UPDATED EDITION | 17 SEPTEMBER 2026

A Family Office is not measured by headcount. It is measured by whether the family’s services, authority, information and continuity operate as one accountable system.

Why Family Offices are growing

Family wealth is increasingly held across operating companies, trusts, investment portfolios, property, philanthropic structures and cross-border relationships. As the system expands, informal founder-led coordination becomes fragile. Deloitte estimated that the number of single-family offices worldwide grew from about 6,130 in 2019 to 8,030 in 2024 – an increase of roughly 31%.

The practical driver is not prestige. It is the need to coordinate decisions, records, providers, risk and succession before complexity becomes a crisis.

START WITH LEGAL REALITY

The South African legal position

South Africa has no dedicated Family Office law, registration category or automatic Family Office tax concession. A Family Office is therefore best understood as a governance and operating layer connecting the family's existing legal vehicles, assets, office-holders, advisers and mandates.

It does not replace a trust, company, will, shareholder agreement or investment mandate. It cannot transfer a trustee's discretion, a director's duties, an executor's powers or a regulated adviser's responsibilities to a family council or coordinator.

The Family Office coordinates the system. Legal powers and duties remain with the properly appointed office-holders.

Where the value lies

- **Clarity:** one view of ownership, authority, services, risks and dependencies.
- **Continuity:** documented succession routes for death, incapacity, retirement and provider failure.
- **Control:** mandates, approval thresholds, conflicts rules, records and escalation paths.
- **Capability:** the right mix of family participation, internal professionals and external specialists.
- **Stewardship:** a durable link between the founder's purpose, present decisions and future generations.

The founder's first decisions

- What **purpose** must the system serve beyond investment performance?
- Which **people**, **branches**, **entities**, **assets** and **jurisdictions** fall inside the Family Office parameter?
- Which decisions are reserved to trustees, boards, shareholders, executors or regulated advisers?
- What should the family discuss or recommend through the **Family House**?
- Which capabilities should be **internal**, **outsourced** or **delivered** through a hybrid model?
- Who will coordinate **providers**, **information**, **calendars**, **reporting** and **escalation**?
- What **information** may be shared, with whom, and under what security and confidentiality rules?
- How will **fees**, **service standards**, **conflicts** and **provider performance** be reviewed?
- What must happen on **incapacity**, **death**, **retirement** or a **key-person** or **provider failure**?

ONE CONNECTED ARCHITECTURE

The seven-document foundation

The documents below should be read together. They convert family purpose into decision rights, mandates, controls and continuity arrangements. No single charter, trust deed or policy creates the Family Office.

NO.	DOCUMENT	PURPOSE
01	**Founder Use Case**	Defines purpose, perimeter, dependencies, risks and the intended transition from informal control.
02	**Family Office Charter**	Records values, participation and succession philosophy; legal effect must be carried into binding instruments where required.
03	**Family Office Business and Operating Plan**	Maps services, delivery model, coordinator, providers, costs, systems, reporting and implementation stages.
04	**Family Governance Framework**	Establishes the Family House and identifies who proposes, advises, approves, implements and records decisions.
05	**Corporate and Fiduciary Framework**	Maps ownership and control; connects each decision to the proper trust, company, office-holder or instrument.
06	**Family Risk and Integrity Framework**	Sets proportionate controls for authority, liquidity, tax, conflicts, regulation, data, reputation and evidence.
07	**Continuity, Succession and Transition Plan**	Prepares successor routes and handovers for retirement, death, incapacity and provider or key-person failure.

The documents operate as one architecture. Every legal power must still be sourced in the relevant law and binding instrument.

