
Core Skills: **Law of Contract**

Number of written papers:	1
Written Exam duration:	3 hours
Reviewed:	April 2017
Qualifications & Awards Board review:	April 2017

NOTE: The legislation outlined in this syllabus is not an exhaustive list. Candidates will be required to answer questions in accordance with this syllabus.

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 which are not yet in force if they are directly relevant to the subject-matter of the examination.

Aim:

This module will introduce the student to the fundamentals of the law of contract as they apply to contracts between businesses and consumers and certain other kinds of legal obligation.

The student will learn the key concepts relating to contractual obligations between businesses and consumers, from capacity of the parties, formation of the agreement, form of agreements, content and performance, the consequences of breach of contract and the remedies available. Specifically, contracts between businesses and consumers involving supply of goods, digital content or services (or a combination of these) will be examined.

The student will also learn about other means of securing redress in the absence of a contract. Specifically, the student will be introduced to the part of the law of tort [delict] dealing with negligence actions, and to the regime of strict liability for defective products under Part I of the Consumer Protection Act 1987. The student's learning will be consolidated by the application of legal rules to hypothetical scenarios.

Study on this module will form a basic core of knowledge which will allow for further study of law relating to supply of goods, digital content and services. While contracts for supply of goods, digital content and services are included, the module will only cover these to a level of detail appropriate to a Foundation level module. Similarly, the law of tort [delict] and Part I of the Consumer Protection Act 1987 are dealt with at an introductory level only.

Learning Outcomes:

At the end of this module, the student will be able to:

General

- distinguish between different forms of legal obligation
- compare and contrast contractual and other kinds of liability
- apply relevant legal reasoning to problem scenarios in order to suggest solutions

Contract and contract related

- explain the nature of contractual obligations between businesses and consumers
- identify and explain the requirements of contractual capacity
- explain how contracts are formed
- identify and explain types of misrepresentation
- explain the concept, forms and consequences of breach of contract
- describe remedies for breach of contract
- describe consumers' rights to redress under Part 4A of the Consumer Protection from Unfair Trading Regulations 2008

Tort [Delict] & Strict Liability for Defective Products

- explain the nature of tortious liability, with specific reference to negligence
- explain the regime of strict liability under Part 1 of the Consumer Protection Act 1987

The following terms have been used to indicate the level of knowledge required in each element;

Detailed: To an in-depth level, and with a fine degree of distinction between concepts

Working: With the ability to apply the learning to situations so as to resolve problems

Basic: Having an awareness of the rules and concepts

Assessments will reflect the requisite level of knowledge in each given area of the syllabus.

Syllabus:

Fundamentals of the law of contract

A detailed knowledge required of:

- Fundamentals of contract formation: voluntary nature, capacity, intention to create legal relations, agreement, subject matter, form
- Formation of contract – offer and acceptance; invitation to treat, terms
- Misrepresentation in relation to business to consumer contracts

A working knowledge required of:

- The law of mistake [in Scotland the law of error]
- Exclusion and similar clauses in relation to business to consumer contracts
- Controls on exclusion and other unfair clauses at common law and by legislation in relation to business and consumer contracts and non-contractual situations
- Consumers' rights to redress under Part 4A of the Consumer Protection from Unfair Trading Regulations 2008

Specific contracts

A working knowledge required

- Contracts for the supply of goods, digital content and services between a business and a consumer
- Implied terms in contracts for supply of goods, digital content and services between a business and a consumer
- Remedies for breach of contract between a business and a consumer

Other

A basic knowledge required

- Introduction to tort [delict]
- The action in negligence
- Liability under the Consumer Protection Act 1987 Part I
- Third party rights under contracts

Indicative legislation:

The following is a list of legislation relevant to the topics studied on the module. It should be noted that the list is indicative only and not exhaustive and is subject to change over time. Nor is it suggested that students should learn all parts of each item mentioned; guidance on relevant areas and the level of knowledge required should be taken from the detailed Syllabus, above;

- Consumer Rights Act 2015
- Misrepresentation Act 1967 – England & Wales only
- Requirements of Writing (Scotland) Act 1995 – Scotland only
- Age of Legal Capacity (Scotland) Act 1999 – Scotland only
- Contracts (Rights of Third Parties) Act 1991 – England & Wales only
- Consumer Protection Act 1987, Part I
- Consumer Protection from Unfair Trading Regulations 2008, Part 4A
- and Government policy, guidance, reports, practice and papers relevant to this subject area