

Title: A Fairer End to Relationships Consultation IA No: MoJ006/2026 RPC Reference No: N/A Lead department or agency: Ministry of Justice Other departments or agencies: N/A	Impact Assessment (IA)
	Date: 05/06/2026
	Stage: Consultation
	Source of intervention: Domestic
	Type of measure: Primary legislation
	Contact for enquiries: frcohabconsultation@justice.gov.uk

Summary: Intervention and Options	RPC Opinion: N/A
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Cost of Preferred (or more likely) Options 1a and 1b, or 3a and 3b (in 2025/26 prices)			
Total Net Present Social Value of preferred options	Business Net Present Value	Net cost to business per year	Business Impact Target Status
1a & 1b: £24.6m 3a & 3b: £6.5m	N/A	N/A	Not a regulatory provision

What is the problem under consideration? Why is Government action or intervention necessary?

This consultation sets out the Government’s proposals to reform the law governing financial arrangements and protections when relationships end in England and Wales. In relation to financial remedies on divorce and dissolution, the Law Commission’s 2024 scoping report expressed concerns that the current law’s lack of certainty and accessibility could be argued to be inconsistent with the rule of law. For cohabitants, a very limited set of protections under the current law can leave individuals facing significant financial difficulties when relationships end, disproportionately affecting vulnerable groups such as women, children and victim-survivors of domestic abuse, including economic abuse. With the number of cohabitants more than doubling in thirty years, this issue is increasingly pressing. Consulting on these areas together allows the Government to consider how financial provision at the end of relationships can be made fairer, clearer, more consistent and better aligned with the realities of modern family life.

What are the policy objectives of the action or intervention and the intended effects?

The Government has four key policy objectives: i) prioritising **fair outcomes for children**, ii) protecting the **vulnerable**, iii) providing a **clear and accessible framework**, iv) preserving the **distinct status of marriage**.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

The following options are considered in this Impact Assessment:

Financial remedy (FR) reform options:

- **Option 0a:** Baseline and do nothing. Make no changes to current law.
- **Option 1a:** “Codification-plus”: codifying settled case law principles and introducing further targeted reforms, such as introducing legally binding Qualifying Nuptial Agreements (QNAs).
- **Option 2a:** Codification of current law only, codifying settled case law principles.
- **Option 3a:** “Codification-plus” and changing the threshold for the consideration of conduct (domestic abuse) within financial remedy proceedings.

Cohabitation reform options:

- **Option 0b:** Baseline and do nothing. Provide no pathway for cohabitants to make financial remedy claims.
- **Option 1b:** Needs model, meaning cohabitants’ protections are based on meeting financial need.
- **Option 2b:** Parity model, meaning cohabitants have access to the same protections as divorcing couples.
- **Option 3b:** Needs model and changing the threshold for the consideration of conduct (domestic abuse).

Options 1b to 3b will also include reforming the rights of cohabiting partners upon intestacy.


The Government’s preferred approach for financial remedy reform is a “codification-plus” model (**Options 1a and 3a**). Within this approach, the Government is consulting on whether the threshold for the consideration of conduct (domestic abuse) should be changed.

The Government’s preferred approach for cohabitation reform is a needs-based model (**Options 1b and 3b**), which provides targeted protections while preserving marriage as a distinct institution. Within this approach, the Government is consulting on whether the threshold for the consideration of conduct should be changed.

Will the policy be reviewed? It will not be reviewed. If applicable, set review date: N/A						
Is this measure likely to impact on international trade and investment?			No			
Are any of these organisations in scope?			Micro No	Small Yes	Medium Yes	Large No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A		Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister:



Date:

05/06/2026

Summary: Analysis & Evidence

Policy Option 1a

Description Codification of the current law of financial remedies on divorce, with additional targeted reforms including legally binding qualifying nuptial agreements (QNAs) for financial remedy cases for separating married couples.

FULL ECONOMIC ASSESSMENT

Price Base Year 25/26	PV Base Year 25/26	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 50.9	High: 80.1	Best Estimate: 63.8

Financial Remedies NET COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low		N/A	N/A
High		N/A	N/A
Best Estimate		N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

- The financial remedies reforms are compared to a baseline option of no reform.
- Due to the increased certainty in outcomes of the law and QNAs, we estimate that there will be net opportunity savings from this reform as there will be fewer contested cases and contested cases will not take as long to resolve as they do currently.

Other key non-monetised costs by 'main affected groups'

- No other key non-monetised costs of this reform have been identified for the main affected groups.

Financial Remedies NET BENEFITS	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low		£5.9m	£50.9m
High		£9.3m	£80.1m
Best Estimate		£7.4m	£63.8m

Description and scale of key monetised benefits by 'main affected groups'

- Net opportunity savings of accommodating financial remedy cases due to fewer contested cases and shorter contested cases due to the reforms (£50.4m).
- Net opportunity savings of reduced legal aid spend (£9.7m).

Other key non-monetised benefits by 'main affected groups'

- Reduced long-term public-sector costs arising from providing support to weaker parties and their children.
- Increased likelihood that divorcing couples will resolve financial disputes more quickly, reducing family conflict to the benefit of any children.
- Decreased risk of child poverty when parents' divorce.
- Decreased risk of unemployment and poor mental health in later life for children of divorced parents.
- Decreased risk of financially weaker parties facing financial hardship after divorce.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

- We have assumed that the overall number of financial remedy cases involving divorcing or divorced couples is constant over the appraisal period, which can be criticised. However, this approach is proportionate given the evidence available at this time.
- We have used various assumptions to estimate the impacts of the reforms, such as fewer contested cases due to increased certainty, QNAs (and shorter cases for those involving QNAs), but our assumptions are not based on pilots.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

Summary: Analysis & Evidence

Policy Option 2b

Description: Needs-based framework enabling eligible cohabitants to seek financial remedies on separation, meaning their protections are based on financial need. This framework provides different rights than those available to married couples on divorce. It also confers the same rights as are available to married couples when eligible cohabitants die without a valid will.

FULL ECONOMIC ASSESSMENT

Price Base Year 25/26	PV Base Year 25/26	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -31.3	High: -46.9	Best Estimate: -39.1

Cohabitation NET COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	£3.6m	£31.3m
High	N/A	£5.5m	£46.9m
Best Estimate	N/A	£4.5m	£39.1m

Description and scale of key monetised costs by 'main affected groups'

- Net opportunity costs of accommodating cohabitation cases in courts, accounting for income, adjusted for remissions and the costs of accommodating cases (£34.0m).
- Costs of legal aid for eligible individuals in a cohabiting couple under the proposed statutory framework (£5.5m).

Other key non-monetised costs by 'main affected groups'

- No other key non-monetised costs of this reform have been identified for the main affected groups.

Cohabitation NET BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

- No cashable benefits could be monetised for this option.

Other key non-monetised benefits by 'main affected groups'

- Decreased risk of child poverty by providing financial protections when cohabiting parents separate.
- Decreased risk of unemployment and poor mental health in later life for children of cohabiting parents who separate.
- Decreased risk of financially weaker cohabitants facing financial hardship after separation.
- Domestic abuse victim-survivors in cohabiting relationships may be better able to leave abusive relationships as reduces financial dependence.
- Reduced long-term public-sector costs arising from providing support to financially vulnerable cohabitants and their children after separation.
- Increased likelihood that cohabitants will resolve financial disputes more quickly, reducing family conflict to the benefit of any children.
- Fairer distribution of assets when a cohabitant dies without a valid will.

Key assumptions/sensitivities/risks **Discount rate (%)** 3.5

- We have used the best available research evidence to estimate the number of cohabitation cases per year.
- We have used various assumptions to estimate the impacts of the reforms, but the evidence is not from pilots.
- Financial remedy cases for separating married couples are considered an appropriate proxy for cohabitation financial remedy cases in terms of public sector costs and duration.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

Summary: Analysis & Evidence

Policy Option 3a

Description: Codification of the current law of financial remedies on divorce, with additional targeted reforms including legally binding qualifying nuptial agreements (QNAs) and lowering the threshold for conduct for financial remedy cases for separating married couples.

FULL ECONOMIC ASSESSMENT

Price Base Year 25/26	PV Base Year 25/26	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 37.7	High: 71.2	Best Estimate: 52.5

Financial Remedies NET COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	£0.3m	£2.4m
High	N/A	£1.0m	£9.0m
Best Estimate	N/A	£0.7m	£6.0m

Description and scale of key monetised costs by 'main affected groups'

- These will largely be the same as set out in Option 1a, although we expect lowering the threshold for conduct will require more court time and therefore reduce overall opportunity savings because of the likely need for fact finding hearings to establish abuse in certain cases.
- Due to more contested cases, there will be greater legal aid costs (£5.9m).
- There will be greater remissions costs (£0.1m).

Other key non-monetised costs by 'main affected groups'

- No other key non-monetised costs of this reform have been identified for the main affected groups.

Financial Remedies NET BENEFITS	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	£4.7m	£40.3m
High	N/A	£9.3m	£80.1m
Best Estimate	N/A	£6.8m	£59.0m

Description and scale of key monetised benefits by 'main affected groups'

- Net opportunity savings of accommodating financial remedy cases due to fewer contested cases and shorter contested cases due to the reforms (£59.0m).

Other key non-monetised benefits by 'main affected groups'

- These will be the same as set out in Option 1a, with the potential additional benefit that a greater consideration of conduct may improve perceptions of fairness for victim-survivors by enabling their experiences to be acknowledged and heard during the process. The Government wishes to explore any additional non-monetised benefits through consultation engagement and responses, including whether recognising domestic abuse more readily within financial remedy proceedings reflects growing awareness of its potentially long-lasting effect.

Key assumptions/sensitivities/risks	Discount rate	3.5
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- These will be the same as set out in Option 1b.
- Contested cases involving domestic abuse are assumed to take longer than contested cases without domestic abuse.
- For the purposes of considering the impact of a lower threshold of conduct on case numbers, we have also assumed that the rate of domestic abuse amongst married couples remains the same as in the year 2024/25.

BUSINESS ASSESSMENT (Option 3)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

Summary: Analysis & Evidence

Policy Option 3b

Description: Needs-based framework, as in Option 1b, with the additional change of lowering the threshold for how conduct (domestic abuse) is considered in cohabitation financial remedy proceedings, compared to the current law on divorce.

FULL ECONOMIC ASSESSMENT

Price Base Year 25/26	PV Base Year 25/26	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -42.3	High: -50.4	Best Estimate: -46.0

Cohabitation NET COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	£4.9m	£42.3m
High	N/A	£5.4m	£46.0m
Best Estimate	N/A	£5.9m	£50.4m

Description and scale of key monetised costs by 'main affected groups'

- These will be the same as set out in Option 1b, although we expect lowering the threshold for conduct will require more court time and therefore reduce opportunity savings because of the likely need for fact finding hearings to establish abuse in certain cases.

Other key non-monetised costs by 'main affected groups'

- No other key non-monetised costs of this reform have been identified for the main affected groups.

Cohabitation NET BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low		N/A	N/A
High		N/A	N/A
Best Estimate		N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

- No cashable benefits could be monetised for this option.

Other key non-monetised benefits by 'main affected groups'

- These will be the same as set out in Option 1b, with the potential additional benefit that a greater consideration of conduct may improve perceptions of fairness for victim-survivors by enabling their experiences to be acknowledged and heard during the process. The Government wishes to explore any additional non-monetised benefits through consultation engagement and responses, including whether recognising domestic abuse more readily within financial remedy proceedings reflects growing awareness of its potentially long-lasting effect.

Key assumptions/sensitivities/risks

Discount rate

3.5

- These will be the same as set out in Option 1b.
- Contested cases involving domestic abuse are assumed to take longer than contested cases without domestic abuse.
- For the purposes of considering the impact of a lower threshold of conduct on case numbers, we have also assumed that the rate of domestic abuse amongst cohabiting couples remains the same as in the year 2024/25.