AVOID A COMMON CATEGORY ERROR

Two separate design questions

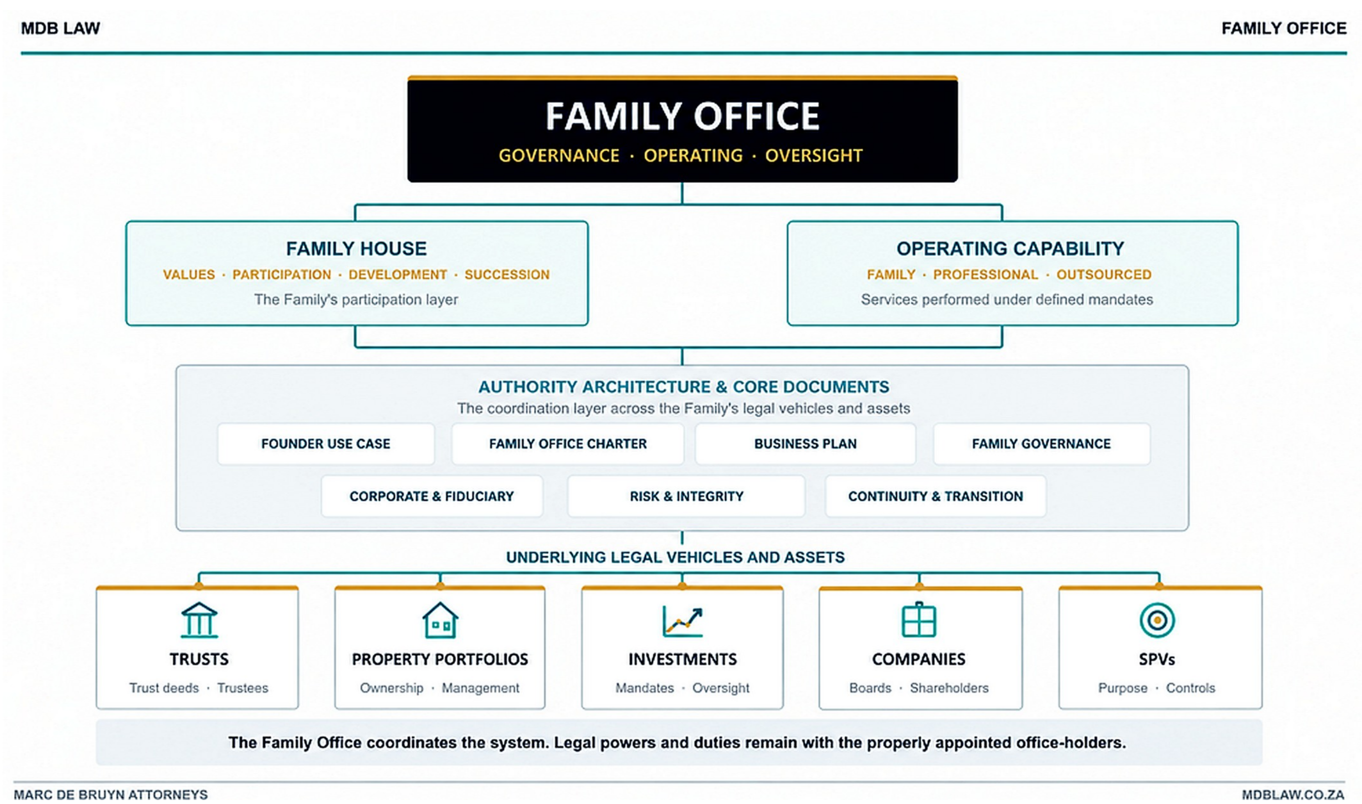
1. Governance orientation

House-led and board-led describe where family participation, strategic conversation and oversight are centred. They do not change the legal powers of properly appointed office-holders. A Family House may inform, nominate or recommend only to the extent permitted by the binding instruments.

2. Service delivery

In-house, outsourced and hybrid describe how capabilities are delivered. This is a different axis. A family can be strongly House-led while outsourcing most professional services, or board-led while employing a substantial internal team.

Choose governance for lawful participation. Choose delivery for capability, control, cost and continuity.



The Family Office is the coordination layer across the Family House, operating capability, authority architecture and the family's underlying legal vehicles and assets.

CHOOSE THE SERVICE MODEL

You do not need to build the whole office at once

A Family Office can develop along a continuum. The right starting point depends on complexity, control needs, confidentiality, available internal capability and the economics of the family system. The model should be reviewed as the family, assets and jurisdictions change.

OUTSOURCED OFFICE	HYBRID FAMILY OFFICE	DEDICATED FAMILY OFFICE
A lead coordinator connects independent legal, tax, accounting, investment, insurance, technology and administrative providers under a common plan. Best where breadth is needed before a permanent internal team is justified.	A small internal core owns selected relationships, information and decision support while specialist functions remain outsourced. Best where the family needs continuity and control without duplicating every capability.	A substantial internal team delivers selected functions directly, with external specialists retained for regulated, technical or surge capacity. Best where scale, privacy, frequency and complexity justify fixed infrastructure.

