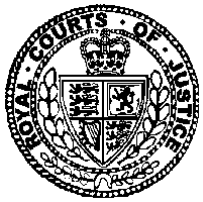

Neutral Citation Number: [2026] EWHC 2680 (BP)

Case No: PT-2026-CDF-000046

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY DIVISION IN WALES
PROPERTY TRUST AND PROBATE LIST

Cardiff Civil and Family Justice Centre
2 Park Street, Cardiff, CF10 1ET

Date: 16/10/2026

Before:

HIS HONOUR JUDGE JARMAN KC
Sitting as a judge of the High Court
Between:

STERLING HOUSE LIMITED	**Claimant**
- and -	
INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED	**Defendant**

- -
- -

Mr Guy Fetherstonhaugh KC (instructed by **Geldards LLP**) for the **Claimant**
Mr Oliver Radley-Gardner KC (instructed by **Russell-Cooke LLP**) for the **Defendant**

Hearing dates: 12 October 2026

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Approved Judgment

This judgment was handed down remotely at 10.00am on 20 October 2026 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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HIS HONOUR JUDGE JARMAN KC

HHJ JARMAN KC:

1. On 6 June 2026 the Defendant served on the Claimant as its landlord a notice purporting to terminate its lease dated 23 February 2024 of premises known as Sterling House, Cardiff Gate Business Park as from 23 February 2026. The Claimant's case is that such notice did not result in effective termination, because as at that date there was outstanding annual rent paid quarterly in advance on the usual quarter days as the Defendant had only paid up to 23 February, leaving some £45,000 outstanding. The terms of the lease provided that in such circumstances there would be no effective termination. There was also outstanding a sum due by way of insurance rent of some £2,300 pursuant to a demand which was hand delivered to the Defendant's registered office by 3pm on the previous Friday. The Defendant had by email dated 6 February 2026 asked how much rent was due and the Claimant's agents, Knight Frank, in response sent an invoice for an amount up to 23 February which was then paid. The Defendant submits that the Claimant is therefore estopped from relying on the terms of the lease. It further submits that no reasonable time was given to pay the insurance rent from the demand on the Friday afternoon until midnight the following Monday when the termination was to take effect, but in any event, it was in credit with the Claimant for an amount which covered the outstanding insurance rent.

2. The facts are not in dispute and the hearing before me took place on the papers and on submissions and are summarised for present purposes below. Nor is it in dispute that the terms of the lease required payment of annual rent in advance on the usual quarter days, that insurance rent was payable on demand and that if any of these sums were outstanding at the termination date then the break notice would be of no effect. Accordingly, I need not here set out in full the clauses which so provide, which are 6.1, 8.3 and 43.2.

3. The 6 February email from the Defendant's facilities manager, Steve Jones, said this:

> "Just to advise, we have not received any invoices in relation to Rent or Service charge for Sterling House for the January-March period 2026. Given that we are scheduled to hand back the building on 26 February, we are required to pay these invoices before hand. Can you please ensure that we receive the invoices asap."

4. The reference to 26 February was a mistake and should have said 23. It is not in dispute that although a demand for the annual rent was not a requisite under the lease to the rent being due, in contrast to the position with the insurance rent, nevertheless it was usual for the agents to issue one.

5. There was no response to that email, so a chaser was sent on 10 February which said:

> "Please can you email a copy of our rental invoice for the period 25.12.25 to 24.03.26…asap so that we can arrange payment this week?"

6. After internal emails within the agents about invoicing, they emailed a response to the Defendant on the same day at 13.14. This email was worded in the agents' standard form, which customarily accompanied the invoice for annual rent, as follows:

> "Please find enclosed your invoice/application for payment. As per the terms of your lease, please ensure we receive payments on or before the due date. We look forward to receiving your payment in due course. If you have any queries with the invoice please contact the credit controller, whose details are listed on the invoice."

7. The invoice was also in standard form. However, on this occasion there was a difference with the inserted details. Usually, the invoice was for a quarter. This one however was for rent "22-Dec-2025 to 23-Feb-2026" with the due date specified as the former date.

