

LEVEL 5 ASSESSMENT SPECIFICATION

Student name:	Nur'aina Zulaekha Binti Zulhalmey	Student ID number:	2321905
Programme:	Law portfolio		
Module:	Contract law		
Module code:	BMLW5017	Contribution to Overall Module Assessment (%):	50%
Lecturer:	Laura Knight	Internal Verifier:	Zita Draper
Assignment Title:	Letter of advice on formation of contract	Word count (or equivalent):	2000 words
Submission deadline:	23:59 on Friday 7/3/25	Return date of provisional marks & written feedback:	4/4/25
Submission method:	All written assessments, where practical and possible, must be submitted via Turnitin unless otherwise instructed by the Lecturer. (Please DO NOT put this assessment specification into Turnitin or it will match many similarities with other students' submissions.) Alternative submission method (if applicable): Late submission of the assessment will result in a late penalty mark: Work which is submitted up to 1 week late will be capped at 40% for the first attempt and will be awarded a mark of 0% for re-assessment. Late submission penalties may be lifted only if there is an approved extenuating circumstances claim. Work submitted more than 1 week late will be considered as a non-submission and will not be marked. The work may be considered as a submission for reassessment if offered by an Examining Board or if there is an approved extenuating circumstances claim.		
Academic honesty / referencing:	Academic honesty is required. In the main body of your submission you must give credit to authors on whose research and ideas your work is based. Append to your submission a reference list that indicates the books, articles, etc. that you have used, cited or quoted in order to complete this assessment.		

Re: Legal Implications of Tenancy Agreement and Breach

Dear Mr. Smith,

I am writing this letter to provide information about our lease status after you decided to lease the flat at a higher rate to another tenant. Your contract with me may have formed through our previous meetings so your present decision likely carries legal weight. Please examine all essential components of our agreement starting with offer followed by acceptance together with consideration and continuing with the elements of intention to create legal relations and capacity to contract. This letter asks you to review both the legal safeguards I have against your agreement breach as well as the implications it would create. I want to solve this disagreement peacefully.

Elements of Contract Formation

The five elements necessary to form a contract between us consist of offer, acceptance, consideration, intention to create legal relations and the capacity to contract. An analysis of our activities needs to demonstrate compliance with these conditions to determine if a legally enforceable agreement exists. This evaluation determines whether all important elements exist to validate a contract. My goals include analysing fundamental elements to identify the legal nature of our arrangement together with the consequences from your withdrawal.

Offer

The starting point of contract formation exists in offers because they represent definite proposals transmitted from one party to another. According to contract law an offer represents a distinct agreement method from invitation to treat because they simply enable parties to submit offers (*Partridge v Crittenden* [1968] and *Fisher v Bell* [1961]).

We established an offer after meeting in person despite the previous online invitation to treat for the flat. You formally proposed to me that I could rent the flat starting from September 1st, 2025, at the rate of £500 monthly during our first personal meeting. Your written confirmation through email served to present the rent conditions before seeking my consent. The communicated offer during this meeting became valid for me at that point.

Distinguishing offers from invitations to treat proves essential in contract law based on *Gibson v Manchester City Council* [1979] because "may be prepared to sell" expresses an invitation instead of establishing a firm offer. Your email presents specific terms along with a clear objective to continue which matches the contractual definition of an offer.

Acceptance

Acceptance works as the second essential element since it requires absolute agreement with the specific offer terms. The acceptor needs to mirror the precise terms initially proposed and to provide notification to the offeror about their acceptance (reference cases include *Entores Ltd v Miles Far East Corporation* [1955] and *Felthouse v Bindley* [1862]).

Your email of [Date] received my confirmation: "The terms have my approval, and I will initiate deposit payment before this week's end." The payment arrangement for the deposit will be completed before this week ends. I formally accepted the flat rent offer at £500/month starting from September 1st, 2025, through this direct response. I formally accepted without adding any provisions to your rental proposal.

A key principle from *Hyde v Wrench* [1840] demonstrates that a counter-offer would have voided the original offer. However, my response did not introduce new terms but rather confirmed agreement to the original offer, meaning the contract was formed at this stage.

Consideration

Parties within contractual agreements transmit value to each other known as consideration. The valid monetary and security arrangement of paying you monthly £500 rent fees along with a deposit established a binding contractual agreement according to *Currie v Misa* [1875] and *Dunlop Pneumatic Tyre Co Ltd v Selfridge & Co Ltd* [1915]. The transfer of the deposit toward the rental term served as warranty to protect the agreement thus establishing legal enforceability of the contract.

