

Starting Over *Living Together Life Plan*

You've looked at the Bigger Picture - now it's time to get down to the Nitty Gritty.

All the resources you have been introduced to are there at your beck and call, so don't hesitate to use them as and when you need them.

Watch each of the videos and pull together the information you need in order to cover all the points in the template - and create your own agreement, which can then be turned into a legally binding document.

THE NITTY GRITTY



THE DATE OF THIS DEED OF AGREEMENT is

THE TWO PEOPLE MAKING THIS AGREEMENT ARE:

1. Name:

Address:

who is referred to in the rest of the document as:

2. Name:

Address:

who is referred to in the rest of the document as:

THE BASIS OF OUR AGREEMENT:

- We have decided to live together OR We have been living together since:
- We want to enter into an agreement that sets out our rights and duties to each other
- We intend that this agreement shall be legally binding on both of us
- We have (both) taken legal advice about making this agreement
- We have honestly and frankly told each other about our individual financial positions and have set out this information in Schedule A at the end of this agreement



Check List:

Have you both worked with a financial planner/advisor to create a plan for your future ?

Have you taken independent legal advice on the draft agreement ?

Remember - this is only a template. But it does cover areas that you will need to discuss together. To complete this opening part you will need to have gained a clear overview of your current and projected financial situation, and be ready to commit to making a contractual agreement. This lays the framework for the more detailed aspects that follow.

INFORMATION ABOUT OUR CHILDREN
We have no children at present OR
We have the following children of whom we are both parents -
[insert their full name(s) and date(s) of birth]
.....
OR
[insert their full name(s) and date(s) of birth] from a previous relationship;
[insert their full name(s) and date(s) of birth]
.....
The other parent [insert his or her name] is still alive/ has died.

INFORMATION ABOUT OUR HOUSING
We (intend to) live at [insert the address of your home]
.....
which is referred to as 'the Home' in the rest of this agreement.
The Home is co-owned in our joint names/ is sole name
The way in which it was purchased is set out in Schedule 3 at the end of this agreement.

THE FOLLOWING SECTIONS SET OUT WHAT WE HAVE AGREED WITH EACH OTHER

In order to begin completing the details based on the questions in the template, you will need to complete the Appendices (see end of document).

This is where you have set out all the financial information - possibly with the help of an accountant or financial advisor.

Based on the meetings with a financial advisor/planner you may wish to include additional future expenses - eg. cost of creating a Will, paying for life insurance, or agreed financial input into a property you are planning to buy.

Remember - this is primarily a plan for your life together - but a sensible one with provision for whatever life may throw at you.

OWNING THE HOME

[Choose the clause that describes what you want to do and delete the others. It is important that you take legal advice about what you intend to do with the Home. If you make a mistake at this stage it could prove very expensive later on.]

- * We [will] own the Home in our joint names as a joint tenancy. We intend to continue to have equal shares in the Home even if we do not make equal contributions.
- * We [will] own the Home in our joint names as a tenancy in common.
 - o We [will] own equal shares and we intend to continue to have equal shares in the Home even if we do not make equal contributions OR
 - o We [will] own the following shares:
..... %
..... %
- * owns [will own] the Home in their sole name and [the name of the non-owner] understands that s/he will not get any share in the Home or any rights over the property even if s/he makes a contribution to paying for the Home of the household.

BUYING A NEW HOME

If we decide to sell the Home and buy another we will own the new property on the same terms, or we will renegotiate the terms on which we hold it.

ENDOWMENT POLICY

Any surplus profits from the endowment policy with [insert name of insurance company] in the name(s) of [and] are to belong to jointly/solely



Check List:

Have you spoken with a mortgage advisor?

Have you taken legal advice on ownership of the property?

It is vital that you get proper advice over your legal status and decide on whether you will be tenants in common (often preferable - [see Advice Now Checklist](#)) or joint tenants. The differences will be explained by a legal or mortgage advisor and if you don't have your name on the mortgage - for example, one of you may not have sufficient income for the mortgage company to allow this - a legal deed clarifying that you both have rights to the property (if that is what you want) will be essential to put in place.