BUSINESS ASSESSMENT (Option 4)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

Evidence Base

A. Background

1. At present, the legal framework for financial remedies on divorce and dissolution has remained largely unchanged for over half a century. The Law Commission's 2024 scoping report on the subject found that the current law can produce unpredictable outcomes and in some cases prolong, or even exacerbate, conflict. This increases the risk of financial hardship for weaker parties and children post separation.
2. At the same time, over 3.5 million couples live together without getting married or entering a civil partnership.¹ Despite this, cohabitants continue to have very limited financial protections on separation or when a partner dies. Many cohabitants are also unaware of the lack of protections available to them. Together this means that financially weaker parties, often women, children and victim-survivors of domestic abuse, including economic abuse, are disproportionately more likely to experience financial hardship post separation.
3. Together, these issues contribute to socio-economic harms and inequalities. To address these, the consultation, of which this Impact Assessment (IA) forms a part, sets out the Government's proposals to reform the law governing financial arrangements and protections when relationships end in England and Wales.
4. This consultation brings together three related areas:
 - reforming the law of financial remedies on divorce and dissolution;
 - reforming the law for cohabitants on separation; and
 - reforming the law for cohabitants on intestacy.
5. For simplicity, this Impact Assessment will refer only to divorcing couples in respect of reforming the law of financial remedies, but changes will apply equally to civil partners separating and financial remedies on dissolution.

Financial remedies on divorce

6. The Law Commission's December 2024 Scoping Report concluded that the law did not provide a cohesive framework and further concluded that "the law lacks certainty and accessibility to an extent that it could be argued to be inconsistent with the rule of law". In particular, it noted that the Matrimonial Causes Act 1973 does not reflect key developments in case law. As a result, individuals are often unable to understand how their case may be decided from reading the statute alone. This can disadvantage those who cannot afford legal advice, placing them at greater risk of unfair outcomes in the division of assets post separation.

¹ Office for National Statistics, Families and households (dataset, 17 April 2026)
<<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/datasets/familiesandhouseholds>>.

Rights of cohabitants on separation and death

7. When cohabitants separate, their financial rights under the law are extremely limited. Unlike for divorcing couples, there is no specific statutory provision setting out how assets should be divided when cohabitants separate. There is legislative provision for the benefit of children, via Schedule 1 to the Children Act 1989, but this is rarely used and limited in scope, with only 285 applications made in 2022.² In relation to death, cohabitants currently have no automatic right to inherit when a partner dies without a will, which can leave surviving cohabitants facing serious financial hardship.
8. To address this, the Government committed in its 2024 manifesto to “strengthen the rights and protections for women in cohabiting couples”, as part of a broader commitment to tackle violence against women and girls.³
9. While reforming the law of financial remedies on divorce and cohabitation reform raise distinct issues, each can affect family stability, financial security and children’s wellbeing at times of stress and transition. The Government is therefore considering these issues together to ensure the law reflects modern relationships while protecting the most vulnerable.
10. Overall, the proposals set out in the consultation are designed to create a clear and joined-up approach to family law that respects personal choice, keeps marriage as a distinct status and aims to ensure fair outcomes for families when relationships end.

Problems Under Consideration

The case for reforming the law of financial remedies on divorce and dissolution

11. The evidence suggests that aspects of the law of financial remedies on divorce may not deliver predictable and fair outcomes. The Law Commission’s scoping report identified areas where reform could strengthen public confidence in the system and improve outcomes for families.⁴
12. The issues identified by the Law Commission are most relevant in cases where couples cannot agree on how to divide their assets and require the court to decide financial provision. This may be referred to as “contested” proceedings or asking the court to make “financial orders”.⁵ In 2023, there were 103,816 divorces and dissolutions in England and Wales and this figure has remained relatively stable over the past five years. In 2025, around 50,000 people made financial remedy applications to the court.⁶ Of the 50,000

² Ministry of Justice, *Family Court Statistics Quarterly: January to March 2025* (GOV.UK, 26 June 2025) accessible at: <https://www.gov.uk/government/statistics/family-court-statistics-quarterly-january-to-march-2025>;

³ Labour Party, *Change: Labour Party Manifesto 2024* (Labour Party 2024) 68.

⁴ Law Commission, *Financial Remedies on Divorce and Dissolution: A Scoping Report* (HC 460, Law Com No 417, 17 December 2024).

⁵ HM Government, *Money and property when you divorce or separate: Get the court to decide* (GOV.UK) <<https://www.gov.uk/money-property-when-relationship-ends/get-court-to-decide>>

⁶ Office for National Statistics, *Divorces and dissolutions in England and Wales: 2023* (2 July 2025) <<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/divorce/bulletins/divor>

financial remedy applications, around 13,000 were contested. These figures highlight the importance of a framework that is accessible, easy to understand and supports fair outcomes when relationships end.

13. However, the current law is highly discretionary, which can make outcomes difficult to predict and inconsistent across cases. As a result, even where couples seek legal advice, professionals may have different views on what the outcome will be.⁷ This unpredictability can hinder couples from negotiating fair settlements and planning their financial futures, while also increasing disputes and court time. The Law Commission’s scoping report stated that “the law lacks certainty and accessibility to an extent that it could be argued to be inconsistent with the rule of law”.⁸
14. The Law Commission also noted that the law lacks cohesion and in some cases can prolong conflict rather than resolve it, at a time when families are already under considerable strain.⁹ A system that fails to provide clear expectations not only increases costs and delays but can exacerbate animosity between parties, making it harder to achieve constructive outcomes.
15. Concerns have also been raised about the way the current law operates in cases involving domestic abuse, including economic abuse. In 2023, an academic study conducted by the *Fair Shares Project* looked into how divorcing couples negotiated financial arrangements on divorce. It found that, up to five years after their divorce, female victim-survivors of domestic abuse were more likely than other divorcing women to be in financially precarious situations.¹⁰
16. The *Fair Shares Project* also drew attention to gendered outcomes, particularly in relation to pensions. Women, who are more likely to take on caring responsibilities and have lower pension savings, can be disproportionately affected when pension assets are overlooked in settlements. The *Fair Shares Project* illustrated this, finding that 28% of women had under £1,000 take-home pay compared to only 10% of men during a marriage.¹¹ In relation to pensions, men were more likely to have more valuable pensions by virtue of paying into them for longer.¹²

cesinenglandandwales/2023> ’; Ministry of Justice, ‘Family Court Statistics Quarterly: October to December 2025’ (GOV.UK, 26 March 2026) <<https://www.gov.uk/government/statistics/family-court-statistics-quarterly-october-to-december-2025/family-court-statistics-quarterly-october-to-december-2025>>.

⁷ Law Commission, *Financial Remedies on Divorce and Dissolution: A Scoping Report* (HC 460, Law Com No 417, 17 December 2024). Para 1.56.

⁸ Law Commission, *Financial Remedies on Divorce and Dissolution: A Scoping Report* (HC 460, Law Com No 417, 17 December 2024). Para 1.55

⁹ Law Commission, *Financial Remedies on Divorce and Dissolution: A Scoping Report* (HC 460, Law Com No 417, 17 December 2024). Para 1.8

¹⁰ Emma Hitchings and Caroline Bryson, *Dividing property and finances on divorce: what happens in cases involving domestic abuse?* Report (University of Bristol, 2024).

¹¹ Emma Hitchings, Caroline Bryson, Gillian Douglas, Susan Purdon and Jenny Birchall, *Fair Shares? Sorting out money and property on divorce: Executive Summary* (Nuffield Foundation, 2021), page 12.

¹² Emma Hitchings, Caroline Bryson, Gillian Douglas, Susan Purdon and Jenny Birchall, *Fair Shares? Sorting out money and property on divorce: Executive Summary* (Nuffield Foundation, 2021), page 12.

17. Taken together, these findings underline the need to consider whether the law should be modernised to promote certainty, accessibility and to support a clearer, more efficient and fairer resolution of disputes.

The case for reforming the law for cohabitants on separation

18. When cohabitants separate, there is no equivalent statutory scheme to financial remedies on divorce. If there is a dispute between cohabitants about distribution of assets when they separate, they may need to rely on complex and costly property and trust law routes that were not designed to deal with relationship breakdown.

19. The impact of limited protection can fall most sharply on those who are economically vulnerable, particularly women, children and victim-survivors of domestic abuse, including economic abuse.

20. Women are more likely to reduce working hours or take lower-paid jobs to fulfil caring responsibilities, which can result in long-term financial disadvantage. For example, 54.7% of 25 to 49 year-old women (compared to 13.2% of men) who were economically inactive in the UK in the 12 months to September 2025 were economically inactive because they were looking after their home or family.¹³ These patterns of work often place women at a long-term financial disadvantage despite having made decisions on the basis that they and their family will be supported financially by their partner. Cohabitation reform will help protect women in this situation by recognising their contributions and meeting their future needs.

21. Children will also be affected when the financial position of their primary carer deteriorates following separation, as the needs of the primary carer and those of a child are inextricably linked. This connection means that financial hardship for a carer can have implications for a child's wellbeing and future opportunities. For example, 2015 research found that children from the least well off 20% of households are four times as likely to have serious mental health difficulties by the age of 11 as those from the wealthiest 20%.¹⁴ Additionally, the ONS found that "young adults who suffer financial hardship as children have significantly greater than average chances of earning lower wages, being unemployed, spending time in prison (men) or becoming a lone parent (women)".¹⁵ Reforming the law could help ensure primary caregivers have the adequate support they need to provide for their child and ensure children are protected regardless of their parents' marital status, improving the quality of their lives and breaking down barriers to opportunity in doing so.

¹³ Nomis (Office for National Statistics), *Nomis – Official Census and Labour Market Statistics* <<https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=181>>.

¹⁴ BBC Children in Need, *Poverty and Mental Health: Challenges and Opportunities for Children and Families* (BBC Children in Need, May 2024) <<https://www.bbcchildreninneed.co.uk/wp-content/uploads/2024/05/Poverty-and-Mental-Health-Paper.pdf>>

¹⁵ Office for National Statistics, *Child poverty and education outcomes by ethnicity* (ONS) <<https://www.ons.gov.uk/peoplepopulationandcommunity/educationandchildcare/bulletins/childpovertyandeducationoutcomesbyethnicity>>

22. A lack of financial protections for cohabitants can also aid perpetrators of domestic abuse and make it harder for victim-survivors to leave the relationship due to economic dependency. This is particularly problematic in a context where the prevalence of domestic abuse is twice as high for cohabitants as it is for married couples.¹⁶ In the absence of legal safeguards, perpetrators may exert control over a partner's life through restricting access to assets and money or imposing debt. This can leave individuals facing difficult choices between separating with no financial security or staying with their abusive partner. Introducing a clear statutory framework for cohabitants may prevent some of the socio-economic harms suffered by victim-survivors of domestic abuse. This is because victim-survivors will have greater financial rights, meaning they are more likely to have the financial means to choose to flee a perpetrator of abuse.
23. There is also no legal status of "common law marriage" in England and Wales, regardless of the length of time a couple has lived together or whether they have children. Despite this, almost half of people (47%) in England and Wales believe such a status exists.¹⁷ This misunderstanding means that many cohabitants are unaware that, when their relationship ends, they have access to only very limited financial provision.