Additionally, the principle in *Chappell & Co Ltd v Nestle Co Ltd* [1960] AC 87 states that even nominal consideration is sufficient to form a contract. In this case, the agreed rent and deposit provided adequate consideration from both parties.

Intention to Create Legal Relations

For a contract to be legally binding, both parties must have the intention to create legal relations. The rental of properties falls under commercial agreements where both parties automatically intend to create legal obligations through their contract (as stated in *Merritt v Merritt* [1970] and *Esso Petroleum Co Ltd v Commissioners of Customs and Excise* [1976]).

Given the nature of our interaction, a formal agreement concerning the rental of property is a clear intention to create legal relations. I took the step of transferring the deposit, and we discussed the terms in a straightforward, businesslike manner. Therefore, it is evident that both parties intended to enter into a legally binding agreement.

Capacity to Contract

Capacity to contract represents the last essential factor that decides if a contract remains valid. For a binding agreement to exist, both parties need legal ability to become contractually bound. The requirements of contractual capacity are met because both parties are adults who demonstrate mental capacity as well as show no indications of competence limitations throughout our dealings. As per law every individual must freely enter binding contracts while understanding all terms. The lack of incapacity factors including mental disability or coercion between both parties makes our ability to sign a contract completely valid according to the law. Courts have granted enforceable agreement status to parties who possess both legal adulthood and sound mind abilities according to the judgements of *Thompson v London, Midland and Scottish Railway Co* [1930] and *Hart v O'Connor* [1985]. Under this criterion our agreement stands valid since we exhibit contractual capacity.

The Role of Relevant Legislation

The enforcement of this matter depends on several important Acts of Parliament in conjunction with the cited case law. The Law of Property Act 1925 specifies proper requirements to form proper agreements between lessors and tenants regarding properties. While our agreement remained informal, we evidenced our commitment to property law by planning to create a legal tenancy agreement.

Through the Landlord and Tenant Act 1985 both tenants and landlords obtain specific legal duties and responsibilities. The Landlord and Tenant Act 1985 guarantees both parties' rights through enforcing landlords to perform their contractual duties of maintaining the rented property's condition following contract formation. The agreement requirement makes you as the landlord responsible for maintaining these contractual duties to your tenants.

Under the Housing Act 1988 there exists legal frameworks for the establishment and termination of assured shorthold tenancies. We had an understood agreement although it lacked formal written documentation yet both parties maintained clarity on the intended conditions which would be referenced to the Housing Act 1988 if any disagreement occurred about the terms of tenancy.

Finally, the Consumer Rights Act 2015 protects consumers in transactions like this one. As I am a student renting the flat for personal use, this Act provides me with protection against unfair terms and ensures that my rights are upheld in the event of any disagreement.

Conclusion: Has a Legally Binding Contract Been Formed?

A legally binding contract exists between us as demonstrated by the examination which shows all necessary components for contract formation.

You made a clear rental offer for the flat and I accepted it exactly as presented it in accordance with Gibson v Manchester City Council [1979]. A valid contract emerges when Gibson v Manchester City Council [1979] demonstrates that definite offers become contracts upon receiving clear acceptance.

The agreement between us included a financial transfer of the deposit which served as consideration in line with the fundamental requirement of valuable exchanges between parties. An agreement cannot be enforced according to Currie v Misa [1875] without providing adequate consideration.

Both parties had shown a clear will to establish legal binding relations by signing a formal rental agreement rather than having a non-binding social or domestic arrangement (Merritt v Merritt [1970]).

The law enabled us both to enter and fulfil a contractual agreement because there were no legal constraints blocking either of our obligations.

The presented elements establish beyond doubt that a legitimate legal binding contract came into effect. When I accepted your offer while also performing our agreed payment of the deposit the contract became legally binding.

Legal Implications of Mr. Smith's Decision to Rent the Flat to Another Tenant

Your action to find another tenant for the flat after making our initial agreement breaches our contractual obligations. A legally valid contractual agreement makes the innocent party entitled to remedies when the agreement suffers violation. This situation involves my position as the innocent party. The legal consequences you will face grow substantial because your current actions oppose the initial agreement terms. The listed remedies exist as possible solutions for the breach of contract violation:

1. Specific Performance

Specific performance stands as an equitable remedy allowing judges to force parties breaking their agreements into performing contractual duties. The remedy finds its most suitable application when financial compensation fails to restore the situation adequately such as with distinctive property assets. Specific performance is a suitable remedy which courts use to enforce contractual performance when a breach occurs while monetary compensation would not restore the innocent party's position according to Beswick v Beswick [1968].

Given the special nature of desirable rental properties which are challenging to find again with equal conditions I might seek specific performance to force you into upholding our original tenancy contract. When the court decides that financial

compensation is not enough to compensate me for your breach it may choose to enforce the terms of our original agreement.

