies, pension funds, regulated institutions — where governance is inseparable from the structure and increasingly enforced by public regulators such as the FSA or the SEC.

THE FAMILY WORLD

Family governance

A family is a human entity shaped by relationships and history that existed long before any formal structure. By extension, a Single Family Office is a tool built by a family for a family. Its governance should reflect that reality rather than borrow from a world families never inhabited.

Good family governance creates structures that let difficult conversations happen safely before they become conflicts. It defines how decisions are made while recognising they are never purely rational, and holds up under the pressures of family life: disagreement, grief, transition, and handing something precious to people who did not build it.



“Corporate governance protects stakeholders from managers they cannot watch. Family governance does the opposite job: it keeps a family in control of what it built. The same word, two different tools.”

JOHN SAUNDERS · PARTNER 

Corporate *vs* Family Governance

| | Corporate governance | Family governance |
|-------------------------------|--|---|
| PROBLEM IT SOLVES | Protecting stakeholders who cannot directly supervise managers | Keeping the family united and in control of what it built |
| OWNER & MANAGER | Structurally separated | Often the same people, bound by history and relationships |
| SOURCE OF LEGITIMACY | Regulation, audit, disclosure, public enforcement (FSA, SEC) | The family's own agreement and trust |
| STANDARDISATION | Standardised for comparison between strangers | Tailored to one family; not meant to be compared |
| WHAT IT MUST WITHSTAND | Market scrutiny and regulators | Disagreement, grief, transition, succession |
| MEASURE OF SUCCESS | Compliance | <i>Unity</i> |

“

*The measure of good family governance is not compliance.
It is unity.”*

GILLES ERULIN · FOUNDING PARTNER



The professionalisation *confusion*

The confusion that this paper seeks to address did not emerge from bad intentions. It emerged from a structural mismatch between the expertise that was available and the problem that needed solving.

As family offices grew in number and complexity, families turned to the professional world for answers. The old family hiring model put trust before competence: the family appointed someone it already knew and relied on. That gave way to hiring people trained in a world of finance where compliance is mandatory. They bring genuine skill, but also the habits of the regulated institutions they came from, and those habits rarely match a family's needs. The result is a familiar one: investment committees that meet to rubber-stamp decisions already taken; family councils run like corporate boards, with formal agendas and minutes nobody ever reads; forty-page charters, risk registers or conflict management policies reviewed by the service provider that wrote them, not by the family they are meant to govern.

The pattern feeds itself. Each new tier of executives needs a larger team to handle the complexity it has created, and hires in its own image, while the informal appointments the family once trusted are ruled out as incompatible with the new charters. The office grows more professional, and more distant from the family it serves. Some end up commissioning an outside strategic review to rediscover what they were built for in the first place.

The more insidious consequence is this: as the governance framework grows in complexity, the family's ability to engage with it diminishes. Meetings become technical. Family members who lack financial or legal training find themselves approving things they only partially understand. Gradually, and without any deliberate intent, the family becomes a passenger in a vehicle they own which they should be able to drive if they so choose, and aren't anymore.

THE NUMBERS CONFIRM THE DRIFT

39%

OF FAMILIES CONTROL THEIR OWN
GOVERNANCE MODEL

The rest is managed by staff or outsourced to consultants.

SOURCE: CAMPDEN WEALTH, 2025, FAMILY OFFICE
OPERATIONAL EXCELLENCE REPORT

WESTWICK'S VIEW

This is either a sign that families do not engage with governance frameworks they did not build themselves, or, more worrying, that they are quietly losing control over the very processes designed to protect their authority over the family office.

Governing the family *vs.* governing the family office

There are two parts in a family governance definition that should never be mixed. When the two are confused, the failure runs in one of two directions.

GOVERNING THE FAMILY

The first is how the family governs itself: how family members make collective decisions, resolve disagreement, define shared purpose, and pass authority from one generation to the next.

A question for the family.

IF CONFUSED



The family delegates governance of itself to the family office. Executives find themselves managing family dynamics they were never hired or equipped to handle. Their authority becomes impossible to maintain, their decisions impossible to treat as neutral. The family's trust in them erodes, often without anyone knowing why.

LEADING TO



A loss of trust

between the family and its executives.

GOVERNING THE FAMILY OFFICE

The second is how the family governs its family office: what mandate it gives its executives, what oversight it exercises over their work, and what information it expects to receive.

A question about a professional relationship.

