

# A promise to keep an offer open

Law



A unilateral offer is a contract whereby the offeror makes an express promise in exchange for an act by the offeree.

A unilateral offer can be accepted through 'acceptance by conduct'. This is evident in the case of *Carlill v Carbolic Smoke Ball*<sup>1</sup>. In this case, an advert was placed to the any person who gets influenza after using the smoke ball within a specific period in return for £100. In addition to that, a unilateral offer can be accepted once the offeree is satisfied with the conditions. This means that the offeror is protected since she will only be contractually obliged to the offeree, and the offeree is protected as if she performs the act, the offeror will be contractually obliged to pay him/her. In a unilateral offer, the condition that the offer must be communicated to the offeror is abandoned.

A unilateral offer can be revoked in different situations. For example, a unilateral offer can be revoked through revocation by the offeror. This can happen at any time before the acceptance. Revocation is only effective when communicated to the offeree. For example, by disposing of the subject matter elsewhere as this simply makes the offeror unable to perform and potentially in breach of the contract if the offeree has accepted the offer.

Although revocation must be communicated to the offeree, it need not be communicated by the offeror. This is supported in the case of *Dickinson v Dodds*<sup>2</sup> where the reliable third-party communication was enough. Also, the offer can be revoked even where the offeror promised to keep it open.

In *Dickinson v Dodds*, it was also held that a promise to keep an offer open is not binding unless there is some separate consideration for the promise to keep the offer open. This means that the offeror can revoke the offer within

the specific time limit if it has not been validly accepted. Communication of revocation takes effect when it is received by the offeree. This is supported in the case of *Byrne v Van Tienhoven*<sup>3</sup>, in which the revocation of an offer was sent by telegram and was held to be communicated only when the telegram was received.

Also, in the case of *Luxor v Cooper*<sup>4</sup>, it indicates that the offeror could revoke at any time before the act of acceptance is completed. However, the modern accepted view indicates that once acceptance of a unilateral offer has begun, and if the performance is not left incomplete or unperformed as evident in the case of *Errington v Errington*<sup>5</sup>, the offeror must give the offeree a reasonable chance for completion but need not wait an unreasonably long time. A(ii) The definition of a contract is an agreement with certain terms involving two or more people in which there is a certainty to do something in return that is beneficial, known as consideration. The first problem is whether there were binding contracts between CC and Sussex Hospital and CC and Dougal. In the case of *Storer v Manchester CC*<sup>6</sup>, the law is not disturbed with what the people are thinking but what a rational person would conclude from their conduct.

Next, acceptance is the final expression of assent to the offer. In *Carlill v Carbolic Smoke Ball*<sup>7</sup> acceptance can be by words as well as conduct. The court must have evidence as it shows that there was an intention to accept. Lastly, consideration consists of 'either some benefit accruing to one party or some detriment suffered by the other'. To enforce the contract, it must be a correlation between the promises.

Regarding the scenario it is evident that the agreements between both contracts were able to fulfil the sections of binding contracts; there were suitable offers and acceptances (by conduct). The contracts had consideration because the parties had to receive a loss and benefit. There was a correlation between the parties' promises because there would not have been applicable contracts if there was no consideration.

The first legal issue is whether there is a consideration when CC promised to pay Dougal £60 if he delivers the food on time. Consideration as defined in the case of *Currie v Misa*<sup>8</sup> "a valuable consideration, consist either in some benefit accruing to the one party, or some forbearance suffered or undertaken by the other". Where the promise re-performs an as of now set up commitment it does not sum to a guarantee. There will be no guarantee if the claimant promises to accomplish an obligation which as of now legally existed. In *Stilk v Myrick*<sup>9</sup> the seaman was under a present contractual duty which meant there was minimal consideration. On the hand, in *Williams v Roffey Bros Ltd*<sup>10</sup> it is now recognised that there can be consideration if the claimant completed an already existing contractual duty.

The defendant had to pay additional funds to the claimant as the agreement was in both parties' benefit, this is the practical benefit rule. Regarding the scenario, the case *Stilk v Myrick* supports the fact that there would be no consideration as Dougal would only perform the obligation which was formerly owed to CC (defendant). However, valid consideration can be seen when CC had promised to rise Dougal's pay. This benefitted both parties as CC and Douglas both wanted to save their reputation, this is the practical benefit rule. CC benefitted after making the payment as Dougal was able to

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fulfil his side of the contract. This indicates that there was a valid consideration due to the promise of surging Dougal's payment, therefore he cannot be responsible for any actions brought against him.