The case for reforming the law for cohabitants on intestacy

24. When a cohabitant dies, the surviving partner currently has no automatic entitlement to inherit their property under the intestacy rules (when a person dies without leaving a valid will), regardless of the length or stability of the relationship.¹⁸ This gap in protection can place surviving partners, particularly those who were economically dependent or caring for children, at immediate risk of losing their home, access to shared resources and financial stability. In practice, this can result in acute and chronic financial hardship and housing insecurity.
25. The current law also means that children's housing, schooling and daily routines may be disrupted simply because their parents were not married, creating unequal outcomes compared to children of married parents. Such instability in early life is associated with a range of longer-term socio-economic harms, including poorer educational outcomes, increased risk of unemployment and adverse impacts on mental health.
26. In such circumstances, the main route to financial provision is a claim under the Inheritance (Provision for Family and Dependents) Act 1975. These claims can require lengthy and costly litigation, often at a time of bereavement. Establishing eligibility, the nature of the relationship and the extent of financial dependency can be especially difficult where evidence is contested or where family dynamics are complex. These difficulties can increase conflict between surviving partners and other beneficiaries, including children

¹⁶ Office for National Statistics, Domestic abuse victim characteristics, England and Wales: year ending March 2025 (26 November 2025) accessible at: <<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/domesticabusevictimcharacteristicsenglandandwales/yearendingmarch2025>>.

¹⁷ John Curtice et al (eds), British Social Attitudes: The 36th Report (NatCen 2019).

¹⁸ The Gazette, *Wills and probate* (The Gazette) <<https://www.thegazette.co.uk/wills-and-probate/content/103523>>.

and can delay estate administration for extended periods prolonging potential hardship and uncertainty.

27. Strengthening inheritance provision for cohabitants by providing clearer, more accessible routes to automatic provision for qualifying partners, while balancing the interests of existing beneficiaries, can improve the overall wellbeing of family members.

B. Policy Rationale and Objectives

Rationale

28. The conventional approaches to Government intervention are based on efficiency or equity arguments. Governments may consider intervening if there are strong enough failures in the way markets operate (e.g. monopolies overcharging consumers) or there are strong enough failures in existing Government interventions (e.g. waste generated by misdirected rules) where the proposed new interventions avoid creating a further set of disproportionate costs and distortions. The Government may also intervene for equity (fairness) and distributional reasons (e.g. services to more vulnerable groups in society).
29. In this instance, the primary rationale for Government intervention is equity. The Law Commission set out in its 2024 scoping report that the current law on financial remedies creates uncertainty and inaccessibility for those going through divorce. The financial protections for cohabitants at the end of relationships are also very limited and these limited protections disproportionately affect vulnerable groups.
30. These issues risk creating post-separation financial hardship for financially weaker parties and children of the relationship, creating dependence on the state. Policy reform aims to reduce this risk. This will be achieved by codifying aspects of current law and introducing new provisions in respect of financial remedies on divorce (“codification-plus” model), providing a framework of rights and protections for eligible cohabitants on relationship breakdown and modernising the law on intestacy for eligible cohabitants on death.

Policy Objectives

31. The policy aim behind the consultation is to seek views on proposed reforms that strengthen the legal framework for families when relationships end, so that the law is clearer, more navigable and better aligned with modern family life. The proposals are intended to support fair outcomes and reduce avoidable conflict and hardship at moments of separation and bereavement.
32. Proposed reforms include delivering the Government’s manifesto commitment to strengthen the rights and protections for women in cohabiting couples, as part of its wider work to tackle violence against women and girls, including domestic abuse and economic abuse.
33. While the consultation considers three different aspects of the law, it is underpinned by four key policy objectives that apply to all of the reforms:

- i. **Prioritising fair outcomes for children:** placing children’s welfare at the centre of decision making by ensuring they are the court’s first consideration, regardless of their parents’ marital status, to support their stability and financial security.
- ii. **Protecting the vulnerable:** strengthening safeguards for those most at risk of harm or financial insecurity at the end of a relationship, including women, children and victim-survivors of domestic abuse, including economic abuse.
- iii. **Providing a clear and accessible framework:** ensuring the law of financial remedies on divorce and the new cohabitation framework are easy to understand, with more predictable outcomes, reducing conflict and unnecessary litigation and improving public awareness of the law and confidence in the system.
- iv. **Preserving the distinct status of marriage:** ensuring protections for cohabitants are proportionate, targeted and clearly differentiated from the full legal consequences of marriage, maintaining marriage as a distinct institution.

C. Affected Stakeholder Groups, Organisations and Sectors

34. The main groups affected by the options considered in this Impact Assessment are:

- Couples who may end their relationship or individuals whose partner may die.
- The children of those couples.
- HM Courts and Tribunal Service (HMCTS), Legal Aid Agency and the Family Court judiciary.
- The legal services sector, including family law practitioners.
- The relevant bodies within the public and voluntary sector, which assist adults and families before, during and after separation or when a partner dies.
- Charities and voluntary organisations which specifically support vulnerable women and victim-survivors of domestic abuse, including economic abuse.
- Individuals at risk of needing to claim state benefits following separation from their partner, or the death of their partner.

D. Description of Options Considered

35. This Impact Assessment (IA) considers various options for reforming the law of financial remedies on divorce and for cohabitation reform. The options are described in the paragraphs which follow. For clarity, options are divided between those which relate to financial remedies on divorce and those which relate to cohabitants.

Options for reforming the law of financial remedies on divorce

36. The following financial remedies options are considered in this IA:

- **Option 0a: do-nothing and baseline option:** make no changes to the current law.
- **Option 1a: “codification-plus” model of reform:** codifying settled case law principles and introducing further targeted reforms, such as introducing legally-binding Qualifying Nuptial Agreements (QNAs).
- **Option 2a: codification of current law only:** codifying settled case law principles.
- **Option 3a: “codification-plus” and changing the threshold for the consideration of conduct (domestic abuse)** within financial remedy proceedings.

37. The Government’s preferred approach is a “codification-plus” model for reforming the law of financial remedies on divorce (Options 1a and 3a).

Option 0a: Do nothing and baseline option

38. This option would make no changes to current law. As a result, would mean the problems identified earlier in this IA would remain.

Option 1a: “Codification-Plus” model of reform

39. This option would codify the current law and introduce further targeted reforms, including legally binding qualifying nuptial agreements. The main elements of this option are as follows:

Codification of the current law:

- **A clear objective for financial remedies on divorce:** the court’s overarching objective will be to achieve a fair outcome by applying the well-established principles of meeting needs and sharing assets.
- **A coherent and structured framework:** codification of the principle that matrimonial property should be shared equally as a starting point, unless unequal sharing is required to meet needs. The model will explicitly set out:
 - Objectives for application of the “needs” and “sharing” principles;
 - explain how the court should apply these objectives; and
 - building on section 25 of the Matrimonial Causes Act 1973, a checklist of factors which the court should consider when applying both objectives.
- **A methodical approach to meeting needs:** the model will outline how the court would address ‘categories’ of need through a three-stage hierarchy, with the needs of the child being the first consideration.
- **Definitions of “matrimonial property” and “non-matrimonial property”:** codification of the definitions of both matrimonial property and non-matrimonial property, as clarified in the Supreme Court case *Standish v Standish*.¹⁹
- **Requirement to consider pensions:** The court should specifically be required to give consideration to pensions accrued during the marriage and pension needs when making financial orders.
- **Seamless Cohabitation:** Codifying that seamless cohabitation prior to marriage is considered as part of the length of the marriage by courts and so seamless cohabitation periods will affect the financial outcomes of financial remedy proceedings.

Introducing Qualifying Nuptial Agreements:

- The model will introduce “**qualifying nuptial agreements**” (“QNAs”) which will allow couples to make binding financial arrangements about division of assets in the event of divorce.

¹⁹ *Standish v Standish* [2025] UKSC 26.

Option 2a: Codification of current law only

40. Option 2a would codify current law and so include all reforms as described in option 1a underneath the “codification of current law” heading. It would not, however, include the introduction of QNAs.

Option 3a: “Codification-Plus” and changing the threshold for the consideration of conduct (domestic abuse)

41. Option 3a includes all reforms stated in Option 1a, meaning codifying current law and introducing QNAs, along with lowering the threshold for conduct (domestic abuse) to be considered relevant within financial remedy proceedings.

42. At present, legislation and case law outline that conduct should only be considered if it would be “inequitable to disregard”.²⁰ Case law has dictated that the courts will generally only consider the most egregious personal misconduct and that there must be a financial consequence to the victim-survivor arising from the conduct in order for it to affect a financial award.²¹ Examples of personal misconduct have included attempted murder, serious violence and “grave marital misconduct”.²²

43. There is increasing recognition that domestic abuse can have profound and long-lasting effects on a victim-survivor’s financial security. As understanding of domestic abuse, including economic abuse, has developed, it has prompted growing calls for reform. Stakeholders have argued that the law should enable the impact of domestic abuse to be more readily taken into account when the court distributes assets in financial remedy proceedings.

44. A greater consideration of conduct during financial remedy proceedings may improve perceptions of fairness for victim-survivors by enabling their experiences to be acknowledged and heard during the process. However, concerns have also been raised that more readily taking into account domestic abuse in financial remedy proceedings also risks increasing conflict. The Government seeks to explore these issues further through the consultation.

Rationale for the preferred financial remedies option (policy assessment)

45. A “codification-plus” model of reform, as set out in Options 1a and 3a, is the preferred option for reform of financial remedies on divorce because it is expected to deliver material improvements in outcomes for separating couples and their children by increasing legal certainty, predictability and accessibility of the law.

46. The existing discretionary framework can make outcomes difficult to predict, even with legal advice. This uncertainty may increase conflict, prolong disputes and undermine confidence in the fairness of outcomes. By codifying established case law principles and

²⁰ Matrimonial Causes Act 1973, section 25(2)(g).

²¹ *OG v AG* [2020] EWFC 52, [2021] 1 FLR 1105 paras 34-39 and *N v J* [2024] EWFC 184, [2024] 4 WLR 64.

²² See, for example, *H v H (financial relief: attempted murder as conduct)* [2005] EWHC 2911 (Fam); *H v H (financial provision: conduct)* [1994] 2 FLR 801; *Clark v Clark* [1999] 2 FLR 498.

introducing legally binding qualifying nuptial agreements, a “codification-plus” approach is expected to support earlier agreement, reduce unnecessary litigation and enable separating couples to plan and settle with greater confidence about likely outcomes. These effects are particularly important for children and financially weaker parties, for whom protracted disputes can exacerbate emotional and financial harm.

47. Option 2a (codification alone) is expected to deliver either narrower or more uncertain benefits. While it is likely to improve clarity, but without the additional certainty provided by qualifying nuptial agreements, its impact on behaviour and settlement dynamics may be more limited.
48. At this stage, “codification-plus” is judged to offer the most effective balance between improving outcomes for families, reducing conflict and maintaining stability and coherence within the financial remedies' framework. While the quantitative analysis identifies system-level impacts associated with changes in case mix and duration, these are secondary effects of the reform rather than the primary policy objectives which relate to increasing fairness in outcomes for separating married couples.
49. As this IA accompanies a consultation, these conclusions necessarily reflect initial expectations about behavioural responses and public attitudes to increased legal clarity and certainty. Further evidence on these effects will be gathered through consultation responses and stakeholder engagement.
50. The Government has not identified a preferred approach at this stage on whether to change the threshold for the consideration of conduct in financial remedy proceedings. As set out in the consultation, the Government is interested in views about how domestic abuse, including economic abuse, could be more effectively recognised in proceedings, in a way that supports and empowers victim-survivors without creating further disadvantages by increasing conflict or prolonging proceedings.

Cohabitation reform options

51. The following cohabitation options are considered in this IA:

- **Option 0b: baseline and do nothing:** provide no pathway for cohabitants to make financial remedy claims.
- **Option 1b: needs model:** cohabitants would have access to a statutory framework of rights and protections, narrower than what is available on divorce, for eligible cohabitants at the point of separation, with “needs” being the guiding principle for determining outcomes when cohabitants separate.
- **Option 2b: parity model meaning cohabitants have the same protections as divorcing couples:** cohabitants would have access to the same rights and protections as married couples on divorce.
- **Option 3b: needs model and changing the threshold for the consideration of conduct (domestic abuse):** this would be similar to the needs model (**Option 1b**) with a greater consideration of domestic abuse, as in Option 3a.

