

**Building and Construction Industry
Security of Payment Act 2002**

Adjudication Activity Statistics

2023-2024 Financial Year



Aboriginal Acknowledgment

The VBA respectfully acknowledges the Traditional Owners and custodians of the land and water upon which we rely. We pay our respects to their Elders past and present. We recognise and value the ongoing contribution of Aboriginal peoples and communities to Victorian life.

We embrace the spirit of reconciliation, working towards equality of outcomes and an equal voice.

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Disclaimer – The statistics presented in this publication are based on data provided to the Victorian Building Authority by Authorised Nominating Authorities. The Victorian Building Authority disclaims any liability (including for negligence) to any person in respect of anything done or not done by any person in reliance upon anything included or omitted in these statistics.



1. Building and Construction Industry Security of Payment Act 2002 and reporting on adjudication activity

The *Building and Construction Industry Security of Payment Act 2002* (SOP Act) is intended to provide contractors with a quick, inexpensive and non-legalistic way to recover money owed to them and to resolve payment disputes. It applies to construction contracts for work carried out in Victoria.

Adjudicators are nominated by Authorised Nominating Authorities (ANAs). ANAs are authorised to perform this service by the Victorian Building Authority (VBA) under section 42 of the SOP Act.

The functions of an ANA include nominating adjudicators for the purposes of the SOP Act, receiving and referring adjudication applications to adjudicators and providing information to the VBA in accordance with the SOP Act.

Adjudication activity statistics report

This report provides tabulated and graphical representations of adjudication data for the 2023-2024 financial year. The information in this report is based on data provided to the VBA by ANAs.

Provision of information

ANAs must provide the VBA with information in relation to the activities of the ANA under the SOP Act. Information requested by the VBA may include information regarding the nomination of adjudicators, appointment of review adjudicators, the assessment of eligibility of persons to be adjudicators, the fees charged by the ANA and the fees charged by adjudicators. This information allows the VBA to monitor whether the adjudication process is meeting the object of the SOP Act.

Publication of information

The VBA may publish information in a determination if the information does not identify any person or body referred to in the determination or disclose the address or location of that person or body and the identity, address or location of any person or body referred to in the determination cannot reasonably be determined from the information.

Adjudication activity in this reporting period

There were 332 standard applications managed by Authorised Nominating Authorities in this reporting period. This report provides statistical reporting on the applications managed by Authorised Nominating Authorities during the reporting period.

Notes about data

Application by region classifications are based on Australian Statistical Geography Standard (ASGS) 2011 Statistical Area Level 4 and Level 3 and determined using project site postcode information.

Where figures have been rounded, discrepancies may occur between sums of the component items and totals shown. Percentages of less than 0.5% are shown as 0%, unless otherwise stated.

All amounts are GST exclusive.

For more information

Further information on the SOP Act can be found on the VBA website at www.vba.vic.gov.au.



2. Applications

Application statistics

Table 1: Applications and status

Applications and status				
Applications	Jul-Dec	Jan-Jun	FY 2024	%
Applications determined	103	93	196	59%
Applications not determined	44	70	114	34%
Applications completed	147	163	310	93%
Applications not yet determined	0	22	22	7%
Total	147	185	332	100%

Table 2: Reasons applications not determined

Reasons applications not determined				
Reason not determined	Jul-Dec	Jan-Jun	FY 2024	%
Settled by parties	9	13	22	19%
Withdrawn by claimant	24	48	72	63%
No jurisdiction	0	2	2	2%
Timed out	11	6	17	15%
Other	0	1	1	1%
Total	44	70	114	100%