This is because the latest contract he entered with CC voided the effectiveness of the terms in the previous contract<sup>11</sup>. B) Negligence is when someone who owes you a duty of care has failed to act according to a reasonable standard of care and this has caused you damage. Negligence is for the most part comprised of three elements which are a duty of care, the breach of duty and causation.

Before one can sue for harms in negligence, it must first be proven that a duty of care is owed. If a duty of care isn't proven, then no liability can be imposed – irrespective of how reprehensible the defendant's conduct was or how much the claimant has suffered. The law states that if it is reasonably foreseeable that an individual might suffer harm due to the actions of another individual, then that person owes you a duty of care. The legitimate test for finding out whether a lawful duty of care exists, in any given circumstance was established through the case of *Donoghue v Stevenson*<sup>12</sup>.

The neighbour principle developed by Lord Atkin indicates that reasonable care must be taken in order to avoid omissions that could reasonably be foreseen as likely to harm one's neighbour. When the duty of care has been proven, determining whether the duty of care has been breached is the next step. Breach of duty requires the defendant to have been at blame by not satisfying their duty towards the claimant. In order to prove a breach of duty, the courts apply a two-stage test: firstly, a question

of law, the standard of care the defendant ought to have worked out and secondly, a question of fact and whether the defendant's conduct fell underneath the required standard. In the case of *Blyth v Birmingham Waterworks*<sup>13</sup>, the standard of care required is that of a 'reasonable man', which is quite objective. For example, in the case of *Hall v Brooklands Auto-Racing Club*<sup>14</sup>, the classic image of a reasonable man offered by law is 'man on the Clapham omnibus'.

A reasonable person would consider the risk when choosing to act in a certain way and in deciding the standard of care required. The magnitude of risk ought to be considered. This implies considering the likelihood that the defendant's conduct could cause harm and how serious that harm is likely to be. The less likely harm caused, the lower the standard of care required. This is supported in the case of *Bolton v Stone*<sup>15</sup> as the risk of the injury caused by the ball was minimal. This meant that the defendant had taken preventative measures and a reasonable person would not have expected the damage caused. As a result, the defendant had not breached the duty of care as it had satisfied the standard of care required.

However, ignoring minimal risks might not always be reasonable. For example, in the case of *Haley v London Electricity Board*<sup>16</sup>. The House of Lords concluded that it was reasonably foreseeable that unaccompanied blind pedestrians may walk that route and therefore the reasonable person should not ignore the risk to blind pedestrians, especially due to the gravity of the potential injury. The seriousness of possible damage caused ought to be considered by a reasonable person as the more serious the damage, the more prominent the standard of care. In the case of *Paris v Stepney Borough*  
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Council<sup>17</sup>, the claimant had lost sight in one eye and the defendant was aware of this but failed to provide protective goggles to wear at work. As a result of this, the House of Lords found that the likelihood of the harm happening was little, but its consequences were big. Subsequently, the defendant ought to have taken additional care to supply goggles to the claimant. The courts will consider the practical measures the defendant could have embraced in order to avoid the damage.

The more prominent the risk of injury, the greater the need to take precautions. In the case of *Latimer v AEC Ltd*<sup>18</sup>, it was concluded that the defendant took all reasonable steps to avoid the accident in the situation. Closing down the factory was the only alternative which would be deemed as an unpractical, unreasonable solution. The more prominent the social utility of the defendant's conduct, the less likely it is that the defendant will be held to be negligent. However, if the defendant's action is illegal, the defendant will be required to work out a high degree of care to legitimise a little risk of harm to others. This is supported in the case of *Watt v Hertfordshire County Council*<sup>19</sup> where the court found that the advantage of sparing the lady caught in the accident was more prominent than the risk of harming the fire warriors.

Therefore, the defendant had satisfied the standard of care required. Nonetheless, the nature of work of the emergency services does not make them immune from negligence claims. The current state of knowledge must be used to determine what a reasonable person, in the defendant's situation, could have foreseen.

This is supported in the case of *Roe v Minister of Health*<sup>20</sup> as Denning LJ stated that ‘.. the court must not look at the 1947 accident with 1954 spectacles..

.. This is because when the case was heard, the defendant had to be judged by the state of knowledge at the time in 1947 which meant that the duty of care owed by the hospital to the patient had been broken. On the contrary, there are a few restrictions on the meaning of the term reasonable as feminist legal scholars argue that in deciding who is the reasonable standard to be breached, the law should base its decision less upon pure logic and formulas and much more upon emotional obligations.