Chartered Trading Standards Institute qualifications

Qualification Framework
written examination

## Unit 2: Business & Consumer Legal Frameworks

May 2026

## 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 & 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) Explain why governments use regulation as a mandatory form of control, outlining the key purposes it serves.

   (4 marks)

   (b) Identify and explain two examples of consumer protection legislation enforced by Trading Standards services, outlining how each law safeguards the public from unfair or unsafe trading practices.

   (6 marks)
   (Total: 10 marks)

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

   (a) Explain what a loan shark or an illegal money lender is.

   (4 marks)

   (b) Identify and explain three different types of harm that a loan shark or illegal money lender may cause to a person who uses their services.

   (6 marks)
   (Total: 10 marks)

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

   (a) In the context of Trading Standards work, briefly explain what "intelligence" is.

   (3 marks)

   (b) Outline the key elements of the Intelligence Operating Model (IOM) and explain how it is used by Trading Standards services to identify priority areas of work and to allocate resources effectively.

   (7 marks)
   (Total: 10 marks)

4. Discuss the role of trade associations and how they help improve compliance standards within their sectors. In your answer, discuss their role in the Primary Authority scheme, provide a relevant example of a trade association and identify the types of businesses that are members of that association.

   (10 marks)

**Section A continues over the page.**

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

   (a) Explain how you would identify whether legislation falls within the enforcement remit of Trading Standards services and describe the formal processes local authorities use to authorise officers to undertake enforcement duties and exercise statutory powers under the legislation. Support your answer with an example.

   (6 marks)

   (b) Explain the difference between a ‘duty to enforce’ and ‘the power to enforce’ in Trading Standards legislation, providing examples to illustrate your answer.

   (4 marks)
   (Total: 10 marks)

6. Discuss five advantages and five disadvantages of self-regulation as a means of achieving compliance.

   (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.**

(a) Trading Standards services use a range of enforcement tools, from advice and education to taking criminal prosecutions. Identify and explain five different enforcement approaches used and, for each approach, explain how it can affect the behaviour, costs and compliance culture of businesses.

(20 marks)

(b) Explain why Trading Standards services are required to publish their enforcement policy and to seek feedback from the businesses they regulate. Explain the benefits of these requirements.

(10 marks)

(c) Outline five ways that Trading Standards services provide advice and education to businesses.

(5 marks)
(Total: 35 marks)

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

(a) Write a briefing note for a colleague explaining the differences between all incorporated and non-incorporated business entities, including how their liabilities differ.

(27 marks)

(b) Explain why the type of business entity is relevant to enforcement interventions taken by Trading Standards services and how this has an impact on the nature of any alleged offences being investigated.

(8 marks)
(Total: 35 marks)

**Section B continues over the page.**

9. Explain the Primary Authority Scheme and discuss the benefits and challenges for businesses, Primary Authorities and enforcing authorities. In your answer, assess how well the scheme balances national consistency with local autonomy and explain how disputes between a Primary Authority and an enforcing authority are resolved.

(35 marks)

10. You work for Blankshire Trading Standards and are asked to carry out a visit to a car dealership with your colleague, Tom. During the visit, you notice that the company is prominently displaying the Chartered Trading Standards Institute 'Approved Codes' logo. After the visit, your colleague sends an email to you asking what the logo means, as they have not seen it before.

Draft an email response to Tom covering the following areas:

- An overview of the scheme and its purpose.
- The stages of the scheme.
- The criteria for approval.
- The responsibilities placed on the code sponsors and the responsibilities of the member businesses.
- The benefits to consumers when they choose to use a business that is approved under the scheme.
- How to check if a business is a member of the scheme.

(35 marks)

**Section B total of 70 marks.**

**END OF EXAMINATION PAPER**