2. Damages

After exploring specific performance, I will file for compensation that addresses financial losses stemming from your choice to select another tenant for the flat. According to contract law the injured party should receive compensation through damages which exactly represent their direct monetary losses due to a contract breach. The extra rental expenses incurred while searching for a replacement apartment coupled with increased rental costs since the agreement date are included as losses for which I could seek compensation.

The *Williams v Roffey Bros & Nicholls (Contractors) Ltd* [1991] decision establishes that financial loss resulting from contractual breaches justifies compensation. The additional expenses I face in securing new housing at higher rent rates or miscellaneous expenses like agency fees or short-term accommodation costs allow me to claim financial compensation. The failure to keep your agreement requires compensation which would include payment to offset the inconvenience and disruption caused to me and other affected parties due to your noncompliance.

3. Return of Deposit

The breach of my deposit return continues to be a key problem since I paid it in good faith according to our agreement terms. The property deposit functions as a security payment that is normally returned to the tenant if the landlord fails to carry out the agreement terms. I have the entitlement to demand my deposit refund because the landlord did not afford me the chance to take possession of the property because of circumstances beyond my control.

Not returning my deposit could lead the way to legal proceedings being initiated. The legal framework established in *Fry v Lane* (1888) gives innocent parties the right to recover their lost funds from contracts that do not materialize according to mutual agreements. According to *Lloyds Bank Ltd v Bundy* [1975], the principle of fairness combined with the concepts of undue influence governs contractual transactions which proves that I am due a complete refund of my deposit. I will pursue legal recovery avenues such as filing claims in appropriate channels because the deposit must be returned without delay.

Final Thoughts

I want to resolve this situation without court action while preventing avoidable legal procedures. Given the present situation I strongly suggest you uphold your initial agreement with me instead of ending the tenancy. I demand immediate return of my deposit in case you decide not to continue with the tenancy agreement. Your refusal

to return my deposit within a reasonable period creates the necessity for me to seek legal relief to recover my funds together with any additional financial losses caused by your violation.

I believe we can reach a just mutual agreement to avoid proceeding with formal legal action.

Your immediate response is needed for addressing and resolving this issue with efficiency.

Yours sincerely,
Jane

References:

1. **Partridge v Crittenden [1968] 2 All ER 421**
2. **Fisher v Bell [1961] 1 QB 394**
3. **Gibson v Manchester City Council [1979] 1 WLR 294**
4. **Entores Ltd v Miles Far East Corporation [1955] 2 QB 327**
5. **Felthouse v Bindley [1862] EWHC CP J35**
6. **Hyde v Wrench [1840] 3 Beav 334**
7. **Currie v Misa [1875] LR 10 Ex 153**
8. **Dunlop Pneumatic Tyre Co Ltd v Selfridge & Co Ltd [1915] AC 847**
9. **Chappell & Co Ltd v Nestle Co Ltd [1960] AC 87**
10. **Merritt v Merritt [1970] 1 WLR 1211**
11. **Eso Petroleum Co Ltd v Commissioners of Customs and Excise [1976] 1 WLR 1**
12. **Thompson v London, Midland and Scottish Railway Co [1930] 1 KB 41**
13. **Hart v O'Connor [1985] AC 1000**
14. **Beswick v Beswick [1968] AC 58**
15. **Williams v Roffey Bros & Nicholls (Contractors) Ltd [1991] 1 QB 1**
16. **Fry v Lane (1888) 40 Ch D 312**
17. **Lloyds Bank Ltd v Bundy [1975] QB 326**
18. **Law of Property Act 1925**
19. **Landlord and Tenant Act 1985**
20. **Housing Act 1988**
21. **Consumer Rights Act 2015**

STUDENT FEEDBACK FORM

This section details the *extent* to which the assessment criteria are demonstrated by you, which in turn determines your mark. The marks available for each category of skill are shown. Lecturers will use the space provided to comment on the achievement of the task(s), including those areas in which you have performed well and areas that would benefit from development/improvement.

Generic Assessment Criteria	Marks available	Marks awarded
1. Engagement with Literature Skills		
	25	
2. Knowledge and Understanding Skills		
	35	
3. Cognitive and Intellectual Skills		
	10	
4. Practical Application Skills		
	15	
5. Transferable Skills for Life and Professional Practice		
	15	

Assessment Mark (Assessment marks are subject to ratification at the Exam Board. These comments and marks are to give feedback on module work and are for guidance only until they are confirmed.)	Late Submission Penalties (tick if appropriate)		%
	Up to 1 week late (40% Max)		
	Over 1 week late (0%)		