# Law School

**Undergraduate Assessment**

**22035 / 22079 Public Law and Administration**

**Submission Date – Wednesday 13th January 2016**

**Submission Deadline – 12.00 Noon**

**Submission Method – Online, via eBridge**

This essay is worth 33% of the final module mark.

Essay word limit – 2,500 words.

Before preparing and submitting your essay, read carefully the instructions in the Law School Student Handbook on presentation and submission of assessed work as well as the information about penalties for late-submission, exceeding the word-limit, and unfair means. (The handbook may be viewed on eBridge)

Please note that the University’s policy on **late submission** is:

**a) Up to and including 24 hours after the deadline = a penalty of 10 marks.**

**b) More than 24 hours and up to 7 days after the deadline = a penalty of 10 marks or the mark is reduced to 40, whichever is the lower.**

**c) More than 7 days after the deadline = a mark of zero is awarded.**

Please note that the University’s policy on **word count** is:

**a) 10%-20% over the specified word limit, a penalty of 10 marks;**

**b) More than 20% over the published word limit, the work will be awarded a mark of zero.**

According to this policy, no penalty will be applied for essays that exceed the published word limit by less than 10% (e.g. 5,499 words do not incur a penalty on a published word limit of 5,000 words or 2,749 words do not incur a penalty on a published word limit of 2,500 words).

The Law School will impose this policy strictly so, if you exceed the word limit by just one word (e.g. 5,500 words in respect of a published word limit of 5,000 words or 2,750 words in respect of a published word limit of 2,500 words) then a penalty of 10 marks will be imposed.

**How to submit your essay:**

Essays are to be submitted via the assignments tool on the eBridge site for this module.

Further information and more detailed instructions on how to do this will be given to you during the semester.

In order to deal with future banking crises, the government has launched a number of different schemes under the Banking Regulation Act 2015 (a fictitious piece of legislation). Insofar as is relevant, the Act provides the following:

* Section 1 states that the Chancellor may create Regulations concerning rescue plans for banks and compensation schemes for investors in order to restore confidence in the banking system. Such regulations may only be created ‘after consultation with relevant parties’.
* Section 2, which creates a new regulatory regime for banks. All banks which wish to be covered by the rescue plans and compensation schemes provided for in section 1 must be licensed. The Chancellor is given discretion to grant licences to banks which he considers to be ‘fit and proper’ to hold such a licence.
* Section 3, which permits the Chancellor to take action in order to protect UK investors in cases where he believes that banks are being ‘mismanaged’. The measures which the Chancellor is permitted to take include confiscation of assets, closing down of branches, or the imposition of fines.

The Act is now in force, and the Chancellor has taken steps under all of the provisions of the legislation outlined above. As a result, the following clients come to your office **seeking advice on the possible success of a judicial review application, bringing an action in private law or seeking redress through alternative grievance resolution mechanisms** in order to resolve their present problems:

(a) Simon is the chairman of the ‘Investor’s Protection Group’, an independent charity which aims to represent the interests of investors. The Chancellor has drawn up Regulations as provided for by Section 1 of the Banking Regulation Act 2015, detailing the rescue plans for banks and the compensation to be given to investors. Neither Simon nor the ‘Investor’s Protection Group’ were consulted prior to the creation of the Regulations, and they now wish to challenge this lack of consultation.

(b) DowntheDrain Bank Plc. seeks advice on the refusal of the Chancellor to grant a licence in its case. A letter from the Chancellor has informed the bank that he deems it ‘unfit’ to hold such a licence. The bank has requested further reasons for the refusal of the licence and a hearing of its case, both of which have been refused due to ‘national security concerns’. Furthermore, the Chancellor has made it clear that there is no appeal against his decision. Confidence in the bank has been shaken as a result of the refusal of a licence, and this has had a significant impact on its business.

(c) Norma seeks advice as a result of the failure of Snowman Bank Plc – she lost £15,000 when the bank failed. The Treasury has acknowledged that the bank was licensed under section 2 of the Banking Regulation Act 2015 and that she has the right to a government refund of her money under the compensation scheme created under section 1 of the Banking Regulation Act 2015. Despite making a claim to the Treasury 4 months ago, at which point she was advised that she would have the money within 4 weeks, she has not yet received any payment. When she telephoned to enquire about the whereabouts of her compensation she was informed that her application has been lost, and that she will have to re-apply. As a result, Norma has lost £500 in interest that she could have received should she have reinvested the money, and would like to know if there is any means by which she can claim compensation for this loss.

(d) The directors of Rickety Bank Ltd. come to you for advice as a result of the Chancellor taking some action against their bank under section 3 of the Banking Regulation Act 2015. The Chancellor wrote to the bank informing them that due to two minor breaches of banking rules he believed that the bank was being ‘systematically mismanaged’ and, as such, he was closing down all of the bank’s branches and seizing the bank’s assets in order to protect its investors. The bank was granted a hearing before the Chancellor and Treasury officials 6 weeks ago, although they were not permitted any legal representation. At this hearing, the bank argued that the measures taken by the Chancellor were excessive in the light of the two minor breaches of banking rules, but the Chancellor refused to modify his decision.

*Approved by external examiner 2/11/15*