

Core Skills in Consumer Affairs and Trading Standards

LAW OF CONTRACT

November 2017

Candidates answering the questions from the Scottish or Welsh law viewpoint: Please ensure you write "Scottish" or "Welsh" on the front of your examination booklet.

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.

There are three sections to the examination paper:

<i>Section A</i>	Consists of five questions. Candidates should attempt to answer all questions. Total allocation of marks is 25 marks. Suggested time allocation is 45 minutes.
<i>Section B</i>	Consists of two questions. Candidates should attempt to answer one question. Total allocation of marks is 25 marks. Suggested time allocation is 45 minutes.
<i>Section C</i>	Consists of three questions. Candidates should attempt to answer two questions. Total allocation of marks is 50 marks. Suggested time allocation is 90 minutes.

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

MATERIALS PERMITTED

Candidates are permitted to take into the examination room their own unannotated copies of: Consumer Law Statutes (Monitor Press); Consumer Law Statutes (Sweet & Maxwell); Butterworths Commercial Law Handbook; Butterworths Commercial and Consumer Law Handbook; Blackstone's Statutes on Commercial and Consumer Law; Core Statutes on Commercial & Consumer Law (Avizandum); Statutes on Scots Commercial & Consumer Law (Avizandum);
or

OPSI original copies of: Sale of Goods Act 1979; Sale and Supply of Goods Act 1994; Supply of Goods & Services Act 1982.

The examination paper has six pages, including this front sheet.

Section A

Candidates should attempt to answer **all** questions -
total of 25 marks.

1. The Consumer Rights Act 2015 applies to digital content.
Briefly set out the rights that a consumer is given when purchasing digital content. (5 marks)

2. Use examples to outline what may be classed as a “product” under the Consumer Protection Act 1987 Part I. (5 marks)

3. Using examples, explain the contract law rules relating to the capacity of young people under the age of 18 who enter a contract. (5 marks)

4. The Consumer Rights Act 2015 requires goods sold under a consumer contract to be of “satisfactory quality”.
Using case law explain the meaning of “satisfactory quality”. (5 marks)

5. Stevie can ‘chip’ satellite boxes, which means that the person watching the satellite box can receive most of the ‘pay to view’ channels without having to pay any subscriptions. Dave wanted to watch all of the sports’ channels but did not want to pay any charges.
He bought a ‘chipped’ satellite box from Stevie, but later changed his mind and wanted a refund.
Briefly explain all of the problems Dave might encounter if he tries to take action in the civil courts. (5 marks)

Section A total of 25 marks.

End of Section A.

Section B

Candidates should attempt to answer **one from two** questions - total of 25 marks.

6. A local manufacturer of lemonade and similar soft drinks asks your advice on the different ways they may be liable if things go wrong with the products that they sell to consumers.

Detail the different aspects of liability that may arise for the business under tort (delict), contract law and product liability, and to whom the producer may be liable.

(25 marks)

7. With full use of case law, examine the concepts of offer, counter-offer, intention and acceptance in the law of contract.

(25 marks)

Section B total of 25 marks.

End of Section B.

Section C

Candidates should attempt to answer **two from three** questions - total of 50 marks.

8. Pattie O' Chare has a meeting in London. After booking her rail tickets online, she drives to her local railway station on the day of the meeting. Pattie is running a little late and she drives up to the barrier of the car park, takes a ticket and finds a space close to the surrounding wall. She then runs over the adjoining footbridge and into the station to catch her train. Four hours later, when she returns, she pays for the car park in the station, which is the only place the pay machines are situated. She observes that there is a notice next to the machine which states:

"The Rail Authority accepts no responsibility for any damage, however caused, to vehicles or persons. All cars parked at owners' risk."

When she gets to her car, she sees that part of the wall has collapsed on to the front of her vehicle.

As she is worried that she will be late collecting her son from school, she decides to remove the bricks from the car herself. Unfortunately, attempting to remove them causes several of the bricks to fall off the bonnet, leaving Pattie with a broken foot.