52. Currently cohabitants have no automatic right to inherit property from their deceased partner. **Options 1b-3b** would also change intestacy law by strengthening inheritance provision for cohabitants by providing clearer, more accessible routes to automatic provision for qualifying partners, while balancing the interests of existing beneficiaries. Overall, at this stage, we expect that this reform will have no net impact on inheritance disputes.

53. At present, the Government's preferred options are either **options 1b or 3b** for cohabitation reform.

Option 0b: Baseline and do nothing

54. Under this option, there would be no pathway for cohabitants to make financial remedy claims. As such the problems identified earlier in this IA will remain unaddressed.

Option 1b: Needs model

55. Under this option, cohabitants would be able to make financial remedy claims, which would be narrower than what is available on divorce. This option has the following main elements:

- **It would only be available to cohabitants separating from committed relationships:** claims will be limited to adults in committed, romantic relationships who have lived together for at least three years, or who live together and share a child. As with divorce, shorter relationships are likely to attract more limited awards.
- **Default protection with choice to opt out:** protections will apply automatically to cohabitants who meet the eligibility criteria, with the option for couples to opt out of the framework if they choose, ensuring individuals are protected but preserving individual choice.
- **Puts children first:** as with divorce, children's needs must come before those of the separating adults, ensuring their welfare is protected where resources are limited.
- **Legal ownership as a starting point:** each person keeps what they legally own and the court will depart from this only where required to meet defined needs. There is no default 50:50 split, as the sharing principle would not apply to cohabitants.
- **A "needs-led" framework, less generous than on divorce:** where legal ownership is not sufficient to meet needs, the court's focus would be on meeting the parties' future financial requirements. "Needs" would be assessed more narrowly than on divorce and would not extend to discretionary needs.
- **No better outcomes than marriage:** cohabitants will not be entitled to a more favourable financial outcome than a divorcing couple in similar circumstances.
- **Granting surviving cohabitants the same rights as spouses on intestacy** when their partner dies.

56. To be eligible for financial remedy orders under this option, cohabitants must apply for financial remedy orders within two years of the relationship ending.

Option 2b: Parity model

57. Under this option, cohabitants would have access to the same rights and protections as married couples on divorce and changes therefore would be aligned with what is proposed for changes to the law of financial remedies on divorce (as opposed to the current law governing financial remedies for divorcing couples). This also includes granting surviving cohabitants the same rights as spouses on intestacy when their partner dies.
58. For eligibility, we would assume that cohabitants will need to have lived together for at least five years and/or have lived together and have a child of the relationship and apply for financial remedy orders within two years of the relationship ending. This higher minimum duration period for eligibility would be in proportion to the stronger protections being offered.
59. While a parity model would be expected to deliver stronger protections for eligible cohabitants, it would also create a more fundamental alignment between the legal treatment of cohabitants and married couples. This arguably infringes on maintaining marriage as a distinct institution.

Option 3b: Needs model and changing the threshold for the consideration of conduct (domestic abuse)

60. This option assumes that the threshold for the consideration of conduct in financial remedy proceedings is lowered compared to the high threshold which currently exists in case law. The eligibility criteria to apply for cohabitation financial remedy orders would be the same as in Option 1b (including granting surviving cohabitants the same rights as spouses on intestacy when their partner dies).
61. A greater consideration of conduct during cohabitation proceedings may improve perceptions of fairness for victim-survivors by enabling their experiences to be acknowledged and heard during the process. However, concerns have also been raised that more readily taking into account domestic abuse in cohabitation proceedings also risks increasing conflict. The Government seeks to explore these issues further through the consultation.

Rationale for the preferred cohabitation option (policy assessment)

62. A “needs” model is the preferred option for cohabitation reform because it is expected to deliver meaningful improvements in outcomes for separating cohabitants, particularly financially weaker parties and children, while remaining targeted, proportionate and clearly differentiated from the full legal consequences of marriage, maintaining marriage as a distinct institution.
63. Compared to the do-nothing option, the “needs” model set out in options 1b and 3b provide a clear and accessible statutory framework which prioritises fair outcomes for children and protects the vulnerable at the point of relationship breakdown.

64. While parity with divorce, as set out in Option 2b, would provide a stronger level of protections for eligible cohabitants, it would raise wider concerns about infringing on the institution of marriage. It would also raise concerns about infringing on personal autonomy, by imposing the same obligations on cohabiting couples as exist for marriage, without the couple having made the same legal or explicit public commitment.
65. By comparison, Options 1b and 3b provide a fairer balance between protecting the vulnerable and respecting personal choice, including by allowing couples to opt out of the statutory framework if they mutually agree to do so. This distinction is important in ensuring public confidence in the framework and in recognising marriage as a distinct legal institution, while still addressing clear gaps in protection for eligible cohabitants.
66. Option 2b also has more stringent eligibility criteria than Options 1b and 3b and so will be available to fewer cohabitants, meaning the overall benefits of Option 2b to society compared to options 1b and 3b are unclear.
67. At this stage, a “needs” model is judged to strike the most appropriate balance between improving outcomes for affected families, deliverability and proportionality. These assessments are necessarily based on expectations at consultation stage and further evidence on behavioural effects, take-up and impacts on families will be gathered through the public consultation.
68. The Government has not identified a preferred approach at this stage on whether to change the threshold for the consideration of conduct in financial remedy proceedings. As set out in the consultation, the Government is interested in views about how domestic abuse, including economic abuse, could be more effectively recognised in proceedings, in a way that supports and empowers victim-survivors without creating further disadvantages by increasing conflict or prolonging proceedings.

Intestacy

69. Under options 1b-3b, granting surviving cohabitants the same rights as spouses on intestacy would create a clear, automatic mechanism for inheritance where a qualifying relationship exists. This would reduce the need for litigation under the Inheritance (Provision for Family and Dependants) Act 1975 (“the 1975 Act”), lowering costs for individuals and easing pressure on the courts. Surviving cohabitants would receive greater financial security, particularly where they had been financially dependent on the deceased. Children of the relationship may also benefit from more stable living arrangements following a bereavement.
70. There may be transitional administrative costs for probate services, legal professionals and public-facing bodies as the new rules become understood and embedded. There may also be distributional impacts where surviving cohabitants inherit in place of blood relatives further down the intestacy hierarchy. However, these effects are expected to be limited given the clear statutory criteria proposed by the Law Commission.

71. Aligning intestacy rules with the realities of modern family life is also expected to improve predictability and fairness. Public understanding of rights on death is likely to increase, reducing the risk of vulnerable surviving partners being left without protection.
72. A “partial intestacy” model was explored as an alternative to our proposal. Under this approach, cohabitants would receive an entitlement somewhere between no rights and full spousal rights, potentially on a sliding scale linked to the length of the relationship. However, this option was rejected because it would introduce significant complexity into the intestacy system. Intestacy is intended to operate as an automatic, administrative process and introducing variable categories of entitlement would create uncertainty and invite litigation, undermining the core purpose of the regime.

E. Cost and Benefit Analysis

73. The primary purpose of the reforms assessed in this IA is to improve outcomes for couples who are separating or when a partner has died, by increasing legal certainty, fairness and accessibility of financial remedies, prioritising fair outcomes for children and protecting vulnerable parties and doing so in a way which preserves the distinct status of marriage.
74. Many of these impacts are not monetisable at consultation stage and are therefore assessed qualitatively alongside the quantitative analysis. The monetised impacts presented in this section primarily reflect secondary system effects on HM Courts and Tribunals Service (HMCTS) and the Legal Aid Agency (LAA) that arise as a consequence of changes in behaviour and case volumes following reform and impacts on HMCTS and the LAA are not the primary drivers of the intervention.
75. This IA follows the procedures and criteria set out in the Impact Assessment Guidance and is consistent with His Majesty’s Treasury Green Book Guidance.
76. Where possible, IAs identify both monetised and non-monetised impacts on individuals, groups and businesses in UK with the aim of understanding what the overall impact on society might be from the proposals under consideration. For both sets of options in this IA, the “do nothing/baseline” options represent the baseline against which the other relevant options are compared. As such, the baseline option has no costs or benefits associated with it and so is not directly appraised.
77. IAs place a strong focus on monetisation of costs and benefits. There are often, however, important impacts which cannot sensibly be monetised. Impacts in this IA are therefore interpreted broadly, to include both monetisable and non-monetisable costs and benefits, with due weight given to those that are not monetised.
78. Although the options in this IA will benefit weaker parties financially post separation, given the rights and protections for cohabitants are being strengthened and issues in the current law governing financial remedies on divorce will be addressed, this counts as an economic transfer. This is because the division of assets between separating parties is a change in ownership of resources from one economic agent to another economic agent with no net change in real economic resources. Hence, in line with HMT Green Book Guidance, these transfer effects have been excluded from our analysis.

79. However, it should be noted that the fairer division of assets from financially stronger parties to weaker parties post separation will reduce the risk of weaker parties and children facing financial hardship and the long-term socio-economic costs arising from this. These non-monetised benefits are discussed later. The non-monetised benefits of reform are important policy drivers and are likely to have significant, positive impacts on the socio-economic wellbeing of separated partners and their children.
80. There is insufficient evidence at this stage to attempt to quantify the scale of non-monetised benefits and variation between options. The consultation will develop our evidence base and improve our understanding of the likely scale of non-monetised benefits that may accrue under each option.
81. It should be noted that various assumptions have been made to estimate the potential number of post-reform cohabitation financial remedy cases, using academic and international evidence, as these reforms have not been trialled. Similarly, the impact of financial remedies reform on divorce has been estimated using proxies meaning that the figures presented within this impact assessment are subject to uncertainty.
82. All costs, benefits and net present social values are presented in constant real FY 25/26 prices and discounted at 3.5% over a ten-year appraisal period. Figures are rounded to one decimal place and presented in millions of pounds. Consideration should be made for small rounding errors when adding figures.
83. Costs and benefits within this IA are non-cashable and instead represent net opportunity costs or savings that could be reallocated to other activities.
84. Sensitivity analysis has been conducted within this Impact Assessment to test a range of caseload scenarios to account for uncertainty regarding uptake of the cohabitation financial remedy scheme and behavioural changes arising from financial remedy reforms.

Cost assumptions for both financial remedy and cohabitation options:

85. We have assumed that the resources needed to accommodate future financial remedy and cohabitation financial remedy cases will be amassed from existing resources. Hence, the costs represented here are opportunity costs, rather than financial costs, that represent HMCTS and Legal Aid Agency resources that could have been used on other activities.
86. The fees charged to cohabitants are assumed to be the same as for separating married couples as seen in **Table 1** below.
87. Cohabitants will need to prove eligibility for the scheme and the fees charged for this are assumed to be the same as current divorce applications. The exact processes, including the fee structure required for this, will be determined post-consultation.
88. Fees charged for cohabitants in both uncontested and contested financial remedy cases are assumed to be the same as for those charged in financial remedy cases for separating married individuals.

89. HMCTS operates a fee remission scheme, called “Help with Fees”, that enables an individual to get help with paying fees if they have low savings, low income or receive certain benefits.
90. We assume that remission rates for cohabitants will be the same for divorcing couples. These have been calculated based on internal MoJ analysis and are important to work out the net income generated through fees.
91. Fees paid by cohabitants seeking cohabitation financial remedy orders are viewed not as an economic transfer from cohabitants to HMCTS, but as a fee paid for the service of accommodating cohabitation cases.
92. Fees charged per case allow HMCTS to recoup some of the costs of accommodating cohabitation cases and hence lower the overall net opportunity costs per case. By accounting for income from fees and the costs of accommodating cohabitation cases to HMCTS and the Legal Aid Agency, we are able to estimate the overall net opportunity costs of accommodating cohabitation financial remedy cases.
93. The overall net opportunity savings of accommodating financial remedy cases for separating married individuals represent the net present social value (NPSV) of the reform. As no benefits of the reforms are monetisable, then the NPSVs for financial remedy reforms are partial estimates.
94. The overall net opportunity costs of accommodating cohabitation financial remedy cases represent the net social present value (NPSV) of cohabitation reform in our analysis. As no benefits of the reforms are monetisable, then the NPSVs for cohabitation reforms are partial estimates.
95. We have not estimated any recovered legal aid through statutory charges on money or property either kept or gained during the case, but the recovery of legal aid through statutory charges will increase the net opportunity savings from financial remedy reforms and reduce the overall net opportunity costs of the cohabitation reforms.²³ Internal evidence is available to model statutory charges and this evidence shows that just under 50% of legal aid fees are recovered through statutory charges. We will look to include this modelling in future iterations of this IA.

