



**IAB LEVEL 3 DIPLOMA IN BUSINESS LAW  
(Qualification Accreditation Number 500/3637/3)**

**INTRODUCTION**

This qualification is primarily designed for those taking responsibility for legal matters in a small business. It is also designed for those providing advice to small businesses such as Accountants, Book-keepers and Business Advisors. Specifically, the four areas of study covered by this qualification namely, *the English Legal System, the Law of Contract, Civil Liability and Employment law* are designed to provide learners with an opportunity to gain a good understanding of the legal system in operation in England and Wales and as it applies to the small business.

**THE STRUCTURE OF THE QUALIFICATION**

This Level 3 qualification is comprised of a single Unit. To ensure that the Unit will effectively assess the legal understanding of candidates, the Unit is sub-divided into four Learning Outcomes with associated Assessment Criteria.

The first Learning Outcome is designed to provide an understanding of the English Legal System. This is complemented by the second Learning Outcome, Contract Law, which aims to develop an understanding of how the law affects the day-to-day trading by business organisations.

The third Learning Outcome is designed to provide candidates with an understanding of the extent of business liability in Tort (as opposed to Contractual Liability). Candidates will consider the legal rules in Negligence and its impact on businesses, employees and customers (especially when providing information or business advice).

The fourth Learning Outcome examines the legal provisions in the area of Employment Law.

**ASSESSMENT**

All Learning Outcomes will be assessed through one, externally set and marked, three hour examination consisting of four hand written tasks. The practical tasks will build on the candidate's knowledge of the four areas of study covered by this qualification namely, the English Legal System, the Law of Contract, Civil Liability and Employment law. The candidate will be required to answer one task from each of four sections, with each task carrying 25 marks. There will be at least two questions to choose from in each of the sections.

**CERTIFICATION**

All candidates who both enter for and attempt the examination will be notified of their results in a formal Results Letter issued by the IAB approximately ten weeks after the date of the examination. Those candidates who are successful and awarded a pass grade in the examination may also apply for the IAB Level 3 Diploma in Business Law. This will be subject to the payment of an additional fee as determined and published by the IAB.

## IAB Level 3 – Diploma in Business Law

### SINGLE UNIT (IAB Code D1) – The application of business law in small businesses

#### Aims of the Unit

Upon completion of study for this qualification it is intended that the candidate will be able to:

- Understand the operation of the English Legal System
- Understand the nature of contractual relationships and the Rights and obligations that flow from these.
- Understand the tort of negligence and demonstrate knowledge of the civil litigation process
- Understand the relationship that exists between employers and employees and the relevant legislation regarding Employment law in the UK.

#### Prior Knowledge and Skills Requirements

There are no formal qualifications required for entry to the qualification at this level. It is, however, desirable that candidates have appropriate literacy skills. Candidates are not required to have any legal knowledge.

Learning Outcome	Assessment Criteria
1 Understand the operation of the English Legal System	Be able to: <ul style="list-style-type: none"><li>• Distinguish between criminal law and civil law</li><li>• Explain how statute, delegated legislation, case law and European law operate and interrelate</li><li>• Explain the legislative process and institutions</li><li>• Outline key differences in the role of a Barrister and that of a Solicitor of relevance to a client small business</li><li>• Outline the court structure and the alternatives avenues outside the court system for the resolution of disputes (such as Arbitration, Mediation, conciliation)</li></ul>
2 Understand the nature of contractual relationships and the Rights and obligations that flow from these.	Be able to: <ul style="list-style-type: none"><li>• Explain the nature of a contract and the variety of situations in which contracts are made</li><li>• Explain the requirements for a legally binding contract</li><li>• Demonstrate an understanding of the contents of a contract</li><li>• Explain the invalidating factors likely to affect the legality of a contract</li><li>• Explain how a contract comes to an end and the legal remedies available in the event of a failure to fulfil some aspects of the contract</li></ul>
3 Understand the tort of negligence and demonstrate knowledge of the civil litigation process	Be able to: <ul style="list-style-type: none"><li>• Explain the nature of a duty in the tort of negligence</li><li>• Demonstrate an understanding of the basic principles of negligence</li><li>• Explain the main defences available under the tort of negligence (such as Contributory Negligence, Consent)</li><li>• Explain the remedies available under the tort of negligence and the courts likely to deal with these cases (Damages, Injunctions)</li><li>• Explain how civil litigation is financed and the various systems available to claimants to include (legal help and representation,</li></ul>

	community funding, legal expenses insurance, conditional and contingency fee arrangements)
4 Understand the legal relationship which exists between employers and employees and the relevant legislation regarding Employment Law in the UK	<p>Be able to:</p> <ul style="list-style-type: none"> <li>• Explain the distinction between a contract of service and contract for services</li> <li>• Outline what is meant by expressed and implied contractual terms</li> <li>• Explain the rights and duties imposed on employers and employees</li> <li>• Understand the relevant UK and European laws regulating the relationship between employers and employees (such as Equal Pay, Discrimination, European Social Charter, Trade Union membership etc)</li> <li>• Explain the procedure(s) for terminating employment contracts and the role(s) of ACAS and Employment Tribunals</li> <li>• Outline key UK and European Legislation regulating Health and Safety to include (Management of Health and Safety at Work Regulations 1992, The Workplace (Health, Safety and Welfare) Regulations 1992, COSHH Regulations 1994, EU Directives under Article 118 of the Treaty of Rome 'six pack' regulations)</li> <li>• Explain the role of key regulatory agencies relating to health and safety</li> </ul>