

ADJUDICATE TODAY CASE STUDY



CLIENT

Contractors Debt Recovery



Building industry payment disputes resolved fast with efficient adjudication administration

Background

Contractors Debt Recovery is a construction and building industry specialist. The company runs payment claims against non-payers using the Security of Payment Act.

The clients of Contractors Debt Recovery are often small operations whose bottom lines can be devastatingly compromised when payments are refused, delayed or questioned. Contractors Debt Recovery helps resolve such contentions by preparing, submitting and managing meticulously structured payment claims and adjudication applications.

The complexities of the building industry laws and contracts make it a sector predisposed to contractor/supplier wrangles, so professional organisations that can efficiently and knowledgeably present a case are invaluable. "We focus on aiding sub contractors, builders, building companies - from the one man band through to large corporations - engaged in disputes over payments as high as \$48 million," said Contractors Debt Recovery principle, Anthony Igra. "We prepare approximately 120 adjudication applications per year and each one requires attention to

detail and preparation of an extensive index of supporting documents to present the strongest case possible."

As part of the formal adjudication process, for each claim, Contractors Debt Recovery is entitled to select an Authorised Nominating Authority (ANA) to nominate an adjudicator and manage the facilitating process. Adjudicate Today is the ANA of choice for Contractors Debt Recovery.

Efficiency of Process is Crucial

Legal payment disputes between a sub contractor and a building and construction company involve submissions and responses relating to Payment Claims, Payment Schedules and Adjudications which may seem daunting to both the claimant and the respondent but with expert preparer advice and fast, highly organised facilitation, a thorough adjudication process is highly likely.

However, after the matter is lodged for adjudication, important correspondence between Adjudicate Today and both parties is required - involving paper based notices and submissions. It is the responsibility of the ANA to ensure the exchange of

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Anthony Igra
Contractors Debt Recovery principal



information between the parties and the appointed adjudicator is timely and documented.

“Administrative precision is Adjudicate Today’s greatest strength,” said Mr Igra.

“It’s my understanding that 70 percent of formal payment claims under the Security of Payment Act are facilitated by Adjudicate Today – and I can see why. Adjudicate Today has the capacity and ability to manage claims in every state of Australia and they are unquestionably the most professional and most thorough.

“Adjudicate Today keeps all parties adequately informed at every stage of the adjudication process and can manage hundreds of applications at a time. Their record keeping standards and database management is the best this industry has to offer. On every occasion we have requested status updates, clarifications and information regarding document contents, Adjudicate Today has responded quickly and has been able to pinpoint the exact whereabouts of documentation and the current status of each matter.” ■

Security of Payment

‘Security of Payment’ is legislation that provides for the entitlement of contractors, subcontractors, consultants or suppliers in the contractual chain to receive payment due under the terms of their contract from the party higher in the chain. Arbitrary devaluation, late payment and non-payment of progress claims are persistent problems for those who perform construction work or supply goods and services in the construction industry.

Claimants have statutory rights: to progress payments; to claim interest on late payments; to suspend work; and to retain a lawful hold on property.

They also have the right to ‘rapid adjudication’ of disputes over progress payment amounts. This means an independent adjudicator makes an interim determination as to the amount

of progress payment, if any, to be paid to a claimant by a respondent. The respondent is only entitled to make a submission to the adjudicator on the application if they provided a written response to the payment claim.

The role of the Authorised Nominating Authority (ANA)

An adjudicator can only be appointed by an Authorised Nominating Authority (ANA) chosen by the claimant. The procedures and timeframes of the adjudication process are strict. An adjudicator’s determination, while not final, is an enforceable judgment. If the respondent does not pay the adjudicated amount by the relevant date, the adjudicator’s determination can be registered as a judgment in a court of competent jurisdiction.

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