Table 1: Income (fees) data in FY 25/26 prices for financial remedies:²⁴

Description	Direct Income
Divorce application fee	£612.00
Application (without notice/by consent) fee	£60.00
Contested financial remedy fee	£313.00

²³ Legal Aid Agency, *Paying for your civil legal aid: information for legal aid clients* (Legal Aid Agency, Ministry of Justice)

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860909/Client_Legal_Aid_Leaflet.pdf>

²⁴ HM Courts & Tribunals Service, *Fees in the civil and family courts: full list (EX50A)* (HMCTS, November 2025) <https://assets.publishing.service.gov.uk/media/69135a968c90b927c818aded/EX50A-civil-and-family-court-fees_November_25_M537F5CJ.pdf>

- Separating married couples must apply to become legally divorced and they are charged a fee for this service. Depending on whether a financial remedy application is either by consent or is contested, further fees apply as are shown in Table 1. These fees, adjusted for remissions, are used to work out the net costs of contested and uncontested financial remedy cases as the estimated costs of accommodating such cases are subtracted from the net income.
- The exact process for establishing the eligibility of cohabitants to apply for financial remedy orders is yet to be determined and this approach will be refined for future IAs once more information is available. However, we expect that cohabitants will need the court to establish their eligibility as part of their application for cohabitation financial remedy orders. The divorce application fee is used as a proxy for fees paid by cohabitants for this activity.
- The fees and costs associated with contested and uncontested financial remedy and cohabitation financial remedy cases are assumed to be the same. This is considered appropriate at this stage as it is expected that the financial remedies processes for separating applicants, whether married or cohabiting, will be similar.

Table 2: Legal Aid: legal help, family mediation and legal representation costs

Description	Legal Help	Family Mediation	Legal Representation
Average Cost for Contested Cases Involving Legal Aid ²⁵	£249.00	£230.00	£5,468.00
Percentage of Contested Cases Assumed Eligible for Legal Aid ²⁶	11%	0.6%	7%

- Currently, individuals who are married or are in a civil partnership are in scope for legal aid for financial remedy proceedings if they are a victim-survivor of domestic abuse or at risk of abuse. This is subject to providing evidence of domestic abuse and meeting the required means and merits tests. Legal aid is also available on a means and merits tested basis for family mediation, when individuals that are associated with each other (such as married couples and individuals in a cohabiting couple) have family disputes, for example, over finances.
- As a result, legal aid costs relating to legal help, family mediation and legal representation, apply to a proportion of contested financial remedy cases. For the purposes of this modelling, it is assumed that the same costs would apply to the same proportion of contested cohabitation cases, as detailed above in Table 2.

²⁵ Ministry of Justice and Legal Aid Agency, *Legal aid statistics quarterly: January to March 2025* (MoJ/LAA 2025) Tables 6.4–6.6

<<https://www.gov.uk/government/statistics/legal-aid-statistics-quarterly-january-to-march-2025>>

²⁶ Ministry of Justice, *Family Court Statistics Quarterly: January to March 2025* (MoJ 2025) Table 14 <<https://www.gov.uk/government/statistics/family-court-statistics-quarterly-january-to-march-2025>>

- This reflects the position that legal aid will be made available to eligible individuals in a cohabiting couple under the proposed statutory framework for financial remedies if an individual is a victim-survivor of domestic abuse or at risk of being abused. Funding will be subject to providing the required evidence of domestic abuse and passing the means and merits tests.

Financial remedies appraisal:

96. The model attempts to estimate the net opportunity impacts of the reforms. This means accounting for the net income taken in from fees charged to individuals seeking financial remedy orders and the net opportunity impacts of the reforms on accommodating financial remedy cases.
97. Financial remedies options 1a, 2a and 3a are appraised relative to the baseline option 0a, which has no net costs or benefits. Also, due to non-monetisable benefits, the NPSVs provided are partial.
98. The preferred options for financial remedies reform, either Option 1a or 3a, are expected to change how separating couples engage with the system by improving clarity around likely outcomes and the principles guiding judicial decision-making. By codifying established case law principles and enabling qualifying nuptial agreements to be binding (subject to safeguards), the reforms are intended to support earlier agreement, reduce unnecessary disputes and improve confidence in the fairness of outcomes.
99. While judicial discretion is retained, the proposed clearer statutory structure is expected to help couples and legal advisers better understand how needs and sharing are likely to be assessed, supporting resolution without contested proceedings wherever possible.

Financial remedies Option 1a: “Codification-plus” model of reform:

100. There is no official data available on the proportion of couples which have a pre/post nuptial agreement. We have used relevant studies from international comparators and firms to estimate the percentage of financial remedy cases involving a legally binding qualifying nuptial agreement (“QNA”) post reform.
101. For cases which involve QNAs, these are more likely to be settled via consent orders due to the greater certainty in outcomes having a QNA provides.
102. Also, due to increased certainty regarding outcomes due to the reform, fewer contested cases are assumed to go to final hearing, thereby saving court and legal aid resources which can be reallocated elsewhere. Please refer to the annex for more details on the modelling approach used.
103. Table 3 provides the net savings relative to Option 0a (do nothing and baseline) under the central caseload scenario for financial remedies Option 1a.

Table 3: Financial remedies Option 1a economic appraisal (central caseload scenario), £ms, FY 25/26 prices:

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
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Year	0	1	2	3	4	5	6	7	8	9
Net Savings Through QNAs and Codification	5.9	5.7	5.5	5.3	5.1	4.9	4.8	4.6	4.5	4.3
Remissions Savings	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Legal Aid Savings	1.1	1.1	1.1	1.0	1.0	0.9	0.9	0.9	0.9	0.8
NPSV (per annum)	7.4	7.2	6.9	6.7	6.4	6.2	6.0	5.9	5.6	5.4
NPSV (cumulative)	7.4	14.6	21.5	28.1	34.6	40.8	46.8	52.7	58.3	63.8

104. As seen in Table 3 above, the NPSV of financial remedies Option 1a under the central caseload scenario is £63.8m and the NPSV per annum is £7.4m.

Financial remedies Option 2a: Codification of current law only:

105. In financial remedies Option 2a, only current law is codified through:

- Codifying the “needs”, “sharing” and “compensation” principles.
- Codifying the definition of matrimonial property.
- Codifying that seamless cohabitation prior to marriage is considered as part of the length of the marriage by courts and so seamless cohabitation periods will affect the financial outcomes of financial remedy proceedings.

106. Due to the increased accessibility of the law and greater certainty regarding outcomes, we assume that a greater proportion of cases than currently will be uncontested and a smaller proportion of cases will be contested.

107. Also, due to the codification of the current law, there will be increased certainty regarding outcomes and so we estimate that fewer contested cases will go to final hearings.

108. Overall, this means that fewer court resources and legal aid resources will be required to accommodate financial remedy cases.

109. However, overall net opportunity savings are smaller under option 2a than option 1a as legally binding qualifying nuptial agreements are not introduced in this option, resulting in more contested cases and greater resource burdens on courts and legal aid under option 2a than option 1a. Please refer to the annex for more details on the assumptions behind the number of contested and uncontested cases and impacts of option 2a.

110. Table 4 below presents the NPSV of financial remedies Option 2a under central caseload scenario.

111. **Table 4: Financial remedies Option 2a economic appraisal (high remissions scenario), £ms, FY 25/26 prices:**

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Year	0	1	2	3	4	5	6	7	8	9
Net Savings Due to a Swing from Contested to Uncontested Cases	4.8	4.7	4.5	4.4	4.2	4.1	3.9	3.8	3.7	3.5
Remissions Savings	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Legal Aid Savings	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7
NPSV (per annum)	5.9	5.7	5.5	5.3	5.1	5.0	4.8	4.6	4.5	4.3
NPSV (cumulative)	5.9	11.6	17.1	22.4	27.5	32.4	37.2	41.8	46.3	50.6

112. As seen in Table 4 above, the total NPSV of financial remedies Option 2a under the high remissions scenario is £50.6m and the NPSV per annum is £5.9m.

Financial remedies Option 3a: “Codification-Plus” and changing the threshold for the consideration of conduct (domestic abuse)

113. Under Option 3a, all reforms discussed under Option 1a will be implemented and the threshold for courts to consider conduct (domestic abuse) during financial remedy proceedings will also be lowered (as also discussed in cohabitation Option 3b).

114. Lowering the threshold for courts to consider conduct (domestic abuse) during financial remedy proceedings is expected to lead to more contested cases under option 3a than option 1a, thereby leading to smaller net opportunity savings from the reforms.

115. This is because there will be more contested cases and contested cases involving alleged domestic abuse will incur more court time and resources due to a need to investigate domestic abuse allegations. Please refer to the annex for more detail on how the number of contested and contested cases and cases involving alleged domestic abuse has been estimated.

116. Overall, this means that there are net opportunity cost savings to MoJ from Option 3a due to the reforms, though overall net opportunity costs savings from Option 3a are smaller than those forecast in Option 1a due to the consideration of conduct (£52.5m against £63.8m).

117. Table 5 below presents the NPSV of Option 3a under the central caseload scenario.

Table 5: Financial remedies Option 3a economic appraisal (central caseload scenario), £ms, FY 25/26 prices:

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
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Year	0	1	2	3	4	5	6	7	8	9
Net Savings Relative to Baseline, Accounting for More Contested Cases and Conduct	6.8	6.6	6.4	6.2	6.0	5.8	5.6	5.4	5.2	5.0
Remissions Costs	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legal Aid Costs	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5
NPSV (per annum)	6.1	5.9	5.7	5.5	5.3	5.1	5.0	4.8	4.6	4.5
NPSV (cumulative)	6.1	12.0	17.7	23.2	28.5	33.6	38.5	43.3	48.0	52.5

118. As seen in Table 5 above, the total NPSV of financial remedies Option 3a under the central caseload scenario is £52.5m and the NPSV per annum is £6.1m.

Non-monetised benefits of financial remedies reforms:

119. The following benefits listed below could not be monetised due to data unavailability. Due to evidential limitations, the scale of non-monetised benefits and variation between options is uncertain at this stage. Evidence gathered during the consultation will improve our understanding of non-monetised benefits and how they differ between the different options.

120. Increased likelihood that divorcing couples will resolve financial disputes more quickly, reducing family conflict to the benefit of any children.

- Options 1a, 2a and 3a will provide a clearer statutory framework for separating divorcing couples to make claims against financial claims than under current law.
- This is likely to lead to fewer contested financial remedy cases, leading to earlier resolution and reduced family conflict.
- This may lead to improved wellbeing for any children of the relationship.

121. Decreased risk of child poverty due to changing relationship status of parents when parents separate:

- Options 1a, 2a and 3a will increase accessibility and clarity of the current law, prioritising children's needs. This will lead to fairer outcomes for children and financially weaker parties, thereby reducing the risk of children facing financial hardship as a result of their parents separating.

122. Decreased risk of unemployment and poor mental health in later life for children of separated parents:

- There is evidence suggesting that children who experience financial hardship are more likely to experience unemployment and poor mental health, leading to socio-economic harms and costs to wider society.