HOUSEHOLD EXPENSES AND CREDITS

We have opened/will open a joint bank account with

[name] _____, [name] _____, [name] _____, [name] _____

We [will] pay the following amounts into this account

[name] _____ £ _____ a month/week

[name] _____ £ _____ a month/week

(We regard these as equal contributions.)

(We agree to hold any balance in equal shares.)

(We will hold any balance in the following shares:-

[name] _____ %

[name] _____ %

(Either of us may draw cheques on this account with [our] the signature of the other

Out of this account we will pay the following household bills:-

- water rates
- council tax
- gas
- electricity
- telephone
- television licence
- satellite television
- broadband
- buildings insurance
- contents insurance
- mortgage repayments
- endowment payments
- rent
- food and household necessities
- decoration of the home
- repairs to the home
- ground rent and service charge
- items of furniture and equipment for the home

OR

We have agreed that we will individually be responsible for the following payments:

[name] _____ will pay for _____

[name] _____ will pay for _____

OR

We have been living together since _____ We have always pooled our finances in a joint account and have paid for everything jointly.

DEBITS

We agree and understand that we will each remain liable for any debts that we have incurred individually, and that we cannot be made liable for each other's debts, (except for utility bills and Council Tax where the law gives the supplier of the service the right to pursue anyone who uses the service.)

The process of defining who pays for what will hopefully already have been done: remember, if you struggle with this aspect, just bring in a third party. A financial advisor may include this as part of their overall service at no charge, but if you have complex legal and financial aspects you may be better off using the collaborative law process or bringing in an arbitrator.

Debts can be a catalyst for relationship breakup so it's worth discussing how you will deal with joint debts (eg. utility bills where provider will follow both of you up for payment whatever your 'agreement' with each other) so what will you do if one of you stops contributing for any reason?

Savings
We have a savings account (SA) with _____ Bank, _____ Branch. The account is in _____'s name.

[They share over the contents of the account]
[We agree to hold any balance in equal shares.]
[We will hold any balance in the following shares:-
[name] _____ %
[name] _____ %]

OWNERSHIP OF CONTENTS
These are the rules that we intend to apply in terms of personal property and contents of the home:

- If one of us owned something before we lived together, it belongs to that person.
- If one of us bought something with his or her own money it belongs to that person.
- If either of us inherited something, or was given it as a gift, it belongs to that person.
- If one of us buys something and gives it to the other it belongs to the person to whom it is given.
- If we buy something out of a joint bank account it belongs to us equally in the shares in which we hold the account.
- If we buy something together but each contribute different amounts to the price it belongs to us equally in the shares in which we hold the account.
- If we want to make particular arrangements about the ownership of a piece of property we will write the details into Schedule C at the end of this agreement.
- If there are particularly precious items that belong to one of us that s/he wants to make absolutely sure that the other has no claim to we will list them in Schedule D at the end of this agreement.

CARS
The car (make and registration) _____ belongs to _____ registered in the name of _____ alone and will continue to do so even if _____ contributes to its maintenance, repair or running costs.

OR
The car (make and registration) _____ belongs to _____ registered in the name of _____ us both jointly and equally and will continue to do so even if we do not make equal contributions to its maintenance, repair or running costs.



Check List:

Have you both been clear on how you will split joint possessions?

Any possessions, cars or pets that you jointly own - have a conversation about what would happen if one of you moved abroad for a few years for work, or if you ended the relationship in the distant future.

You can't cut a car or a pet in half. If you find these discussions difficult, then bring in a third party. A relationship/life coach is a good choice, as they can facilitate healthy honest communication that doesn't make either one of you feel on the defensive. If legal or complex issues are involved, then mediation or the collaborative process will make these discussions easier to resolve.

CHILDREN

- While our children are under the age of [] will not work [full time] outside the home but instead will bring up the children and look after the home. We intend to treat this as a contribution equal in value to the financial contribution of during this period.
- While is not working because of child care responsibilities, will maintain her/him as far as s/he is able.
- While our children are under the age of we both intend to work part-time so that we can share child care, and during this period we will treat each other's contributions both in earnings and child care and domestic responsibilities as being of equal value.
- Since [insert names] of children is/are not [insert name of step parent] 's children and [insert name of parent] remains/maintains for them, we agree that
- From time to time [] children it is our intention to share Parental Responsibility and as [name of mother] will do her best to make sure that [name of father] is registered as each child's father on the birth certificate. Failing this we will make a Parental Responsibility Agreement.



