

media release

9th February 2010

Relationship breakdown costs each taxpayer £1350 a year

In our second Marriage Week press release, the Relationships Foundation reveals that their annual index of the cost of family failure has risen dramatically from £36.7 billion to £41.7 billion. This means failed relationships cost each UK taxpayer £1350 a year. There is no easy or short-term solution to relationships breakdown, but this £41.7 billion spending burden is unsustainable in the current economic climate and can be reduced by supporting and encouraging relationships. When relationships work they bring innumerable benefits to a wide range of people. When they fail, we all pay.

Michael Trend, Executive Director of the Relationships Foundation comments, 'We recognise that lone parents and their children bear the brunt of the costs of breakdown. However, in these difficult economic times it is important to note that taxpayers foot much of the financial bill and therefore the Government must take support for relationships more seriously.'

'This report deals with the unpopular truth that choices have costs and consequences, and that these are not always borne by the choice-maker. Breakdown reduces health, wealth and wellbeing – the three things people are most interested in. And reduced health, wealth and wellbeing all put more pressure on relationships making the cycle of breakdown more likely to continue.'

The Direct Cost of family breakdown (in £bn)		
Tax and Benefits		
Tax Credits	8.31bn	
Lone parent benefit	4.07bn	
		£12.38bn
Housing		
Housing and Council Tax Benefit	4.16	
Emergency Housing	0.11	
		£4.27bn
Health and Social Care		
NHS	11.18	
Children in care	2.50	
		£13.68bn
Civil and Criminal Justice		
Police	4.71	
Prisons	1.18	
Court Service	0.55	
CSA (running costs)	0.61	
		£8.03bn
Education		
		£3.31bn
Total Direct Costs		£41.67bn

'Failed relationships are very costly. However, when relationships go right they provide significant benefits for society. Family businesses are the backbone of the UK economy employing 9.5 million people and contributing £73 billion in tax. Carers, usually family members, provide unpaid care support worth almost £90 billion each year.'

'The scale of the costs borne by taxpayers undermines the claim by some, that personal relationships are not the State's business. The Government is interested in people remaining in, and re-entering the workforce – to reduce welfare costs and to increase wellbeing. Likewise, strong stable relationships reduce the reliance of many on the benefit system and increase their wellbeing. Reducing pressure on relationships can ensure they work better and last longer. And prevention of breakdown is better than cure – all parties now seem to accept the need for relationships education which can help many couples.'

ENDS

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NOTES TO EDITORS: 

The calculations used to produce this press release can be found in *Counting the Cost of Family Failure*, Relationships Foundation, Briefing Note 2. Available at <http://www.relationshipsfoundation.org/download.php?id=258>

For information on last year's cost of relationship breakdown see *When Relationships Go Right/Go Wrong*. Available at <http://www.relationshipsfoundation.org/download.php?id=246>

Marriage Week runs from 8th-14th February 2010. Marriage is one of a number of key family relationships which can increase wellbeing and reduce long term public spending. Despite the continual flow of family policy announcements, the political parties' thinking on the family remains too small. The Relationships Foundation will be issuing a series of press releases for Marriage Week ultimately calling on all politicians to commit to 'family proofing' **all** policy.

The Relationships Foundation, established in 1993, is a Cambridge-based independent think tank seeking a better connected society. It studies the effect that culture, business and government have on relationships. It proposes new ideas for strengthening social connections, campaigns on issues where relationships are being undermined, and trains and equips people to think relationally for themselves.

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