- Those in “persistent poverty” had a 3 times higher risk of mental ill health, a 1.5 times higher risk of obesity and nearly double the risk of longstanding illness than children who had never been poor.²⁷
- Evidence indicates that there is a “clear pathway” from childhood poverty to reduced employment opportunities, with earnings estimated to be reduced by between 15% and 28% and the probability of being in employment at age 34 years reduced between 4% and 7%.²⁸
- Young adults who suffer financial hardship as children have a significantly greater than average chances of earning lower wages, being unemployed, spending time in prison (men) or becoming a lone parent (women).²⁹
- Options 1a, 2a and 3a will reduce the risk of children experiencing financial hardship and so also the associated risks of future unemployment, poor mental health and wider socio-economic costs to society over the longer term.

123. Decreased risk of financially weaker parties facing financial hardship after separation:

- Options 1a, 2a and 3a will increase accessibility of the law and certainty over outcomes, meaning that financially weaker parties are more likely to benefit from fairer outcomes through the division of assets post separation. This will reduce the risk of financially weaker parties (most commonly women) facing financial hardship after separation and reduce the socio-economic costs associated with this.

124. Reduced long-term public-sector costs arising from providing support to weaker parties and their children:

- Options 1a, 2a and 3a will reduce the long-term public sector costs from providing support to weaker parties and their children due to fairer divisions of assets when married couples separate.

125. Domestic abuse victim-survivors in married relationships may be better able to leave abusive relationships:

- Options 1a, 2a and 3a will provide a clearer statutory framework for separating divorcing couples to make claims against shared assets. This could help victim-survivors of domestic abuse, including economic abuse.
- This is because victim-survivors may be better able to flee their abusive relationship.

Differentiation of non-monetised impacts across financial remedies options

²⁷ University College London, *Persistent poverty affects one in five UK children* (UCL News, 12 June 2019) <<https://www.ucl.ac.uk/news/2019/jun/persistent-poverty-affects-one-five-uk-children>>.

²⁸ Office for National Statistics, *Child poverty and education outcomes by ethnicity* (ONS, Economic Review: February 2020) <<https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/compendium/economicreview/february2020/childpovertyandeducationoutcomesbyethnicity>>

²⁹ Office for National Statistics, *Child poverty and education outcomes by ethnicity* (ONS, Economic Review: February 2020) <<https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/compendium/economicreview/february2020/childpovertyandeducationoutcomesbyethnicity>>

126. While all financial remedies reform options are expected to deliver non-monetised benefits relative to the baseline, the scale and nature of these impacts are expected to differ across options.
127. Under the baseline option (Option 0a), the current discretionary framework for financial remedies remains unchanged. While this allows flexibility when dividing assets between parties, it can contribute to uncertainty and difficulty in predicting outcomes which may increase conflict, prolong disputes and undermine confidence in the fairness and accessibility of the system for separating couples and their children.
128. Option 1a is expected to deliver the largest overall non-monetised benefits. By codifying established case law principles and introducing legally binding QNAs, this option is expected to improve legal clarity, predictability and accessibility. These changes are anticipated to support earlier agreement between parties, reduce adversarial behaviour and improve perceptions of fairness and legitimacy of outcomes. Greater certainty is also expected to benefit children and financially weaker parties by reducing the duration and intensity of disputes at the point of separation.
129. Option 2a, which codifies current law without introducing QNAs, is expected to deliver more modest improvements than options 1b and 3b. While increased clarity may improve understanding of likely outcomes and support earlier settlement in some cases, the absence of qualifying nuptial agreements is likely to limit the full extent of this.
130. Option 3a may deliver some non-monetised impacts in a narrower set of cases. However, lowering the threshold for the consideration of conduct is also expected to increase the likelihood of contested proceedings, with potential adverse effects on conflict, emotional burden and case duration for separating families.
131. These differences in expected non-monetised impacts across options are an important consideration in the assessment of relative option performance and underpin the identification of the preferred option for financial remedies reform. As this IA accompanies a consultation, expectations regarding behavioural change, settlement patterns and public confidence will be tested and refined through consultation responses and stakeholder engagement.

Cohabitation options appraisal:

Assumptions:

132. Using available evidence, we have attempted to forecast the number of cohabitation cases that will occur per annum. We have attempted to account for behavioural affects due to differing eligibility criteria such as duration of relationship and the presence of any children of the relationship, opt-out rates, and the lower average savings rates of cohabitants compared to married couples. Please refer to the annex for a full description of how the number of cohabitation cases for options 1b, 2b and 3b were estimated.
133. The court would begin from legal ownership as the baseline and would only depart from this where necessary to meet defined needs, assessed more narrowly than on divorce for options 1b and 3b. This approach is designed to provide financial protections for

cohabitants while maintaining a clear distinction from marriage for options 1b and 3b. For analytical purposes, divorce application volumes are used as a proxy for court access, recognising that the proposed route for eligible cohabitants would similarly involve an application to the Family Court.

134. Under options 1b–3b, legal aid will be made available to eligible individuals in a cohabiting couple under the proposed statutory framework for financial remedies if an individual is a victim-survivor of domestic abuse or at risk of being abused. Funding will be subject to providing the required evidence of domestic abuse and passing the means and merits tests.

Intestacy

- Options 1b–3b will also strengthen inheritance provision for cohabitants by providing clearer, more accessible routes to automatic provision for qualifying partners, while balancing the interests of existing beneficiaries. These changes are not expected to increase litigation. Contested probate and 1975 Act claims are low in volume and cases involving cohabitants form a small subset. While a limited extension of eligibility under the 1975 Act could give rise to a small number of additional claims in rare circumstances, this is likely to be offset by a reduction in procedural claims between family members. Overall, we anticipate no material change in case volumes and therefore no significant impact on legal aid expenditure or wider costs to the Exchequer. However, we expect overall outcomes for bereaved cohabitants to improve due to cohabitants having strengthened inheritance provision as this will lead to fairer outcomes.
- A “partial intestacy” model was explored as an alternative to our proposal. Under this approach, cohabitants would receive an entitlement somewhere between no rights and full spousal rights, potentially on a sliding scale linked to the length of the relationship. However, this option was rejected because it would introduce significant complexity into the intestacy system. Intestacy is intended to operate as an automatic, administrative process and introducing variable categories of entitlement would create uncertainty and invite litigation, undermining the core purpose of the regime.

Cohabitation Option 1b: Needs model

135. To be eligible for cohabitation financial remedies in option 1b, applicants must have been in a seamless cohabiting relationship for a minimum duration of at least three years before it broke down and/or have at least one child of the relationship. We have assumed that ~6,700 cohabitation financial remedy cases occur per annum, of which 78.3% are uncontested and 21.7% are contested Please refer to the annex for more details on these assumptions and calculations used to derive the estimated caseload under option 1b.

136. We have tested the central scenario, to estimate the net present social value (NPSV) from cohabitation reform. The overall costs of the policy reform are net opportunity costs, not financial costs.

Table 6: Cohabitation Option 1b economic appraisal (central caseload scenario), £ms, FY 25/26 prices:

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
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Staff and Admin Costs (FY 25/26 prices)	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Legal Aid Costs (FY 25/26 prices)	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.4
Total Costs (FY 25/26 Prices)	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Costs PV	8.3	8	7.7	7.5	7.2	7	6.7	6.5	6.3	6.1
Costs PV Cumulative	8.3	16.3	24	31.4	38.6	45.6	52.3	58.8	65.1	71.1
Net Fees Income Benefits (FY 25/26 Prices)	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Benefits PV	3.7	3.6	3.5	3.4	3.2	3.1	3	2.9	2.8	2.7
Benefits PV Cumulative	3.7	7.3	10.8	14.2	17.4	20.5	23.6	26.5	29.3	32
NPSV Per Annum (Net Cost)	-4.5	-4.4	-4.2	-4.1	-4	-3.8	-3.7	-3.6	-3.5	-3.3
NPSV Cumulative (Net Cost)	-4.5	-8.9	-13.2	-17.3	-21.2	-25.1	-28.8	-32.3	-35.8	-39.1

137. As seen in Table 6 above, the overall NPSV of cohabitation Option 1b under the central caseload scenario is -£39.1m with an annual NPSV of -£4.5m.

Cohabitation Option 2b: Parity model

138. Cohabitation Option 2b would give eligible cohabitants the same rights on separation as are available to married couples on divorce. This would take into account the proposed reforms to the law of financial remedies on divorce, including codification of current law and qualifying nuptial agreements, being implemented.

139. To be eligible for cohabitation financial remedies in option 2b, applicants must have been in a seamless cohabiting relationship for a minimum duration of at least five years before it broke down and/or have at least one child of the relationship.

140. Due to the higher eligibility criteria, fewer cohabitation financial remedy cases (~5,400) per annum are estimated to occur under option 2b than option 1b (~6,700).

141. Also, due to the codification of current law leading to increased certainty in outcomes for separating couples, and the implementation of qualifying nuptial agreements leading to fewer and shorter contested cases, the overall NPSV of option 2b is larger than that of option 1b (-£24.9m against -£31.9m).

142. However, option 2b is not a preferred option due to the need to give targeted rights to cohabitants and preserve marriages and civil partnerships as distinct institutions. Please refer to the annex for more details on how the impacts of option 2b were calculated.

143. Table 7 below presents the NPSV of cohabitation Option 2b under central caseload scenario.

Table 7: Cohabitation Option 2b economic appraisal (central caseload scenario), £ms, FY 25/26 prices:

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Year	0	1	2	3	4	5	6	7	8	9
Uncontested Cases Net Costs	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Uncontested Cases QNA Net Costs	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Contested Cases Net Costs	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.5
Contested Cases QNA Net Costs	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Remissions Costs	1	1	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.7
Legal Aid Costs	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3
NPSV (per annum)	-2.9	-2.8	-2.7	-2.6	-2.5	-2.4	-2.3	-2.3	-2.2	-2.1
NPSV (cumulative)	-2.9	-5.7	-8.4	-11	-13.5	-15.9	-18.3	-20.5	-22.7	-24.9

144. As seen in Table 7 above, the overall NPSV of cohabitation Option 2b under the central caseload scenario is -£24.9m and the NPSV per annum is -£2.9m.

Cohabitation Option 3b: Needs model and changing the threshold for the consideration of conduct (domestic abuse)

145. In cohabitation Option 3b, a framework for cohabitants to claim for financial remedy orders is implemented in line with Option 1b. As such, ~6,700 cohabitation cases are estimated to occur per annum under option 3b, the same number as in option 1b. However, the threshold for conduct (domestic abuse) to be considered relevant for domestic abuse within cohabitation financial remedy proceedings will be lowered.

146. The lowering of the threshold for conduct (domestic abuse) to be considered relevant for domestic abuse within cohabitation financial remedy proceedings to be lowered is expected to lead to more contested cases under option 3b than under option 1b. Also,

contested cases involving alleged domestic abuse are expected to require more court time, and therefore resources, to investigate. Please refer to the annex for more details on how the number of contested cases and cases involving alleged domestic abuse has been estimated under cohabitation option 3b.

147. Overall, this means that the net opportunity costs of option 3b are greater than option 1b and the NPSV is therefore smaller (-£46.0m against -£39.1m.)

148. Table 8 below presents the NPSV of cohabitation Option 3b under the central caseload scenario.

Table 8: Cohabitation Option 3b economic appraisal (central caseload scenario), £ms, FY 25/26 prices:

Financial Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Year	0	1	2	3	4	5	6	7	8	9
Net Contested Case Costs	2.3	2.2	2.1	2.1	2.0	1.9	1.9	1.8	1.7	1.7
Additional Contested Case Costs Due to Conduct	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Uncontested Case Costs	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6
Remissions Costs	1.2	1.2	1.2	1.1	1.1	1.0	1.0	1.0	0.9	0.9
Legal Aid Costs	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6
NPSV (per annum)	-5.4	-5.2	-5.0	-4.8	-4.7	-4.5	-4.4	-4.2	-4.1	-3.9
NPSV (cumulative)	-5.4	-10.5	-15.5	-20.3	-25.0	-29.5	-33.8	-38.0	-42.1	-46.0

149. As seen in Table 8 above, the overall NPSV of cohabitation Option 3b under the central caseload scenario is -£46.0m and the NPSV per annum is -£5.4m.