Check List:

Have you discussed who will care for the children financially and practically if one of you should become absent or incapacitated for any reason?

If you are including in your financial plans income from a divorce maintenance or child support - consider what you will do if that money stops before you are expecting it to.

Have you factored in university fees, healthcare costs and driving lessons for all the children in your care? Take time being honest with each other about your expectations and hopes for the children, and discussing how you intend to meet those expectations either together or individually.

<p>PENSIONS</p> <p>We each will have nominate(s) each other to receive% of the pension and death in service benefits to which we may each be entitled under any pension scheme.</p> <p>If this agreement ends for any reason we shall both be free to cancel these nominations</p>
<p>ENDING THIS AGREEMENT</p> <p>This agreement shall come to an end if any of the following events happens:</p> <ul style="list-style-type: none"> - One of us dies - We get married - We make a joint decision to stop living together. If this happens the transitional arrangements set out below will apply - One of us gives the other notice in writing that after events to end the agreement. If this happens the transitional arrangements set out below will apply - One of us leaves the home and ends the relationship in this way. If this happens the transitional arrangements set out below will apply <p>If we cannot agree on any of these issues, we intend to seek the help of mediation or solicitor negotiation rather than using the courts to try to sort things out.</p>
<p>TRANSITIONAL ARRANGEMENTS</p> <p>These are the transitional arrangements that we will put in place if our relationship ends (except by death or our marriage):</p> <ul style="list-style-type: none"> - We will stop paying into the joint household account - We will pay any outstanding bills out of the joint household account - We will divide any balances left over between us equally - We will divide up any furniture and other items that we have bought together. We will try to achieve an equal - other a payment in compensation. - [The new owner] will leave the home as soon as possible - We will sell the home as soon as possible and divide the proceeds of sale (after paying the mortgage, the estate agent's and the solicitor's costs and any other costs of sale) between us equally - If instead of a sale of the home, one of us wishes to buy the other's share, we will have the home valued by a local valuer. We will choose the valuer together and give joint instructions, and split any cost of the valuation equally. We will use this valuation to work out how much the share is worth - If we cannot agree about the choice of valuer we will ask the President of the Institute of Chartered Surveyors to appoint a valuer



Check List:

Have you agreed what process you will follow if the relationship changes form and you no longer wish to live together?

It may seem impossible that you would ever want to be apart, but you cannot control every aspect of your life so it is so important to consider how to avoid a nasty situation in the future, simply by deciding in advance how you will deal with common eventualities.

I would consider long term illness as something to add to this template, or onset of mental illness. How would that change things? Have you covered those potential eventualities in your agreement?

We have also agreed the following arrangement if one of us dies:-

- * [insert name of owner of the house] promises that she will instruct the executors of her will that if she dies before [insert name of son named] they must allow her/him a period of six months before she has to leave the home

RENegotiations AND CHANGES

We will reconsider the terms of this agreement from time to time and change them if appropriate. We will also do this if:-

- * we have a (other) child
- * either of us changes her/his present job
- * either of us becomes unemployed
- * either of us becomes seriously ill, or disabled

If we make changes to this agreement, we will write them down.

SIGNED (AS A DEED)

by the said [insert full name of first person]

in the presence of:
(here 2 witnesses should write their name
signature and address)

SIGNED (AS A DEED)

by the said [insert full name of second person]

in the presence of:
(here 2 witnesses should write their name
signature and address)

Because life does not stay static, I would agree and diary in times when you will review this agreement. Every two years is a good timescale.

It makes sense to create or update your Wills during this process - especially if you financial advisor is organising insurance policies or trusts for the children. It makes sense to do all of this at the same time.



Check List:



Do you need to put any property or insurance policies into Trust to ensure you children or partner receive the benefits in a tax efficient way?

You will feel more reassured about how your children would be affected - following your death or on leaving the relationship - if you have created/ updated a Will and put insurance policy payments and properties in Trust to anyone you want to be sure will receive what you have decided should belong to them in the future. You will also have considered any tax implications - which can be considerable with regard to an inheritance or from needing to sell a property which is not your main residence. An accountant or financial planner will be able to make sure you are taking all of that into consideration.

