

## Qualifications Framework written examination

### Unit 1: Regulatory Environment and Enforcement

May 2025

### Guidance for this examination

Please ensure that you indicate clearly at the top of the answer booklet, the law viewpoint from which you will be answering: English, Scottish or Welsh.

The examiners may expect candidates to show knowledge of legislation which is in place but not in force (i.e. has been enacted) and regulations which have been made but are not yet in force, if they are directly relevant to the subject-matter of the examination.

### Examination structure

There are two sections to the examination paper:

**Section A** Consists of six questions.  
Candidates should attempt to answer three questions.  
Total allocation of marks is 30 marks.  
Suggested time allocation is 30 minutes.

**Section B** Consists of four questions.  
Candidates should attempt to answer two questions.  
Total allocation of marks is 70 marks.  
Suggested time allocation is 90 minutes.

Total time allowed – two hours (plus ten minutes' reading time).

### Note:

The Regulatory Environment and Enforcement paper is a **closed book**; no materials are permitted to be taken into the examination room.

*The examination paper has **five** pages, including this front sheet.*

**Section A**

Candidates should attempt to answer three questions.

Each question carries ten marks.

Total: 30 marks.

1. Identify the essential elements required for the formation of a valid contract. Illustrate your answer with relevant case law.

(10 marks)

2. You provide business advice within your Local Authority and are asked for advice on the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015.

Outline to the business what information they would need to include in a deadlock letter to consumers, including the information requirements set out under these Regulations, and explain when such a letter should be sent to a consumer.

(10 marks)

3. Explain the key elements of negligence/delict and provide an example where the law of negligence/delict would apply. Support your answer with relevant case law.

(10 marks)

4. Briefly discuss the importance of case law in the law of contract, using key contract law cases to support your discussion.

(10 marks)

5. **Answer both parts of the question.**

(a) Identify the types of contracts covered by the Consumer Rights Act 2015.

(6 marks)

(b) Define the terms 'consumer' and 'trader' in the Act.

(4 marks)

(Total: 10 marks)

**Section A continues over the page.**

**6. Answer all parts of the question.**

- (a) In April 2025 the Digital Markets, Competition and Consumers Act 2024 brought in the ability for Trading Standards Services to apply for online interface orders, as well as enforcement and interim enforcement orders.

Which courts would Trading Standards Services apply to, for the granting of these orders?  
(2 marks)

- (b) Outline the burden of proof in a civil court and explain how it differs from the burden of proof in a criminal court.  
(5 marks)

- (c) Identify three appeal courts.  
(3 marks)  
(Total: 10 marks)

**Section A total of 30 marks.**

**End of Section A.**

Section B  
Candidates should attempt to answer **two** questions.  
Each question carries 35 marks.  
Total: 70 marks.

7. Discuss the differences between the doctrines of frustration of contract and the law of mistake/error in contract law. In your answer, explain the legal principles underlying each doctrine, the types of events or circumstances that trigger each doctrine, and the legal consequences that follow. Use relevant case law to support your discussion.

(35 marks)

8. Noah recently purchased a new smartphone from BAD Retail, an electronics retailer. The contract included the following terms:

1. **Limitation of Liability:** BAD Retail's liability for any defects in the smartphone is limited to the cost of a repair or replacement. They are not liable to provide a refund or for any consequential losses.
2. **Final decision clause:** In the event that a fault occurs with your smartphone, the final decision about the cause of any fault lies with BAD Retail.
3. **Exclusion of Warranty:** The smartphone is sold "as it is" without any warranty as to its quality, either express or implied.
4. **Automatic Renewal:** This contract automatically renews for another year unless you cancel it 90 days before the end of the current term.
5. **Unilateral Variation:** BAD Retail reserves the right to change the terms of the contract at any time without prior notice to you, the customer.

Noah believes these terms are unfair and seeks advice from you on his rights under the Consumer Rights Act 2015.

Discuss the fairness of the contract terms listed above under the Consumer Rights Act 2015.

In your answer, explain the legal principles underlying unfair contract terms, the criteria used to determine whether a term is unfair and the potential remedies available to Noah. Use relevant examples and case law to support your answer.

(35 marks)

**Section B continues over the page.**

9. *"Effective regulation is essential for protecting consumers and ensuring fair competition. The Regulators' Code or the Scottish Regulator's Strategic Code of Practice provides a framework for achieving this balance."*

Discuss the relevance of the above Codes to Trading Standards Services in relation to the above statement and whether you agree or disagree with it, explaining your reasoning.

In your answer, explain the key principles of the Regulator's Code or the Scottish Regulator's Strategic Code of Practice, how it guides the activities of Trading Standards Officers and the impact it has on businesses and consumers. Use relevant examples to illustrate your discussion.

(35 marks)

10. Siobhan enters into a contract with 123 Eco to purchase a heat pump. The sales representative stated that the pump would significantly reduce Siobhan's heating costs by 30% and would come with a two-year guarantee that would provide her with cover for 'any issues'. 123 Eco assured her that she would be doing her bit to help the planet too. Impressed by the claims and the potential savings, Siobhan completes the purchase and has the heat pump installed into her property.

After a few months, Siobhan notices that the heat pump frequently malfunctions and her electricity costs have slightly increased, rather than decreasing. When she contacts 123 Eco to make a claim under the guarantee, they inform her that the guarantee does not cover these issues, and she would have to pay for an engineer to attend her property. Siobhan has not received anything in writing about the terms of the guarantee. 123 Eco also claim that the energy-saving benefits were only estimates and should not be taken as guarantees.

Concerned about the heat pump's performance, Siobhan calls out another trader who examines the heat pump and advises her that it has been poorly installed, and this appears to be the cause of the malfunctioning. This may also account for her energy costs increasing.

Discuss the rights and remedies Siobhan may have under misrepresentation law, contract law and the Consumer Rights Act 2015, and whether 123 Eco are meeting their legal requirements in relation to the guarantee.

(35 marks)

**Section B total of 70 marks.**

**End of Section B.**

**END OF EXAMINATION PAPER.**