Non-monetised benefits of cohabitation reform:

150. The following benefits listed below could not be monetised due to data unavailability. Due to evidential limitations, the scale of non-monetised benefits and variation between options could not be meaningfully appraised at this stage.

151. Evidence gathered during the consultation will improve our understanding of non-monetised benefits of the different options.

152. Decreased risk of child poverty due to changing relationship status of parents when parents separate:

- Options 1b, 2b and 3b will strengthen the rights and protections for cohabitants on relationship breakdown, including prioritising children’s needs. This will lead to fairer outcomes for children and financially weaker parties, thereby reducing the risk of children facing financial hardship as a result of their parents separating.

153. Decreased risk of unemployment and poor mental health in later life for children of separated parents:

- There is evidence suggesting that children who experience financial hardship are more likely to experience unemployment and poor mental health, leading to socio-economic harms and costs to wider society, as discussed in the financial remedies section earlier.³⁰
- Options 1b, 2b and 3b will reduce the risk of children experiencing financial hardship and so also the associated risks of future unemployment, poor mental health and wider socio-economic costs to society over the longer term.

154. Decreased risk of financially weaker parties facing financial hardship after separation:

- Options 1b, 2b and 3b will increase accessibility of the law and certainty over outcomes, meaning that financially weaker parties are more likely to benefit from fairer outcomes through the division of assets post separation. This will reduce the risk of financially weaker parties (most commonly women) facing financial hardship after separation and reduce the socio-economic costs associated with this.

155. Reduced long-term public-sector costs arising from providing support to weaker parties and their children:

- Many cohabitants are currently unable to establish a claim to property on separation and so do not gain a share in the family assets. In cases where this occurs, the result may be to drive the economically weaker party into reliance on the state.³¹
- However, due to data unavailability, we cannot estimate the overall figure for the social security costs arising from the operation of the law as it currently stands.
- Options 1b, 2b and 3b will reduce the long-term public sector costs from providing support to weaker parties and their children due to fairer divisions of assets when cohabiting couples separate.

156. Domestic Abuse victim-survivors in cohabiting relationships may be better able to leave abusive relationships:

- Options 1b, 2b and 3b will provide a clear statutory framework for cohabitants to make claims against shared assets. This could help victim-survivors of domestic abuse, including economic abuse, in cohabiting relationships.
- This is because victim-survivors may be better able to leave their abusive relationship as they have an avenue to make claims against assets, meaning there is a reduced risk to them of financial hardship from leaving the relationship.

³⁰ University College London, *Persistent poverty affects one in five UK children* (UCL News, 12 June 2019) <<https://www.ucl.ac.uk/news/2019/jun/persistent-poverty-affects-one-five-uk-children>>.

³¹ Law Commission, *Cohabitation: The Financial Consequences of Relationship Breakdown* (Law Com No 307, Cm 7182, 2007) para 1.57

- Indeed, research published by Women’s Aid in 2024 estimated that it could cost a victim-survivor almost £50,000 to leave an abuser.³² Given cohabitants have very limited avenues to claim property on separation, these costs could act as a significant barrier to victim-survivors leaving abusive relationships.³³

157. Fairer distribution of assets when a cohabitant dies without a valid will:

- When a cohabiting partner dies, the surviving partner currently has no automatic entitlement to inherit their property under the intestacy rules (when a person dies without leaving a valid will), regardless of the length or stability of the relationship.
- Options 1b, 2b and 3b will all strengthen inheritance provision for cohabitants by providing clearer, more accessible routes to automatic provision for qualifying partners, while balancing the interests of existing beneficiaries can improve the overall wellbeing of family members.

Non-monetised benefits across cohabitation options

158. While all reform options are expected to generate positive non-monetised impacts relative to the baseline, the scale and nature of these impacts are expected to differ across options.

159. Under the baseline option, cohabitants continue to have only a very limited set of financial protections, which can disproportionately affect vulnerable groups including women, children and victim-survivors of domestic abuse, including economic abuse, impacting their financial security.

160. Option 1b is expected to deliver a substantial increase in the financial protections available to cohabitants on separation, including increased legal clarity, improved access to remedies and reduced risk of financial hardship following separation as a result.

161. Option 2b would provide stronger protections than Option 1b for cohabitants through closer alignment with the framework of financial remedies on divorce. While this may attract stronger protections, it may undermine perceptions of fairness given it arguably infringes on the institution of marriage. Whilst Option 2b would provide the same rights for eligible cohabitants as are afforded to divorcing couples, fewer cohabitants are likely to be eligible for cohabitation financial remedy orders under Option 2b than under options 1b and 3b due to stricter qualifying criteria. Hence, there is insufficient evidence to estimate the potential differences in scale between the non-monetised benefits of the options at this stage.

162. Option 3a may further take account of the circumstances of victim-survivors by lowering the threshold for the consideration of conduct but is also expected to increase the likelihood of contested proceedings.

³² Women’s Aid Federation of England, *The Price of Safety: The Cost of Leaving a Perpetrator and Rebuilding a Safe, Independent Life* (Women’s Aid 2024)

<<https://www.womensaid.org.uk/the-price-of-safety/>>

³³ Law Commission, *Cohabitation: The Financial Consequences of Relationship Breakdown* (Law Com No 307, Cm 7182, 2007)

163. These differences in expected non-monetised impacts are a key factor in the assessment of relative option performance and the identification of the preferred option.

F. Risks, Assumptions and Sensitivity Analysis

Key assumptions and limitations:

164. A range of assumptions have been made across financial remedies options 1a-3a and cohabitation options 1b-3b. Given that none of the policy changes have been piloted, we do not know whether the net opportunity costs and savings will be realised with certainty. Our estimates therefore represent the best estimates with the evidence currently available.

165. Due to a lack of evidence regarding the number of cohabitation cases likely to occur per annum, there is uncertainty regarding our caseload and net opportunity cost of reforms of options 1b-3b estimates. We have included sensitivity analysis to present a range of possible caseloads and cost scenarios.

166. We have assumed that there will be no change to the number of financial remedy cases over the 10-year appraisal period and instead have used a static estimate using data from 2024. This assumption can be criticised as the latest available evidence indicates an increase in ~7.9% applications for financial remedy orders in 2025 than in 2024.³⁴ However, we consider our approach to be proportionate due to caseloads fluctuating across years.

Sensitivity analysis:

Financial remedies options sensitivity analysis:

167. Sensitivity analysis across financial remedy options is provided in the table below for financial remedies reforms.

Financial Remedies Reform Option	Number of Uncontested Cases Per Annum	Number of Contested Cases Per Annum	Total NPSVs over the Appraisal Period of 10-Years
Option 1a (Preferred)	~37,900-~41,000 cases	~6,200-9,200 cases	£50.9m to £80.1m
Option 2a	~37,900-~41,000 cases	~6,200-9,200 cases	£37.2m to £67.3m
Option 3a (Preferred)	~37,900-~41,000 cases	~6,200-9,200 cases per annum, of which ~1,500-2,300 are estimated to involve domestic abuse	£34.9m to £71.2m

Cohabitation options sensitivity analysis:

168. Sensitivity analysis across cohabitation options is provided in the table below.

³⁴ Ministry of Justice, *Family Court Statistics Quarterly: October to December 2025* (MoJ, 26 March 2026) <<https://www.gov.uk/government/statistics/family-court-statistics-quarterly-october-to-december-2025>>

Cohabitation Reform Option	Number of Uncontested Cases Per Annum	Number of Contested Cases Per Annum	Total NPSVs over the Appraisal Period of 10-Years
Option 1b (Preferred)	~4,200~6,300 cases	~1,200 cases~1,500 cases	~£29.5m to ~£46.9m
Option 2b	~3,500~5,300 cases	~900 cases~1,300 cases	~£18.4m to ~£29.9m
Option 3b (Preferred)	~4,500~5,000 cases	~1,700 cases~2,200 cases	~£40.0m to ~£50.4m

Sensitivity analysis on total legal aid costs under the cohabitation Option 1b and Options 3b (preferred options):

169. Significant residual uncertainty remains regarding the eligibility of individuals seeking cohabitation financial remedy orders to qualify for legal aid. Indicative analysis suggests that legal aid costs from the implementation of Option 1b could range from between £0.5m-£1.3m per annum depending on the number of cohabitation financial remedy cases and how many individuals meet the eligibility criteria.

170. Indicative analysis suggests that legal aid costs from the implementation of Option 3b could range from between £0.7m-£1.8m per annum depending on the number of cohabitation financial remedy cases and how many individuals meet the eligibility criteria.

171. At this stage, we do not know if primarily wealthier separated cohabitants with higher valued shared assets will apply for the cohabitation financial remedy orders or if the scheme will also appeal to many separated cohabitants who meet the eligibility criteria to qualify for legal aid. Hence, a range of legal aid costs are presented above.

G. Wider impacts (consider the impacts of your proposals)

Equalities

172. We have assessed the potential equality impacts of these proposals in line with the Public Sector Equality Duty. For further detail please consult the Equalities Impact Assessment, published alongside this document.

Better Regulation

173. This measure is out of scope of the Better Regulation Framework and is not a regulatory provision.

Potential Implications for trade

174. There is no impact on international trade.

Environmental Impact Assessment

175. The legislative proposals in this consultation are not expected to have any environmental impact.

Family Impact Test

176. A family impact test has been published in addition to this Impact Assessment.

Small and Micro Business Assessment

177. There are not assumed to be any significant direct costs or benefits to business for any of these options.

178. The implementation of a framework for cohabitants to claim for financial remedies, particularly contested cases, will result in revenue-earning opportunities for legal firms as cohabitants will seek legal advice.

179. We would expect some familiarisation costs to also be incurred by legal service firms who wish to offer their services to cohabitants and separating married couples applying for financial remedy orders, but we would not deem the overall costs and benefits to legal firms from this reform to be significant.

Welsh Language

180. A Welsh language version of the consultation will be published alongside this Impact Assessment.

H. Monitoring and Evaluation

181. We will draw up plans for proportionate monitoring and evaluation of the policy as it is finalised.

Annex:

Financial Remedies Option 1a:

182. We have used relevant studies from New Zealand, the Marriage Foundation and Co-Op to estimate that 18% of financial remedy cases are likely to involve a legally binding qualifying nuptial agreement (“QNAs”) post reform.³⁵ Using data on the number of financial remedy cases in 2024 (~47,120), this means that ~8,630 financial remedy cases involve QNAs currently.³⁶
183. Using evidence from international comparators where QNAs exist and are legally binding, such as New Zealand, California and the USA, we estimate that 22% of weddings will involve QNAs post reform.³⁷ This would mean that ~10,200 financial remedy cases involve QNAs.
184. Due to the existence of legally binding QNAs and using evidence from New Zealand and States in the USA, we estimate that there will be ~8,400 uncontested cases involving QNAs and ~1,800 contested QNAs per annum post reform. This is because QNAs will provide couples with more certainty regarding outcomes and so increase the likelihood of agreeing consent orders.
185. Overall, we estimate that there will be fewer contested cases than currently (~7,900 cases, of which ~1,800 involve a QNA against ~10,200 currently) and more uncontested cases due to reform (~39,200 cases of which ~8,400 involve a QNA against ~36,900 currently).
186. Of the cases that remain contested, we assume that due to the increased certainty, a third of cases do not go to final hearing, meaning that the average decrease in length and therefore reduction in net cost, of a contested financial remedy case is 27%. This is because a first appointment and financial dispute resolution (FDR) hearing is assumed to take 0.5 sitting days and a final hearing is assumed to take 2 sitting days (meaning 2.5 total sitting days altogether). Given a third of cases do not go to the final hearing, then this means that, on average, contested cases take 27% less time and therefore 27% less cost.