SCHEDULE B
HOW THE PURCHASE OF OUR HOME WAS FINANCED:
 The purchase price was £ _____
 This was raised by a mortgage of £ _____
 with (grant name of lender) _____
 And other amounts as follows _____
 (Set the various sums that went into the purchase and where they came from)

The solicitors' fee was paid by _____
 The removal costs were paid by _____

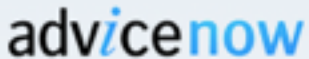
If you needed to pay for any repairs or improvements when you first moved in, you could list those here as well.

SCHEDULE C
 Items that we have bought together for which we want to make special arrangements about ownership

Item	Price	Date	How we want it bought	In case B

SCHEDULE D
 Property that belongs to one person over which the other will gain no property rights at all

By signing the Agreement you have created as a Deed, you give it legal weight. However, to make sure that it would stand up in court if it were ever contested, then it is imperative that you get some independent legal advice (different lawyers) just to make sure you have not missed out anything important or that one of you isn't being completely unfair and unrealistic to themselves - which is a tendency of some women who do not appreciate the effects of having a family on their career, on their pension (if they have provision for one - which they should insist upon), and on their ability to be self-supporting if their partner should leave. A judge will deem the agreement more robust if legal advice has been taken.

The logo for 'advice now' is displayed in a light blue rectangular box. The word 'advice' is in a dark blue, lowercase sans-serif font, and 'now' is in a lighter blue, lowercase sans-serif font.

www.advicenow.org.uk

Now you have looked at what you will include in the Agreement using this Advice Now template as a base, and all the information that you have gathered during the Getting Ready stage is in your Appendices before you begin, so now you can create your own draft agreement and celebrate that you have made some exciting plans for your future - whilst covering the “What If” scenarios at the same time!

Top Tip: Don't forget to include any pension calculations in your Appendices and don't try to do the calculations yourself. Many people see the value of their pension as far lower than it really is - especially once it matures.

This is where a financial advisor/planner who specialises in pension splitting will be a very key person for you both to talk to.



What do I do next?

Can you tick all the following boxes so that you know you are ready to turn your draft agreement into the final Deed?

- We have shared our dreams and vision for a long and happy future together
- We have been transparent about our financial situations and about our expectations for the future
- We have talked freely about our existing or future children and wider extended family

- We have talked to financial advisors to gather the relevant information we need to make informed decisions about our future, and agreed what steps we need to take including:
 - creating or amending any insurances or Trusts
 - created or amended our Wills
 - gained clear information on the true value of pensions and property we own both now and in the future
 - discussed what will happen when we retire, or if we become incapacitated in any way
 - decided on any investments we plan to make and how we will share the dividends

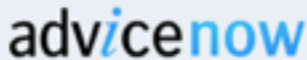
- We have taken any relevant legal advice, and have both received independent legal advice on what we intend to include in the Agreement

■ We have agreed and diary'd in when we will review the Agreement over the coming years - possibly as part of an overall 2-year *Life Health Check* with advice from a life coach and a financial advisor.

Now you are ready to complete the Agreement, sign it with independent witnesses, and put it in a very safe place!

When you review it in further years, hopefully you will see that many of your aspirations have proved fruitful and also you enjoy the legacy of a relationship where being openly transparent about all aspects of your lives feels comfortable and safe. If any issues arrive, you now have the experience and skill set to deal with most situations and create a positive outcome - and you know where to get help if you need it.

Time for a party to celebrate!



Living together agreement template: with thanks to [Advice Now website](#)

NB: This template agreement is only to be used in the way described on the website. The law is detailed and complicated. If in doubt, get expert advice.

Advice now's information and resources apply to England and Wales only unless otherwise stated. The law may be different if you live in Scotland or Northern Ireland.

Download the template from here:

<http://www.advicenow.org.uk/data/files/how-to-make-a-living-together-agreement-867.pdf>

Still need some guidance about who to talk to for expert advice?

You're purchase includes a 2 hour Skype or phone session with Life Guide Suzy Miller - just book your session by emailing Suzy@StartingOverShow.co.uk