IF CONFUSED



The family office takes over governance of the family. Agendas, briefing packs and recommendations arrive from professionals; the family's role narrows to ratification. The structure becomes something the executives understand and the family does not. Control drifts, quietly and without any deliberate decision.

LEADING TO



A loss of control

by the family over what it built.



The five most common *mistakes*

Regardless of size, wealth, geography, or generation, there are recurring mistakes across family offices. They are not signs of negligence but the natural by-products of applying institutional logic to a family context.

01 Applying compliance-driven governance to a non-regulated entity

A SFO is not subject to the regulatory framework that governs pension funds, asset managers, or listed companies. Imposing the same rigidity serves no external party and creates friction with no corresponding benefit.

02 Confusing sophistication with complexity

Overloading decisions with more committees, more documentation, and more formal process does not produce better governance. It produces governance that is harder for the family to understand and control.

03 Treating governance charters as the destination, not the starting point

When a family commissions a charter, outsources it and then simply signs it without the internal dialogue that makes it meaningful, the result is decorative rather than functional.

04 Designing governance around the office, not the family

Governance should define how the family controls the office, what it asks of it, and what responses it expects from the office, but not how the office manages itself internally. The office's own governance derives from the family's, not the other way around.

05 Marginalising the family in the name of professionalisation

An impressive governance framework that the family cannot navigate is not an asset. It is a risk.

“Should any of these be identified, the right response is to address them without delay, before they cause more harm than they were meant to prevent.”

Andy Wadley
PARTNER 



PART THREE

The *Tools*

No governance framework is blindly applicable to a family. The documents and forums below are not a model to replicate, they are answers to specific problems.



PART THREE · THE TOOLS

Most families already *govern well*

These tools mostly concern how a family governs itself rather than how it runs its office. If a family were to adopt only one, it should be a reserved decisions framework in its most basic form: who decides what, and what happens when that person is unavailable. Writing it down is the easy part; the real test is whether it holds the day someone has to use it.

The tensions described in the preceding pages are real, and they do surface in some families, and in some offices. But families know better than anyone how their own house works, and in many others a clear *modus operandi* has long been established: one that quietly and effectively governs how members deal with one another, and with the office they share.

WESTWICK'S VIEW

What follows is not a remedy for dysfunction. It is a vocabulary for families who want to make the way they already work explicit, and durable.



Aymeric Erulin
PARTNER

The pages that follow set out **four documents** and **three governing bodies**. The list is deliberately not exhaustive — these are simply the instruments families turn to most often.

FOUR DOCUMENTS

- | | | |
|----|------------------------------|--------------------------|
| 01 | Reserved decisions framework | ANY FAMILY · FROM G1 |
| 02 | Dispute resolution protocol | ANY FAMILY · FROM G2 |
| 03 | Exit process | STRUCTURED SFO · FROM G2 |
| 04 | Family charter | COMPLEX / LARGE · £1B+ |

THREE GOVERNING BODIES

- | | | |
|----|----------------------|-------------|
| 01 | Family council | ANY FAMILY |
| 02 | Investment committee | FROM £300M+ |
| 03 | Advisory board | £1B+ |

The governance documents

| | |
|---|---|
| <p>DOCUMENT 01</p> <p><i>Any family</i> FROM G1</p> <h2>Reserved decisions framework</h2> | |
| <p>PURPOSE</p> | <p>Defines who has authority over which categories of reserved decision, by which process, and what happens when the named person (or persons) is unavailable or incapacitated.</p> |
| <p>CONTENTS</p> | <p>A categorised list of reserved decisions (e.g. investment, hiring, asset disposal, distributions, structural changes, family mediation), the named authority for each, escalation rules, and a named substitute for each role.</p> |
| <p>RELEVANT FOR</p> | <p>Any family, from the first generation. The minimum viable governance document no family should be without, regardless of size.</p> |
| <p>WESTWICK'S OPINION</p> | <p><i>This should fully reflect how the family functions, not force a form of consensus. It could say all reserved decisions are taken by the sole Principal, but what matters is knowing who is in charge if the Principal is unavailable.</i></p> |

| | |
|--|---|
| <p>DOCUMENT 02</p> <p><i>Any family</i> FROM G2</p> <h2>Dispute resolution protocol</h2> | |
| <p>PURPOSE</p> | <p>Establishes the rules for managing disagreement before it turns into a specific dispute. Typically best if agreed in peaceful times.</p> |
| <p>CONTENTS</p> | <p>Definition of a formal disagreement, the first-step process, the escalation path if it fails, resolution strategies, and the time and conditions under which an external mediator should be engaged.</p> |
| <p>RELEVANT FOR</p> | <p>Families with multiple branches or adult members with meaningful stakes and varying engagement. Less relevant for a sole founder with no active co-shareholders.</p> |
| <p>WESTWICK'S OPINION</p> | <p><i>Initially this can be as simple as one agreed rule: before a disagreement becomes a conflict, both parties call on a pre-designated neutral third party. Name that person now, while nobody has a side to defend.</i></p> |

