

## Qualification Framework written examination

### Unit 2: Business and Consumer Legal Frameworks

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 Business and Consumer Legal Frameworks 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 10 marks.

Total: 30 marks.

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

(a) Identify and briefly explain the devolved government arrangements that exist in the UK. (6 marks)

(b) How does devolution impact upon the Primary Authority scheme? (4 marks)  
(Total: 10 marks)

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

(a) Explain the role of the Financial Conduct Authority. (6 marks)

(b) Provide two examples of complaints which could be referred to the Financial Conduct Authority. (4 marks)  
(Total: 10 marks)

3. Using examples, explain what a SWOT analysis is, including what the letters stand for and what a SWOT analysis is used for. (10 marks)

4. Discuss how regional and national Trading Standards priorities may influence local priorities for Trading Standards Services. (10 marks)

5. Identify the five stages of the Intelligence Operating Model and briefly describe each stage. (10 marks)

**Section A continues over the page.**

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

(a) Briefly describe what regulation is.

(5 marks)

(b) Identify five purposes of regulation.

(5 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. Answer all parts of the question.**

Create a guidance leaflet for businesses about the Primary Authority Scheme established under the Regulatory Enforcement and Sanctions Act 2008.

The leaflet should include the following sections:

- (a) An introduction and background to the scheme. (5 marks)
  - (b) The purpose and benefits of the scheme. (10 marks)
  - (c) The different types of partnerships, including examples of each type of partnership. (10 marks)
  - (d) What happens if there is a disagreement between a Primary Authority and an Enforcing Authority? This section should include the procedure that would be followed, including any relevant time limits for action. (10 marks)
- (Total: 35 marks)

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

- (a) Explain what self-regulation is. (3 marks)
  - (b) Identify five ways that a business can improve their compliance and keep up-to-date with legal developments that apply to their business. Identify one benefit for each option you have identified. (10 marks)
  - (c) Explain what a voluntary Code of Practice is and how it can become an Approved Code, under the Chartered Trading Standards Institute's scheme. (12 marks)
  - (d) Outline five advantages of self-regulation and discuss, using examples, circumstances where self-regulation may not work, and mandatory regulation is likely to be needed. (10 marks)
- (Total: 35 marks)

**Section B continues over the page.**

9. Briefly discuss the different types of business entities in the UK, including their strengths and limitations.

(35 marks)

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

*“Nearly half (46%) of adult internet users report having been personally drawn in to engaging in an online scam or fraud, while four in ten (39%) reported someone who had fallen victim to an online scam or fraud.”*

Online Scams and Fraud Research Paper, OFCOM, 2022

- (a) Discuss the social and economic harms caused by these online scams or frauds and the impact they can have on their victims.  
(12 marks)
- (b) Using examples, explain the involvement of Trading Standards in prevention and awareness work relating to scams and online frauds.  
(10 marks)
- (c) Write a short letter to a business outlining the concept of consumer vulnerability and its significance for the business. In your letter, explain what situational and marketplace vulnerability are and provide one example of each.  
(13 marks)

(Total: 35 marks)

**Section B total of 70 marks.**

**END OF EXAMINATION PAPER.**