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Case Comment: Balfour vs Balfour

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INTRODUCTION: FACTS OF THE CASE

An English holiday was taken by a couple from Sri Lanka. Mr. and Mrs. Balfour were the couples. Unfortunately, Mrs. Balfour fell unwell upon arrival in Sri Lanka and required emergency medical care. Both parties agreed that Mr. Balfour would go back to Sri Lanka and Mrs. Balfour would remain in England until she was well enough to go. They also decided that Mr. Balfour will pay £30 in maintenance each month for Mrs. Balfour's stay in England until she is well enough to return to Sri Lanka. When their relationship was established, they came to this agreement. After some time, Mr. Balfour stopped sending the upkeep as their relationship soured.

ISSUE INVOLVED

1. Do the couples have a valid contract? In addition, if so, is it enforceable in the eyes of law?
2. Will Mr. Balfour sign a contract that is legally binding?

RULE OF LAW

- If an agreement was established without the aim to generate legal intents, it is not enforceable as a contract, even if it is backed by consideration. In other words, the agreement must be intended to be enforceable by law. Due to the fact that they are not meant to be legally enforceable, many social agreements fall short of being contracts.
- Equally, many domestic agreements lack force because the parties did not intend for them to have legal ramifications, such as those between a parent and child or a husband and wife In common law, a promise often isn't enforceable as a contract unless it's backed up with consideration (or it is made as a deed). A promise must be exchanged for "something of value" known as a consideration in order for the promise to be enforceable as a contract. Traditionally, there is either some harm to the promisee (in that he may surrender value) or some gain for the promisor (in that he may receive value).
- The parties that enter into a contract must have the intention to enter into a legally enforceable agreement.
- Married women may pursue legal action, according to Married Woman Property Act Section IV (7). Married women have the same civil and criminal rights to protect and secure their separate property as if they were single, and they are subject to the same suits, processes, and orders in relation to such proper claims. Married women may maintain a suit in their own name to recover property of any description that is her separate property due to the Indian Succession Act of 1865 or this Act.

ANALYSIS OF THE CASE

In the case of Balfour v Balfour[1], the Court of Appeal was asked to decide whether an ordinary agreement between spouses when everything is going well between them constitutes a legal contract or does not because it is domestic or social in nature and has no intent to establish legal relations. Although Justice Sargent of the lower court ruled in the wife's favor, upholding the agreement as a contract, the three-judge Court of Appeal bench unanimously decided that such a normal domestic agreement between the spouses, lacking consideration from the wife's side

[1] *Balfour v Balfour* [1919] 2 [KB] 571

and no intention on the part of the husband to establish legal relations, **did not qualify as a contract.**

***Initial Judgment*:** Mrs. Balfour first filed a court petition to have the agreement enforced. Even the Additional Judge of King's Bench made a decision in Mrs. Balfour's favor and mandated that Mr. Balfour provides for his wife. He was ordered by the judge to pay her the maintenance. The judge ruled that the couple's agreement is legitimate. Mr. Balfour was required under the legally enforceable agreement to abide by it and pay his wife's maintenance.

***Counter Appeal*:** Later, Mr. Balfour made his case before the court of appeal and claimed that because the couple's agreement was domestic in nature, it could not be legally enforced. Additionally, he claimed that he had no intention of making a legally binding pact. Mrs. Balfour's response was that Mr. Balfour must pay the agreed-upon amount of £30 monthly because it was only in exchange for this assurance that she consented to return to England. Mrs. Balfour believed that although they were married, Mr. Balfour should provide her the support since he pledged to do so.

WHAT WAS HELD IN THIS CASE?

Justice Atkin determined that the arrangement, in this case, was entirely domestic. Duke and Atkin thought Mrs. Balfour would have a strong case if things were normal. Although they were husband and wife, the court of appeal's three justices unanimously concluded that their agreement had no legal standing because of this. It was decided that because husband and wife agreements are not intended to establish a legal partnership, they are not enforceable in court. The court was of the opinion that it would not deem domestic agreements made by couples to be legally enforceable. Due to the fact that the partners do not want to create a contract that is enforceable, any agreement reached without this intention is void.

As a result, this arrangement was eventually outside the scope of contracts. In this situation, the earlier decision was reversed. According to the decision, which sided with the husband, “there was no legally enforceable contract and merely an ordinary household setup that could not be prosecuted upon.” In this case, Lord Atkin established a universal rule for all transactions, namely, "intention to being a party to a legally enforceable contract."In this instance, the ruling

was the first of its type to establish a crucial prerequisite for the parties to enter into a binding agreement.

In this situation, the unilateral form of the contract—that is, the fact that Mrs. Balfour made no promises in exchange for Mr. Balfour's agreement to provide the maintenance—was another extremely important factor. This demonstrates unequivocally that there was no legally enforceable agreement between the parties since, in order for an agreement to be binding; there must be reciprocal pledges from both parties, which were missing in the aforementioned situation. This is another reason why a legally enforceable contract between the aforementioned parties is impossible.

CONCLUSION

By carefully examining the relevant facts at the time the contract is established, it may be determined whether or not a party wants to establish a legal relationship. Whether an obligation is made or not, it is the responsibility of the parties to keep it to the best of their abilities. The domestic agreement now specifies that unless and until both parties desire to engage in a legal obligation, a contract made between the members of a family does not constitute a contract. Judges can now use the floodgate argument in instances to come. Although this case appears to be extremely straightforward at first glance, a thorough examination of the facts reveals that it is actually rather complex while also being highly crucial. It establishes the "doctrine of purpose" for contracts and states that domestic agreements between spouses cannot be upheld in court. This theory was applied in several instances in the years that followed, not just for couples but also for familial situations, such as Gould v Gould and Jones v Padavatton, to mention a couple. We may infer from this decision that domestic agreements, particularly those involving family structures, are not contracts since they are not enforceable by law.

Another important thing to note is that for an agreement to be legally enforceable there is an intention to contract. Mrs. Balfour was ethically justified to insist that her husband pay her maintenance because it was only after receiving this assurance that she consented to remain in England. However, the court was right to rule that the aforementioned agreement lacked intent to contract. So, this case teaches us that a legally enforceable contract requires purpose in order

to be entered into. The court would otherwise be overrun with hundreds of insignificant household conflicts; therefore this decision sets a solid precedent for any future cases that may be brought on the same issue. A fresh interest and focus on the significance of "intention to create legal relations" in contract law were also sparked by the judgment.