As a result, Pattie has to telephone a taxi to take her, via the school for her son, to the local hospital - a round trip of 30 miles and taxi bill of £45.00.

She is also forced to get a local repair firm to collect her car and repair it, at a cost of £600.00. Whilst her foot is in plaster, she cannot drive and she has to arrange for a lift to work from a friend. She also has to pay a childminder to take her son to school, for a total cost of £20.00 per day.

Using the law of contract and tort (delict), and with full use of case law, explain what, if anything, Pattie is entitled to claim from the railway company.

(25 marks)

Section C is continued over the page.

9. Answer **both** parts

Arfur Pint is a local authority worker who lives in his own flat. His old washing machine broke down a year ago and so Arfur bought a new one from Dahls Electricals Plc, at a cost of £240.00. The washing machine is a Deadpool 1500 with built in tumble drier, manufactured by Deadpool Plc.

Arfur was very pleased with his purchase as he could place a load of washing in it overnight, and it washed and dried the clothes ready for when he got up in the morning.

One evening, Arfur was awoken by a smell of smoke. He went into the kitchen and found the washing machine on fire. He quickly pulled out the plug from the wall and extinguished the fire with water.

His load of washing was ruined, costing him £160.00 to replace. The carpet in the kitchen needed replacing and the kitchen needed repainting, as the walls and ceiling were blackened from smoke. The total cost of the carpet and the redecorating came to £950.00. Mrs Swiftarf, in the flat below, had her new table ruined with water damage when the water leaked through, and her ceiling needed re-plastering for a total cost of £770.00.

It transpires that the fire was caused by a faulty motor. The motors were supplied to Deadpool by Shodihatsu Ltd, in 2013. The motors were correctly fitted by Deadpool when they assembled the parts in their factory.

(a) Analyse the outlined situation using Part 1 of the Consumer Protection Act 1987 and the laws of contract. (17 marks)

(b) Advise Arfur, Mrs Swiftarf, Deadpool and Shodihatsu. (8 marks)

(total 25 marks)

Section C is continued over the page.

10. Ivanta Bea Lone loves to sit around and watch old movies at the weekend. She decides to treat herself to a new onesie. She visits her local clothes store, 'Sloberama', as it has the best selection of onesies in town, and they are all made to measure. Ivanta explains that she is allergic to wool and tells the assistant that she must have a onesie with no wool content. The assistant writes this down on the order form.

The assistant shows her a selection of fabric designs and Ivanta picks out a zebra striped pattern.

All her measurements are taken and she is told to return a week later to take the new onesie home, after paying the full price of £78.00. As she is leaving, the assistant gives her a receipt.

The next week, after picking up her purchase from Sloberama, she is told by the manager of the store that there had been an error and, instead of zebra stripes, the onesie was made in tiger stripes. If she is prepared to take the onesie, Sloberama, as a one-off gesture of goodwill, will reduce the price by £15.00.

Ivanta rushes home, gets into her new onesie and sits down to watch a film.

Almost immediately, she starts to feel itchy and begins to scratch at various parts of her body. After only 20 minutes, she goes to the bathroom to take off the onesie and notices that her body is covered in a nasty rash.

She searches around the onesie and finds a label on the inside with a fabric content stating "80% cotton, 10% polyester, 10% wool."

For the rest of the weekend, she does not want to go out as she is covered in the nasty rash. It is quite painful and she covers herself in calamine lotion to reduce the rash and cool her skin.

On Monday, she takes the onesie back to Sloberama and complains to the manager, explaining exactly the problem.

The manager says that they "cannot cater for every individual in the world, as everyone has some problem; how could they expect to cover every instance of allergy?" She also argues that Ivanta accepted a reduction in price and, therefore, waived her rights to complain.

Apply the laws of contract and Part 4A of The Consumer Protection from Unfair Trading Regulations 2008, and suggest possible remedies for Ivanta.

(25 marks)

Section C total of 50 marks.

END OF EXAMINATION PAPER.