The Family Office Coordinator

The **coordinator** is the system integrator and primary point of contact. The role maintains the service map, calendar, provider interfaces, information flows, consolidated reporting and escalation log. The coordinator follows up decisions and evidence but does not acquire the powers of trustees, directors, executors, investment managers or other regulated or fiduciary office-holders.

What to record for every function

- scope and required outcome;
- delivery choice—internal, outsourced or hybrid;
- service owner, provider and decision-maker;
- mandate, authority limit and escalation path;
- information source, reporting frequency and access controls;
- fee basis, service standard and review date; and
- continuity route if a person, system or provider fails.

THE SERVICE MAP

Build capability function by function

The service map should be client-oriented and explicit. It is not a list of professional firms; it is a list of capabilities the family system requires, with the accountable provider and lawful decision-maker identified for each one.

CAPABILITY	WHAT THE MAP SHOULD COVER
Governance, education and NextGen	Family House, meeting cycles, decision protocols, induction, financial education and succession readiness.
Trust, company and estate administration	Statutory records, resolutions, beneficial ownership, trust administration, wills and estate interfaces.
Accounting, reporting and tax coordination	Entity accounts, consolidated reporting, tax calendars, cash-flow visibility and adviser coordination.
Investment governance	Investment policy, asset allocation, manager selection and monitoring, performance reporting and licensed-provider oversight.
Banking, treasury and liquidity	Banking architecture, payment authorities, liquidity planning, custody interfaces and fraud controls.
Philanthropy and impact	Purpose, vehicles, grant or investment process, due diligence, measurement and reporting.
Property, lifestyle, security, data and reputation	Asset administration, insurance, personal security, cyber and privacy controls, records, travel and reputation protocols.

Cross-border overlay

Where people, entities, assets or providers span jurisdictions, the plan must separately coordinate tax residence, exchange control, reporting, succession rules, data transfers, sanctions, licences and local office-holder duties. "*Global*" coordination does not displace local law.

BEFORE IMPLEMENTATION

A practical founder’s list

PURPOSE	Can the family explain what the office exists to preserve, enable and pass forward?
PERIMETER	Are all relevant people, entities, assets, jurisdictions and providers visible?
AUTHORITY	Is every material decision connected to its lawful decision-maker and instrument?
PARTICIPATION	Are Family House roles distinguished from fiduciary and regulated functions?
DELIVERY	Has each service been deliberately allocated to an internal, outsourced or hybrid route?
COORDINATION	Is one person accountable for the service map, calendar, reporting and escalation?
INFORMATION	Are records, access rights, confidentiality, cyber security and evidence standards defined?
ECONOMICS	Are fees, staffing, systems, duplication and provider concentration understood?
PERFORMANCE	Are service standards, conflicts, reports and review cycles documented?
CONTINUITY	Can the system continue through death, incapacity, retirement or provider failure?
The test is not whether the family has a Family Office label. The test is whether the system can explain who decides, who delivers, what is recorded and how continuity is protected.	

How MDB Law assists

MDB Law acts as legal architect and coordinating counsel. We map the existing system, design the authority architecture, align the core documents and mandates, and help the family establish the operating plan, evidence and continuity disciplines. Tax, investment, accounting, insurance, technology and risk specialists retain their distinct professional roles.

NEXT STEP

Start with the Founder Use Case

A Family Office should not be a new label placed on old documents. Begin with the founder's purpose, the current system and the decisions that are already difficult to coordinate. Then build the minimum viable office—adding internal capability only where it improves control, continuity or value.

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Sources and further reading

- Deloitte, "Global Edition Explores the Rapid Expansion of Family Offices and Offers Vision of the Future Landscape" (2024). https://www.deloitte.com/global/en/about/press-room/global-edition-explores-the-rapid-expansion-family-offices-and-ffers-vision-of-the-future-landscape.html
- Northern Trust, "Outsourced & Hybrid Family Office Solutions", accessed 17 September 2026. https://www.northerntrust.com/united-states/what-we-do/wealth-management/products-services/global-family-office-services/outsourced-hybrid-family-office-solutions

Important note

This article provides general information only. It is not legal, tax, investment, accounting, fiduciary or financial advice for any particular family, person or structure. Advice must be based on the family's facts, instruments, jurisdictions and professional mandates.