8. On 11 February there commenced an email exchange between the agents and Mr Jones as to the final arrangements for the hand over of the premises, dealing with such matters as security. The same day Mr Jones confirmed that he had received the invoice and that payment was being processed. He said that he was due at the premises on 16 February, but needed to be back at the Defendant's offices in central Cardiff later that day. That address was also the registered office. There was discussion about leaving air conditioning equipment at the premises, which the agents agreed to.

9. Mr Jones authorised payment of the rent as invoiced which was remitted on 13 February. In his witness statement in these proceedings, he says that he believed at the time that the Defendant had made all payments under the lease and trusted the agents to demand the correct amount.

10. However, on 20 February a demand for insurance rent was emailed to the Defendant's email address in Singapore, but it is common ground that this was not a valid demand. An automatic response indicated a target for that to be dealt with within three days. Accordingly, the Claimant also delivered an invoice to the Defendant's registered office that day. It was in the Claimant's standard form which sought "Insurance Rent for the period 1st December 2025 – 23rd February 2026." The standard form also gave the Claimant's BACS details. It was delivered in an envelope which had printed at the top "Private and confidential" and with added handwriting saying, "HAND DELIVERED ON 20th February 2026 15.00." There was no express indication of urgency. Such demands were in the past issued in March or April.

11. On 20 February and on the following Monday, 23 February, Mr Jones was at the premises supervising contractors to carry out last minute dilapidations work. The agents had arranged to attend to meet him there that day but emailed to rearrange the meeting for the following day, 24 February. On the morning of 23 February, the invoice for the insurance rent was emailed to Mr Jones by staff at the Defendant's Singapore office, but he did not pick this up until the next day. At 11.12 on 24 February, he asked the accounts department in Singapore to pay the invoice as a matter of urgency. That was 7.12pm Singapore time and the office was closed.

12. That email was dealt with by Singapore staff when the office opened the next morning and payment was released at 13.04 Singapore time. Payment was remitted at 8.15 UK time by BACS faster payment. In the second witness statement of Aled Evans, a financial manager who gives accounting support to the Claimant, he says that BACS is usually used for bulk payments and would typically take three days. The faster payment method is for single payments and takes about two hours or more usually within minutes.

13. Mr Radley-Gardner KC, for the Defendant, submits that the agents' invoice on 10 February was a clear representation as to what was due to satisfy the conditions of the break clause in the lease. Mr Jones relied on that representation in authorising payment in the sum invoiced in the reasonable belief that that was all that was due. It is unconscionable for the Claimant now to claim additional rent, when nothing was said about additional annual rent prior to handover on 24 February and although both parties were proceeding on the basis that handover would then take place. He further submits that it was not helpful to hand deliver a demand for the insurance rent to the defendant's registered office at 3pm on 20 February. If the Claimant wished to seek more rent, then it should have done so at the soonest possible time. The policy of insurance was in place in December 2025.

14. A similar scenario was considered by Peter Smith J in *PCE Investors Ltd v Cancer Research UK* [2012] EWHC 844 (Ch). At [87] he said this:

> "By that date the Tenant plainly knew in my view that the Landlord was expecting the rent to be paid in full despite the break notice. The demand speaks for itself. Why is it necessary for the Landlord to repeat it? The purpose of the two letters of course is to have the Landlord "embrace" the short payment. If the Landlord accepted the short payment and had given the confirmation then of course it would have been estopped from claiming the full amount and from denying that the Underlease had terminated. If the Landlord had replied saying it did not agree that the reduced rent was the correct basis it would have merely confirmed what was already self evident by its earlier demand."

15. Mr Radley-Gardner KC relies on that passage as apposite in the present case. He also relies on *Hughes v Metropolitan Railway* (1877) 2 App Cas 439 and *Tool Metal Manufacturing Co Ltd v Tungsten Electric Co Ltd* [1955] 1 WLR 761 for the proposition that when an estoppel is revoked, reasonable time is required to react appropriately.

