

## Cohabitation Agreements

The Office for National Statistics reports that, according to the 2021 Census, the proportion of people in England and Wales who live in a couple but not in a marriage or civil partnership has increased to 24.3%.

More couples now choose to live together before they get married or enter into a civil partnership, or choose never to have their relationship legally recognised at all (by marriage or civil partnership). However, cohabiting does not entitle you to the same legal rights as marriage or civil partnership as it does not bind you together in the eyes of the law. For couples who are living together or have shared assets, this can lead to issues and uncertainties upon separation.

If you live with your partner or are planning on living together you can enter into a cohabitation agreement (sometimes called a living together agreement). This can set out the ownership of existing assets including property, what your financial responsibilities will be towards each other and how savings and jointly owned assets will be distributed should you later split up.

### What can a Cohabitation Agreement cover?

The Cohabitation Agreement sets out who owns what and in what proportion in the relationship and covers elements such as the ownership of property, deposit on your home, what share of the mortgage or rent you will pay, how household bills will be dealt with, bank accounts and money, life insurance, pensions, assets such as cars, furniture, jewellery, payment of debts, pets and next of kin rights. Wills should also be considered.

Each Cohabitation Agreement is different as it depends on your individual circumstances.

### Why should I have a Cohabitation Agreement?

Many couples are under the assumption that, if they are living together but unmarried or not in a civil partnership then 'common law marriage' protects them in the same way as married couples. However no such law exists. Couples who live together do not have the same legal rights as married couples or those in a civil partnership.

A Cohabitation Agreement can provide peace of mind in a relationship. By coming to an agreement before or whilst you are living together you will:

- Have a clear understanding of what your financial commitments are;
- Avoid misunderstandings regarding your rights and responsibilities as you continue to live together, in particular with regards to ownership of property;
- Avoid difficulties and disagreements if you split up;
- Have clear evidence of your intentions should you have to go to court.

### Is a Cohabitation Agreement legally binding?

A Cohabitation Agreement is a legal document, enforceable by the court if it is properly executed. Both parties need to have been honest about their finances and to have entered into the agreement freely and voluntarily. The agreement should be set out in the form of a deed, signed and witnessed. The agreement should be kept up to date with any major life changes.

For advice in relation to family law matters please contact Heather Weavill, Alison Fielden & Co Solicitors, telephone number: 01285 653261