

Five Common Myths about Living Together

Myth 1: “I am fine so long as we live together for at least 2 years.”

Reality: No matter how long you live together unmarried, if you separate you will not have the same legal protection as a married couple in England and Wales. No law of the English Parliament or the Courts recognises the “common law” husband or wife.

Myth 2: “The government will bring in changes soon.”

Reality: No law specifically protects the financial rights of unmarried couples in case of relationship breakdown. Recent decisions in our highest courts reinforce this situation. Yet the government is taking no action to fix the law. The Law Commission’s most recent recommendations for change were shelved by the government once again in March 2008.

Myth 3: “It will never happen to me!”

Reality: The statistics for cohabiting couples remaining together are disturbing:

One in three unmarried couple parents will split up before their child’s third birthday compared to one in seventeen married parents, irrespective of income, education or ethnic group. Report from Bristol Community Family Trust, September 2006.¹

This means that a third of you will have separated if you are unmarried by the time your first child is three. The likelihood of you separating is even higher where you have no children. These statistics suggest you are more likely than not to need legal advice if you have children or own property and separate.

Myth 4: “Well if we do separate I expect it will be quite straight forward.”

Reality: The current law which does apply to unmarried couples in England and Wales, who separate, is an old-fashioned maze of contract, trust and property law, which would-be litigants enter at their peril. Whilst the till rolls ring for lawyers, expensive litigation guarantees a sizeable dent in the family assets.

¹ For further information please see the Report from the Bristol Family Community Trust which analysed data from the widely acknowledged Millennium Cohort Study, a nationwide survey which recorded data of 18,553 families across the four countries of the United Kingdom.

Myth 5: "...surely I will get back what I put in?"

Reality: The recent cases of *Stack and Dowden 2007* and *Fowler and Barron 2008* have established that where property is held in joint names the starting point is a 50/50 split. This legal presumption is hard to shift, whether or not you have since had children or changed work roles. This can and often does produce harsh outcomes where you are the main financial contributor or the main carer of the children. Where the property is in the name of one person the situation is worse. The starting point here is that the owner is entitled to 100% of the property. Even where you have made a substantial financial contribution as the none legal owner it will be hard to get back what you put in. In order to prove this step this way to enter the legal maze.

**...and five reasons why
you should have a Cohabitation Contract**

1. A cohabitation contract provides the legal protection your family needs now.

A cohabitation contract offers legal protection for yourself, your family and your property. Provided the following necessary ingredients are present, it will be legally enforceable:

- Both of you have had separate legal advice about the contract
- There has been full disclosure of your respective assets and income
- You both enter the agreement honestly and with free will
- The agreement is correctly executed

Not many people realise marriage is a contract with the full protection of the law. A Cohabitation Contract stands in the gap left if you are not married. Would you go sky diving without a safety parachute? You insure your home/contents/car/health/and even your holidays why leave yourself exposed in this crucial area.

2. You can tailor the contract to cover a range of issues to suit your lifestyle.

The contract can cover all aspects of your relationship, care of your children and regulation of your property and financial support whilst you are together. It will cover the eventualities should you separate. You can tailor the contract just to suit you. You can even vary it later by agreement together if your circumstances change.

3. But it does still sound cold and calculating....and unromantic?

You will certainly be left out in the cold if you don't plan ahead for yourself and your family. With your entire financial and personal endeavour at stake, a cohabitation contract is a wise basic precaution for the future. Besides, what is romantic about possible lengthy disputes with unwanted and unfair outcomes for both of you if there is a decision to part company?

4. Seize the day!

It's never too late - you can enter into a cohabitation contract at any time during your relationship. Why not act now and take charge of your life rather than to wait and just hope for the best?

5. A cohabitation contract will save you the cost of litigation many times over.

Without a doubt the cost of a properly drafted cohabitation contract is a fraction of what you would spend on lawyers negotiating the maze of litigation if despite your hopes, your relationship does not last. Please contact us for a costs estimate.

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