The governance documents

DOCUMENT 03 *Families with a structured SFO*
Exit process **FROM G2**

PURPOSE Defines how a family member or branch withdraws their economic interest, whether held directly or through a shared structure (a business, a property, the office itself), without triggering a crisis or forcing a fire sale.

CONTENTS Liquidity rights (who may ask, when, how much); the request process; a valuation method for each asset category; the funding mechanism for buyouts; notice period; equitable-treatment rules; and how governance rights are modulated on a full or partial exit.

RELEVANT FOR Any family with multiple members and illiquid shared assets (operating businesses, real estate, private equity) where an exit cannot simply be a cash redemption. Typically urgent once ownership is shared beyond the founder.

WESTWICK'S OPINION *Exits are the single greatest risk to family unity. Agreeing a process in advance has nothing to do with financial optimisation, it is to ensure that whatever the outcome, the family can still be in the same room at Christmas.*

DOCUMENT 04 *Complex assets or large families*
Family charter **£1B+**

PURPOSE Captures, at a given point in time, the family's shared values, membership rules, and governance principles. The most complete, and most demanding, of the governance documents.

CONTENTS Family membership definition, rights and responsibilities of members, governance principles for both the family and the office, and the amendment process. A charter not authored by the family over genuine conversation will not be of any use.

RELEVANT FOR Families in their third generation or beyond, or with multiple branches and dispersed ownership. Not worth attempting if the family is not ready for honest internal conversations. Typically meaningful from £1B+.

WESTWICK'S OPINION *Many family charters have been drafted by external advisers and signed by the family without being read or discussed in depth. If that is the case for yours, throw it in the bin and do the exercise again, within the family. Advisers can mediate; the words must be yours.*

The governance bodies

| | | | | |
|--|--|--|---|---|
| <p>BODY 01</p> <h2>Family council</h2> <p><i>Any family</i></p> | <p>PURPOSE</p> <p>A dedicated forum for family-level deliberation, separate from operational management. Addresses shared purpose, succession, and collective decision-making.</p> | <p>CONTENTS</p> <p>Defined membership, clearly scoped authority (what it decides vs. reviews), a meeting cadence driven by need, agenda ownership that sits with the family, and the appointment of the SFO board's members.</p> | <p>RELEVANT FOR</p> <p>Relevant for every family. A formal council becomes important from the second generation onwards, or beyond roughly £500M.</p> | <p>WESTWICK'S OPINION</p> <p><i>Even the smallest family should have some form of council. A yearly meeting where every member learns what the wealth is being used for, with open discussion, is often enough. No need for rigidity.</i></p> |
| <p>BODY 02</p> <h2>Investment committee</h2> <p><i>Any SFO · From £300M+</i></p> | <p>PURPOSE</p> <p>Ensures meaningful oversight over investment strategy so the mandate delegated to the SFO consistently reflects the family's values, risk appetite, and objectives.</p> | <p>CONTENTS</p> <p>A balance of roughly one family member, one investment-team representative and two external advisers with no commercial ties. Chaired by a family member with a casting vote: final power stays with the family.</p> | <p>RELEVANT FOR</p> <p>Any SFO with an investment team. Typically substantive from approximately £300M+, where portfolio complexity makes informal oversight insufficient.</p> | <p>WESTWICK'S OPINION</p> <p><i>One of the most effective tools for real oversight. The challenge is composition: external members must carry only the family's interests. The moment an adviser has something to sell, the committee has a problem.</i></p> |
| <p>BODY 03</p> <h2>Advisory board</h2> <p><i>Families with direct control over family business · £1B+</i></p> | <p>PURPOSE</p> <p>Provides independent external challenge on strategic questions, from individuals whose only mandate is to broaden the family's thinking. It has no decision-making power.</p> | <p>CONTENTS</p> <p>Three to five external members selected for diversified expertise, with a direct line to the family (not the CEO), a defined set of topics and a regular cadence. Appointed by the family, independent from management, removable at any time.</p> | <p>RELEVANT FOR</p> <p>Families at strategic inflection points: generational transition, major reallocation, office restructuring, or complex international portfolios. Typically from £1B+.</p> | <p>WESTWICK'S OPINION</p> <p><i>An advanced tool, overkill for families whose primary activity is asset allocation. Useful where the family controls a major operating business, and expert challenge on strategy can move outcomes.</i></p> |

