

Solicitor's mistake not to blame for lender's loss

A Glasgow solicitor who made an incorrect statement about her client's affairs in an e-mail to a lender is not liable for any loss suffered by the lender, the UK's highest court has ruled. According to a report on the [Out-Law.com](#) site, in a unanimous judgment, **the UK Supreme Court found that Jane Steel owed no duty of care to the lender, the former Northern Rock (Asset Management) Plc (Northern Rock)**. The court overturned an earlier judgment by the Inner House and restored the earlier judgment of the Lord Ordinary, finding it was not reasonable for Northern Rock to have relied on Steel's e-mails without carrying out its own checks. The Supreme Court's judgment 'reaffirmed the long-held view that liability should generally only attach in such cases where there has been an assumption of responsibility', according to commercial litigation expert Jacqueline Harris, of Pinsent Masons. 'This is good news for solicitors and their insurers, and a reminder of the benefits of obtaining independent specialist advice before undertaking what may prove to be a costly course of action,' she said. 'We should accept that a commercial lender about to implement an agreement with its borrower referable to its security does not act reasonably if it proceeds upon no more than a description of its terms put forward by or on behalf of the borrower,' said Lord Wilson, giving the judgment of the court.