16. There was no dispute before me as to the required ingredients to found an estoppel in such circumstances, and so it is unnecessary to set these out at length. They are a clear representation, detrimental reliance on that representation, and unconscionability in seeking to revoke the representation. Mr Fetherstonehaugh KC also relies on *PCE Investors* and a Supreme Court authority, *Marks & Spencer Plc v BNP Paribas Securities Services Trust Co* [2015] UKSC 72, for the proposition that clear wording is required to show an agreement to apportion rent to the break date. That principle was not in dispute. He further submits that Mr Jones' email of 6 February was specifically limited to annual rent and service charge and did not include insurance rent, and that the response referred to the terms of the lease. The Claimant was entitled to assume that the Defendant would satisfy itself as to the steps needed to put into effect the break notice. The amount in the invoice was a clear error which was not queried by the Defendant.

17. However, the standard reference to the terms of the lease was in the context of time for payment rather than amount. Even if that is taken as a reminder of the terms in relation to what needed to be paid under the lease to render the break clause effective, the

accompanying invoice was in my judgment a clear representation as to what the Claimant wanted paid before handover. As there was no application to cross examine Mr Jones, I accept his uncontested written evidence that he relied upon this figure in making the payment thinking that that was what was needed to put into effect the break clause. In my judgment that was a reasonable reliance. He made a request for an invoice well in advance of the break date and was clearly concerned that all that was due should be paid before the break date. He was concerned enough that a chaser had to be sent. He himself referred the rent due to March, but the agents' invoice was very clear about the sums due at the break date.

18. Although insurance rent was not specifically referred to by Mr Jones, the clear context was that he was requesting details of how much was due for the handover to take effect. The attempts to demand insurance rent on 20 February did not in my judgment give a reasonable time for the Defendant to react by midnight on the following Monday. The evidence as to the steps taken to deal with the demand as summarised above does not show that any undue delay occurred on the part of the Defendant, given the arrangements which needed to be made.

19. If that is wrong, and the estoppel did not include the insurance rent, then the estoppel nevertheless operates in respect of the annual rent. The Defendant in the alternative takes a further point in respect of the insurance rent, and relies on the decision of Walton J in *Bank of Baroda v Panessar* [1986] 2 All ER 751 where he said at 760:

> "The debtor is…not in default in making the payment demanded unless and until he had a reasonable opportunity of implementing whatever reasonable mechanics of payment he may need to discharge the debt. Of course, this is limited to the time necessary for the mechanics of payment. It does not extend to any time to raise the money if it is not there to be paid."

20. In *Sheppard & Cooper v TSB Bank Plc* [1996] 2 All ER 654, Blackburne J observed that what is a reasonable opportunity depends on the circumstances of the case, and contrasted the position where the demand is made in banking hours to where it is made outside such hours. He added that he was not abandoning the mechanics of payment test.

21. In my judgment the mechanics for payment described above in the present case were reasonable and a reasonable opportunity extended to the time when the payment was in fact made. There was no suggestion that the money was not there to be paid.

22. That finding makes it unnecessary to determine a further alternative argument of the Defendant, that the insurance rent due had in effect been paid by the greater pre-existing credit. For the sake of completeness, I shall deal with this but will do so briefly. There was no dedicated account between the parties with debits and credits. The account which the parties dealt with was a general account of the Claimant. In my judgment in those circumstances, it has not been shown that the insurance rent was paid on time. But the Claimant is estopped from claiming otherwise, or did not give the Defendant a reasonable opportunity to pay the demand by the break date.

23. Accordingly in my judgment the claim must be dismissed.

24. I end by repeating my thanks to counsel for their clear, focused and succinct submissions, enabling me to be succinct in this judgment. They helpfully agreed that any consequential matters which cannot be agreed can be dealt with on written submissions. A draft order, agreed as far as possible, together with any such submissions, should be filed within 14 days of hand down of this judgment.