PART FOUR

In *Practice*

Three families, three different problems. None was solved with a charter off the shelf — each with a tool the family chose, in its own words, to fit its own situation.



01

Use case

The office that ran on *without them*

◆ CONTEXT

Four brothers inherited a family office after the sudden death of their father. He had built it and run it alone. When he died, the office carried on as if nothing had changed: the same people, the same routines, the same quiet momentum. The new principals received their updates and their yearly distributions, and signed what was put in front of them. They trusted the people their father had trusted. Out of sheer habit, the office had begun to live a life of its own, and the family had become a spectator.

◆ THE NEED

What brought the drift into the open was an ordinary request. The four had agreed between themselves to pay an exceptional distribution to help fund one of the brothers' new venture, on the understanding that all four would stay equally invested. When they asked, the office team told them it could not be done, at least "not now", because too much of the wealth was locked in illiquid positions. That was the moment it clicked: the owners had agreed on something, and their own staff were telling them the decision was not theirs to take. One of the brothers phoned us that week. The brief was a delicate one: take back control without pushing out a competent team that had held the office together for years.

◆ WHAT WESTWICK DID

Three steps.

First, we got the money moving. Rather than force a sale at a bad price, we arranged short-term liquidity against the portfolio, to be repaid as one of the illiquid positions came good. The brother's project was funded within days, the three others agreeing to wait before they got their identical distribution (temporarily waiving the rule of equal beneficial ownership), the dividend paid, no change to the ownership weights. What they had been told was impossible "now" had simply never been managed.

Second, we handed the wheel back to the family, without breaking the team to do it. We coached the four of them into fuller ownership of their own office, and the executives were tasked with onboarding them properly: mapping the wealth, the complexities, how decisions were really made. The principal and the team then agreed a short list of calls that would always be the family's from then on. The team stayed, and stayed willingly. The main change was simply reminding everyone who the owner was.

Third, we made it last. They adopted a reserved decisions framework, a distribution policy written to handle exactly this kind of request, and a small family council where the four decide together before the office is instructed. The centre of gravity had moved back to the family. This time it would stay.

02

Use case

The charter *nobody* opened

◆ CONTEXT

A family spread across several branches and generations had done what a lot of families are pressured to do: put proper governance in place, on the recommendation of the family office CEO. They commissioned a family charter from the family-office desk of their main bank. The bank ran the project: interviews, workshops, a polished document of forty-odd pages setting out the family's values, a family council, an investment committee, and a rule for almost everything. It was presented to the whole family, and everyone was delighted with the work. Then it went into a drawer.

Five years later, the council had met only on rare occasions, and the investment committee's agenda and minutes were drafted by the same advisers who had built it. The charter described a family that lived on paper, governed by bodies that met to ratify what had already been settled elsewhere.

◆ THE NEED

The role of the chair, and how it should pass to the next generation, was one of the few things the charter set out in real detail. On paper, it was all there. In practice, nobody had ever read it closely or used it, so when the chairman decided to step back, the succession it described meant little to anyone. Worse, it had begun to pull the branches apart: each read the handover differently, each suspected the others of reading it to their own advantage, and a document written to prevent exactly this was quietly fuelling it. It was the chairman, himself a family member, who called us. He could see a clean succession turning into a contest between branches, and the charter was no help.

◆ WHAT WESTWICK DID

First, we got the handover done properly: a real conversation about what the chair would actually decide, what the family expected of the incoming chair, and how he or she should be chosen.

Then we asked the obvious question. Of everything in those forty pages, what do you actually use? The honest answer was almost none of it, which is the polite way of saying none of it. So we kept none of it, and the charter went from the drawer to the bin. In its place the family chose to put just two things:

- a reserved decisions framework: who decides what, and who steps in when they can't;
- a council, its members appointed for three years, that meets when there is genuinely something to decide.

The rest was set aside without ceremony.

