Law

Name:

Unit:

Course:

Supervisor:

Date of submission:

Question1

Legal Issue

Under the Australia common law, the land use is of paramount importance and the local authorities which are mainly the county councils are mandated with land zoning. The land zoning involves setting the land for a given use and stipulating the developments that should be undertaken is such lands. The legal issues in this case are to determine whether the advice by Steve resulted to out of negligence and find out if the advice was legally binding in the consequent purchase of the land.

Rules of law relevant to the legal issue

The law requires that a party to any contract to carry out due diligence in execution of a contract. Failure to do so can result to liability resulting due to negligence. Negligence can be viewed in different perspectives which can be categorized as levels. The levels depend on thoroughness (diligence) that is required for any profession. The first level being the ordinary negligence in which a party in a contract engages in ordinary diligence, the second level is slight or less than ordinary diligence, which implies that the party involved has shown lack of great diligence, the third level is the gross negligence, which means that the party involved has no even slight diligence. In the case, Steve failed to act in any diligence and the Meadow Council ended allowing the sale of land without carrying further probe to the zoning. It is arguable that Steve actions predisposed the council to possible liabilities, the liability of negligence and vicarious liability which Jenny could prove in court of law.

In any contract, a party to the contract expected to perform its obligations precisely, in good faith and observing all the due diligence. Failure by any party to precisely carry out the obligation is tantamount to breach of contract. Jenny carried out her due diligence and consulted the Meadow council on the suitability of the land for farming. However, the Meadow council through their employee failed to perform their obligations and hence their failure resulted to the predicament Jenny went through.

In entering to purchase of an item such as land, advice from the concerned people is very important in order to ascertain the requirements that relate to the land adjudication under the question. In this case, Steve, representing the Meadow council gave the advice to Jenny and gave him assurance of the land use and that no zoning changes were expected. However, he failed to do thorough search to determine the current activities that related to land and hence he did not see the attachment of changes in zoning on the land. This could be argued as amounting to negligence.

Application of the law

A contract between parties is enforceable if it were legally binding at the time of enforcement. In this case, the two parties involved were supposed to carry out due diligence before signing the deal. Jenny carried her obligation but the council did not probe the changes in the land zoning and ended up giving the wrong advice to Jenny.
Therefore, Jenny has a right to demand compensation. She has the right to claim of remoteness loss of man hours and financial loss and claim of negligence by the council. In claim for remoteness of loss, a precedence case in Hadley v Baxendale, the court ruled that where one party is in breach of contract, the other party is liable to compensation of the damages incurred whether they happened naturally or could have been foreseen. In such a case the Meadow council could have foreseen the damages could it have probed the land zoning and changes with the required due diligence. The council could bear a vicarious responsibility due to actions by its employees.

Conclusion

The Meadow council had a duty to ensure that it carried out its obligation of advising Jenny by ensuring due diligence that relate to land zoning was undertaken. Therefore, Jenny bought land depending on the advice from the right source which was the council. She thus has a right to claim for the financial loss and man hours lost in buying and the subsequent developments.

References

Baalman, J. (2009), Outline of Law in Australia. The Law Book Company Australia.
Case
Hadley v Baxendale