

the briefing

straightforward and honest legal advice to take the stress out of tough situations

Living Together Agreement : Have You Got Yours?

Sadly all relationships, whether living together or not, will one day come to an end. You will either separate or one of you will die. Surprisingly, however, very few of us consider how we would like our finances and property to be dealt with at this time.

It is important that anyone in a cohabiting relationship should take legal advice on these matters, especially if one person has made or is seeking to make a greater financial contribution than the other and if there is property involved.

Commonly, many people still believe that they will be protected by the law after a period of cohabitation. This is not the case. The notion of any protection as a "common law wife or husband" is a misconception in this country.

Cohabiting couples have become the fastest growing family type in the UK with people who are cohabiting (never married or in a civil partnership) reaching nearly 10% of the population. Despite these demographic changes, there has been little change in the law

and cohabiting couples continue to enjoy very little legal protection if they separate. This can potentially cause hardship. For example, in cases where a mother has given up or reduced her work to raise a family, there is no legal obligation on one party to financially support the other. It may also potentially cause an injustice where one party has contributed significantly more, say to the purchase of a property or to the parties' finances without this being recorded in some way.

Any legal disputes arising from a breakdown of a relationship can result in unfair outcomes and can be very costly.

Rebecca Procter, Partner in the Wollen Michelmores Family Department, specialises in all financial aspects of relationship breakdown.

"I have seen some very difficult cases where a client has been left with little or no financial provision, even after a long relationship, as their position was not protected. The

law can be very complex in this area and sometimes it is simply not cost effective to seek financial remedy through the Courts. It is certainly best to seek advice right at the outset of a cohabiting relationship."

A Living Together Agreement is a contract between two people intended to have legal effect. Ideally, it will deal solely with property and financial issues. The document can clearly evidence what was intended when the relationship commences and set out any relevant change in circumstances.

It is always recommended that each individual takes independent legal advice and that the document records in summary form an outline of the couple's respective financial circumstances.

It may also be helpful to record separate shares in a property by way of a formal Declaration of Trust, make a Will with appropriate provision for the other and possibly for one to nominate the other for any death in service benefits arising under a pension.

Whilst legal reform has been pushed in this area of law, it is likely to be a long way off at present. Don't delay. If you are embarking on any serious relationship, give thought to the financial implications and intentions at an early stage.

For further information regarding Living Together Agreements or any other matters arising, please do not hesitate to contact Rebecca Procter on 01803 225162 or by email rebecca.procter@wollenmichelmores.co.uk



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