The family wrote the new rules themselves, in their own words. A set of rules you can hold in your head is one you will actually use. The charter they had paid for governed a family that did not exist. The one they wrote in an afternoon governs the one that does.

03

Use case

Letting interest *find its own way*

◆ CONTEXT

Like most families who build something worth passing on, they had reached the question every Principal eventually asks: when do we bring the children in, and how? The next generation, six of them between eighteen and twenty-seven, held a stake in a family office they barely knew. They had grown up as beneficiaries, not as participants. A few were curious. Most were busy becoming doctors, artists and athletes, which is exactly as it should be at that age. The real risk was not rebellion. It was indifference: a generation that would one day inherit a structure it had never had a reason to care about.

◆ THE NEED

The principal put it as a simple question, the one we hear most often: at what age should we start involving our children? There is no magic number, and he knew it. He did not want a training programme, or a set of titles to hand out. He wanted his children to find their own reason to engage, if they were going to engage at all. Force it, he understood, and you guarantee the opposite.

◆ WHAT WESTWICK DID

We built a forum around the family's next away day. For forty-eight hours, the six were brought together with the office team and the chief executives of the family's three main holdings. Each manager prepared a session made for that age, not for a boardroom: what they run, why the family owns it, how decisions actually get made. Not T-bills and secondary markets. Real businesses, with real products and real choices.

Most of them enjoyed it and went back to their own lives, which was a perfectly good outcome. But one took hold of it. He asked to go further, and requested a six-month internship as a sales rep, out in the field. Nobody had offered him a seat. He asked for a job.

That was the whole point. You cannot appoint engagement in the next generation, and you cannot assume engagement will simply be inherited. You can only build the conditions for it to surface, and then make room when it does.

There is no line for this in any corporate-governance manual. No committee, no charter clause, no box to tick. A weekend forum including also eighteen-year-olds is not what most people picture when they hear the word governance. And yet that is exactly what it is: a project that came from the family rather than from an adviser, built around a clear purpose and shaped to fit this family and no other. The formal structures have their place. But sometimes the simplest thing a family does for itself is the truest family governance of all.

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Conclusion Governance is a means, *not an end*

The most technically sophisticated governance framework we have encountered was also one of the least functional. It had committees for every category of decision and documentation for every action. The SFO even kept a “chief compliance officer” on staff whose full-time job was to run the rollout and the constant expansion of that governance. The family, meanwhile, was marginalised from any meaningful decision. The governance had become a substitute for the conversations it was supposed to enable.

The least formally sophisticated governance we have observed was a father who gathered his four children around a table once a year and shared, in absolute transparency, everything about the state of the family assets and the decisions he intended for the SFO to implement. No formal council. No written charter. One unique principle guiding the conversations: family unity. Any asset or person that presented a risk to that unity was simply sold or removed.

Families will inevitably face unity-defying moments that, if not managed properly, harm both the family's relations and its wealth. Family governance is a set of tools to mitigate those risks, but always adapted to the size, the dynamic, and the assets of the family. When borrowed from another world and handed down by professionals, it becomes something the family navigates around rather than with.

What distinguishes the families that govern well is not the quality of their advisers or the comprehensiveness of their documentation. It is the clarity of their purpose, the honesty of their internal culture, and the discipline to keep the family at the centre of a structure that exists, in every sense, to serve them.

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A well-governed family office is not one that has the most committees. It is one where the family never loses sight of what it built, why it built it, and who it built it for.



Isabelle Irani

PARTNER 

ABOUT THE FIRM

Westwick Melrose & Cromwell

Westwick Melrose & Cromwell works with families of significant wealth, typically between £250 million and £5 billion in assets, at moments when they need more than advice. **We don't advise, we deliver.**

Our partners bring decades of direct experience at the service of families: not as advisers to families, but as people who have held operational responsibility within some of the world's most complex family structures. We understand what inflection points leading to failure or success look like from the inside, and what it takes to ensure the family stays united and in control.

In every engagement, our mandate comes from the family, our commitment is to the family's unity and long-term interest, and our measure of success is whether the family is more capable of governing what it owns and what it shares when we leave than it was when we arrived.

TO BEGIN A CONVERSATION

FOR FAMILIES & SINGLE FAMILY OFFICE EXECUTIVES



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THREE MOMENTS WE SERVE

- 01 The creation or restructuring of a family office
- 02 The management of generational transition
- 03 The recovery of control when a structure has drifted