³⁵ University of Otago, *Phase 2 Summary Report* (University of Otago)
<https://www.otago.ac.nz/__data/assets/pdf_file/0030/285447/phase-2-summary-report-839119.pdf>; Marriage Foundation, Briefing Note on Prenuptial Agreements (Marriage Foundation 2021)
<<https://marriagefoundation.org.uk/wp-content/uploads/2021/08/MF-briefing-note-on-prenups-FINAL.pdf>>; Co-operative Group, Heads in the Sand: 18 Million Married Brits Left Exposed Through Lack of a Prenup (Co-operative Group 7 November 2023)
<<https://www.co-operative.coop/media/news-releases/heads-in-the-sand-18-million-married-brits-left-exposed-through-lack-of-a>>

³⁶ Ministry of Justice, *Family Court Statistics Quarterly* (MoJ)
<<https://www.gov.uk/government/collections/family-court-statistics-quarterly>>

³⁷ University of Otago, *Phase 2 Summary Report* (University of Otago)
<https://www.otago.ac.nz/__data/assets/pdf_file/0030/285447/phase-2-summary-report-839119.pdf>; World Metrics, *Prenup Statistics* (World Metrics, no date)
<<https://web.archive.org/web/20251208093152/https://worldmetrics.org/prenup-statistics/>>

187. This drives the net opportunity savings of the reforms as fewer court and legal aid resources are required to accommodate financial remedy cases as there are fewer contested cases and QNAs reduce the court time needed for contested cases involving QNAs.

Financial Remedies Option 2a:

188. Due to the increased accessibility of the law and greater certainty regarding outcomes, we assume that a greater proportion of cases than currently will be uncontested (~39,200 cases against ~36,900 currently) and a smaller proportion of cases will be contested (~7,900 cases against ~10,200 currently).

189. This represents a swing from in the proportion of contested to uncontested cases from 21.8% to 16.7%. Estimates from operational information show this is approximately half the impact increasing simplicity for no fault divorces had on legal representation, which we have used as a proxy to inform our assumption on how increased accessibility will impact financial remedy cases³⁸.

190. Additionally, due to the increased certainty created by the codification of current law, a third of contested cases are estimated not to go to final hearings, as detailed in paragraph 108. This means that, overall, we assume that the average contested financial remedies case will require 27% less time and therefore incur 27% less net opportunity costs, to courts and MoJ.

Financial Remedies Option 3a:

191. Using ONS data on the prevalence of domestic abuse and victim characteristics, we estimate a 4% swing from uncontested cases to contested cases as ~4% of married or civil partnered individuals reported experiencing domestic abuse in FY 24/25.³⁹

192. This would result in 25.3% of cases being contested overall (~11,900 cases per annum) and 74.7% uncontested overall (~35,200 cases per annum). However, the reforms detailed in Option 1a also motivate couples to settle cases earlier through increased certainty of the law and the introduction of legally binding QNAs. Hence, combining these effects together, we estimate that ~39,000 cases will be uncontested (83.3%) and ~7,900 cases will be contested (16.7%).

193. Academic research from the Universities of Bristol and Kent on the proportion of consent orders involving domestic abuse, suggests that 25% of existing contested cases

³⁸ Ministry of Justice and HM Courts & Tribunals Service, "*Blame game*" ends as no-fault divorce comes into force (Press release, 6 April 2022) <<https://www.gov.uk/government/news/blame-game-ends-as-no-fault-divorce-comes-into-force>>.

³⁹ Office for National Statistics, Domestic Abuse Victim Characteristics, England and Wales: Year Ending March 2025 (ONS 26 November 2025) <<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/domesticabusevictimcharacteristicsenglandandwales/yearendingmarch2025>>.

involve domestic abuse.⁴⁰ Hence, using this data, we estimate that ~2,000 contested cohabitation cases per annum will involve domestic abuse.

194. Contested cases involving domestic abuse under this option are assumed to require 58% more time and therefore opportunity costs, than ordinary contested financial remedy order cases. This is because of the likely need for fact finding hearings to establish domestic abuse allegations in certain cases, which may include oral evidence from both parties and other evidence including third party disclosure (such as police disclosure or medical evidence) This would result in longer hearings and preparation time along with delays to listing.

195. Hence the greater proportion of contested cases and the need to investigate allegations of domestic abuse in some cases under option 3a means that more court and legal aid resources are required in option 3a than option 1a and so overall net opportunity savings are smaller.

Cohabitation Estimating Caseloads Post Reform Methodology:

196. We have estimated the cohabitation financial remedy caseloads in the following way:

- Using available evidence on the greater rates of separation of cohabitants compared to married couples and evidence from the General Lifestyle Survey 2011, we estimate the proportion of separating cohabitants who would be eligible under our criteria.⁴¹
- Evidence from New Zealand suggests that 10% of de facto couples opt out of the legal framework, whilst evidence from the Marriage Foundation found 20% of weddings involve pre-nuptial agreements, resulting in a low and high scenario for the proportion of cohabitants who may choose to opt-out of the proposed cohabitation framework.⁴²
- Using evidence on the time taken to apply for financial remedies on divorce and the comparatively lower savings of cohabitants relative to married couples, we refined our estimates further to give a final central estimate of 6,680 cohabitation cases per annum for options 1b and 3b.⁴³
- Under the preferred Option 1b and Option 3b, eligible cohabitants would be able to apply to the Family Courts for financial remedies following separation where they have lived together in a committed relationship for at least three years or have lived together

⁴⁰ Judith Crisp, Rosemary Hunter and Emma Hitchings, 'Domestic Abuse in Financial Remedy Cases' (2022) *Financial Remedies Journal* <<https://financialremediesjournal.com/domestic-abuse-in-financial-remedy-cases/>>

⁴¹ Office for National Statistics, *General Lifestyle Survey, 2011: Reference tables* (ONS, 7 March 2013) ch 5, table 5.15
<<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/compendium/generallifestylesurvey/2013-03-07/generallifestylesurvey2011referencetables>>

⁴² Mark Henaghan, Nicola Taylor, Megan Gollop, Jeremy Robertson, Shirley Simmonds and Ian Binnie, *Relationship Property Division in New Zealand: The Experiences of Separated People – Phase 2 Summary Report* (University of Otago 2022)

<https://www.otago.ac.nz/__data/assets/pdf_file/0030/285447/phase-2-summary-report-839119.pdf>
; Marriage Foundation, *One in five weddings begin with a prenup* (Marriage Foundation, November 2025)
<<https://marriagefoundation.org.uk/research/one-in-five-weddings-begin-with-a-prenup/>>

⁴³ Aviva plc, *UK cohabitantes have greater financial risk as confusion reigns over legal and benefit entitlements* (Press release, 15 February 2017)
<<https://www.aviva.com/newsroom/news-releases/2017/02/uk-uk-cohabitantes-have-greater-financial-risk-as-confusion-reigns-over-legal-and-benefit-entitlements-17734/>>

and share a child. Eligibility would be determined by clear statutory criteria, providing greater certainty than under the current reliance on property law.

- In Option 2b, a higher minimum duration of living together for a period of five years is assumed, given protections would be the same as what is available on divorce and so 5,448 cohabitation cases are estimated to occur per annum.
- It is important to note that in Scotland, which provides its own framework for cohabitants (different to the one being proposed in this consultation) to claim for financial remedy orders (which differs from our proposed reforms), only 1,000 cases occurred in the first four years following implementation of a framework of rights and protections for cohabitants on relationship breakdown, meaning an average of 250 cohabitation financial remedy cases per year.⁴⁴ Scaling for population, this would suggest that ~2,800 cohabitation financial remedy cases would occur in England and Wales per annum.⁴⁵ Our estimates attempt to account for residual uncertainty regarding how many cohabitants may apply for financial remedies under the new framework.

Cohabitation Option 1b: Needs Model:

197. We have assumed that the percentages of cohabitation financial remedy cases that are uncontested and contested will be the same as the percentage of financial remedy cases for divorcing couples in 2024 that are uncontested and contested.⁴⁶ Hence, of the ~6,700 forecast cohabitation financial remedy cases per annum, 78.3% are assumed to be uncontested (~5,200 cases) and 21.7% are assumed to be contested (~1,500 cases).

Cohabitation Option 2b: Parity Model:

198. To be eligible for cohabitation financial remedy orders under Option 2b, cohabitants must have been together for at least five years before the relationship ends and/or have at least one child of the relationship. This means that ~5,400 cohabitation financial remedy cases are assumed to occur per annum, lower than the ~6,700 cases assumed in Option 1b.

199. Due to the codification of current law, we assume that 20% fewer cases will be contested than under Option 1a. This is based on evidence from the reduction in individuals seeking legal representation for “no-fault” divorce after the law was made more accessible and clearer following implementation of the Divorce, Dissolution and Separation Act 2020.

200. This therefore means that 80.4% of cases are assumed to be uncontested (~4,400 cases) and 19.6% of cases are assumed to be contested (~1,100 cases).

201. Of the cases that remain contested, we assume that due to the increased certainty, a third of cases do not go to final hearing, meaning that the average decrease in length and

⁴⁴ Fran Wasoff, Jo Miles and Enid Mordaunt, *Legal Practitioners’ Perspectives on the Cohabitation Provisions of the Family Law (Scotland) Act 2006* (Nuffield Foundation 2010)

<<https://www.nuffieldfoundation.org/sites/default/files/files/Cohabitation-final-report.pdf>>

⁴⁵ Office for National Statistics, *Population estimates* (ONS)

<<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates>>

⁴⁶ Ministry of Justice, *Family Court Statistics Quarterly* (MoJ) Table 14

<<https://www.gov.uk/government/collections/family-court-statistics-quarterly>>

therefore reduction in net cost, of a contested financial remedy cohabitation case is 27%, as detailed in paragraph 108.

202. Also, contested cases involving QNAs are assumed to require 30% less court time and, therefore, court and legal aid resources, than contested cases without QNAs.

203. Due to the fewer cases forecast, fewer contested cases and shorter contested cases, on average, forecast under option 2b than option 1b, the overall net opportunity costs of option 2b in terms of court and legal aid resources are smaller than forecast under option 1b and so the NPSV is larger (-£24.9m against -£39.1m).

Cohabitation Option 3b:

204. ONS data shows that separating cohabiting individuals are twice as likely to experience domestic and/or economic abuse than divorcing married individuals (~8% against ~4%).⁴⁷ Hence, lowering the threshold for the consideration of conduct during financial remedy proceedings may lead to more allegations of domestic abuse during cohabitation financial remedy orders.

205. Therefore, we have assumed an 8% swing from uncontested to contested cases, meaning that 29.3% of cohabitation cases would be contested (~2,000) and the remaining 70.7% (~4,700) cases would be uncontested under Option 3b.

206. Using evidence from academic research from the Universities of Bristol and Kent on the proportion of consent orders involving domestic abuse, we estimate that 356 contested cohabitation cases per annum will involve domestic abuse. This is because evidence suggests that 25% of existing contested cases involve domestic abuse.⁴⁸

207. Contested cases involving domestic abuse are assumed to require 58% more time and therefore opportunity costs, than ordinary contested financial remedy cases. This is because of the likely need for fact finding hearings to establish domestic abuse allegations in certain cases, which may include oral evidence from both parties and other evidence including third party disclosure (such as police disclosure or medical evidence) This would result in longer hearings and preparation time along with delays to listing.

208. The greater proportion of contested cases and the need to investigate more allegations of domestic abuse in option 3b than option 1b means that the overall net opportunity costs of option 3b are greater than option 1b.

⁴⁷ Office for National Statistics, *Domestic abuse prevalence and victim characteristics: Appendix tables* (ONS, Year ending March 2025) Table 4
<<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/domesticabuseprevalenceandvictimcharacteristicsappendixtables>>

⁴⁸ Judith Crisp, Rosemary Hunter and Emma Hitchings, 'Domestic Abuse in Financial Remedy Cases' (2022) *Financial Remedies Journal* <<https://financialremediesjournal.com/domestic-abuse-in-financial-remedy-cases/>>