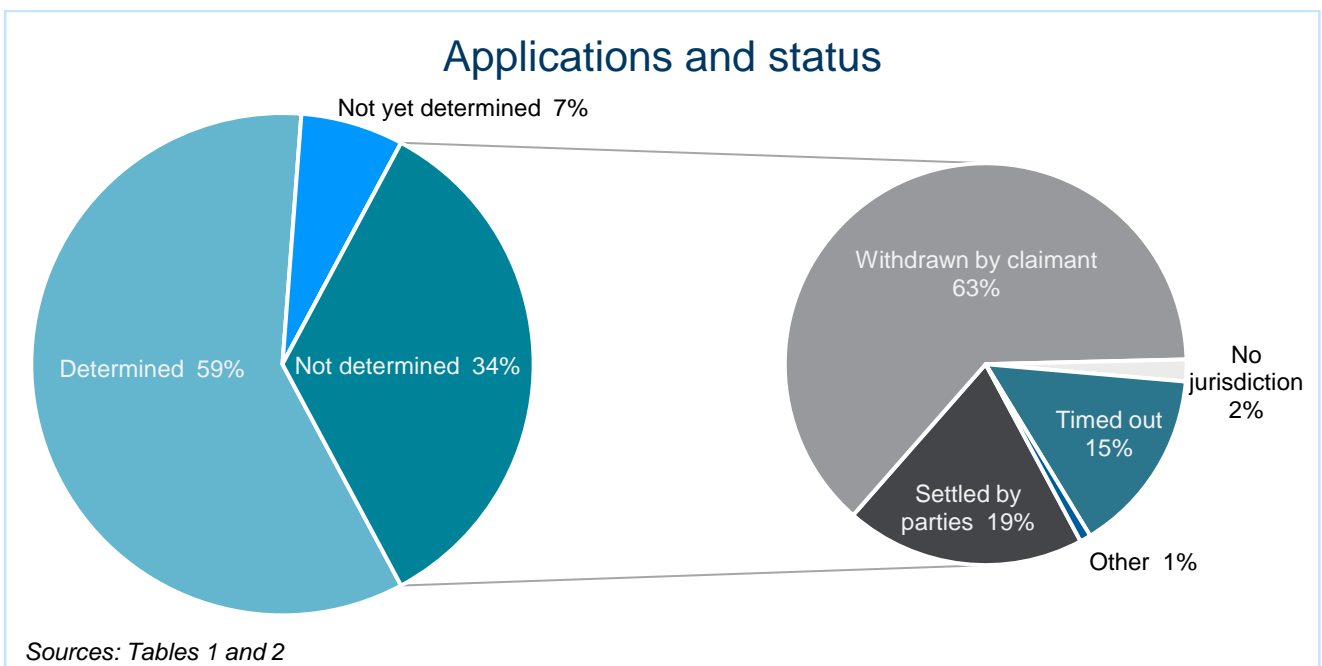


Figure 1: Applications and status



Applications by section

Table 3: Applications by section of the SOP Act

Section of SOP Act under which application made				
Section of SOP Act	Jul-Dec	Jan-Jun	FY 2024	%
Section 18(1)(a)(i)	71	80	151	45%
Section 18(1)(a)(ii)	2	3	5	2%
Section 18(1)(b)	74	102	176	53%
Total	147	185	332	100%

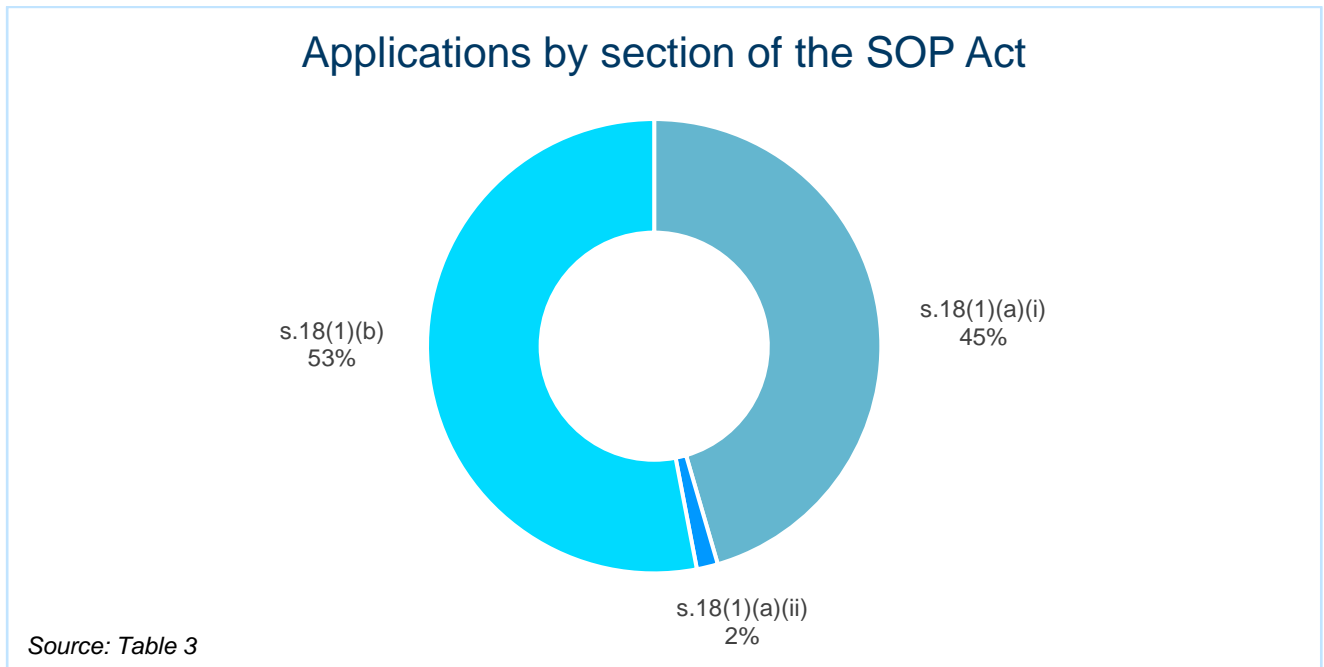


Figure 2: Section of SOP Act under which application made

Table 4: Section 18(2) notices (section 18(1)(b) applications)

Section 18(2) notices issued				
Section 18(2) notices	Jul-Dec	Jan-Jun	FY 2024	%
Notices issued	74	99	173	98%
Notices not issued	0	3	3	2%
Total	74	102	176	100%



Applications by claimant and respondent type

Table 5: Claimant statistics

Claimant statistics				
Claimant type	Jul-Dec	Jan-Jun	FY 2024	%
Consultant	11	15	26	8%
Developer	0	2	2	1%
Head contractor	40	43	83	25%
Major subcontractor	17	20	37	11%
Manufacturer of building materials or components	0	2	2	1%
Other	0	2	2	1%
Project manager	2	2	4	1%
Supplier	8	4	12	3%
Trade subcontractor	69	95	164	49%
Total	147	185	332	100%

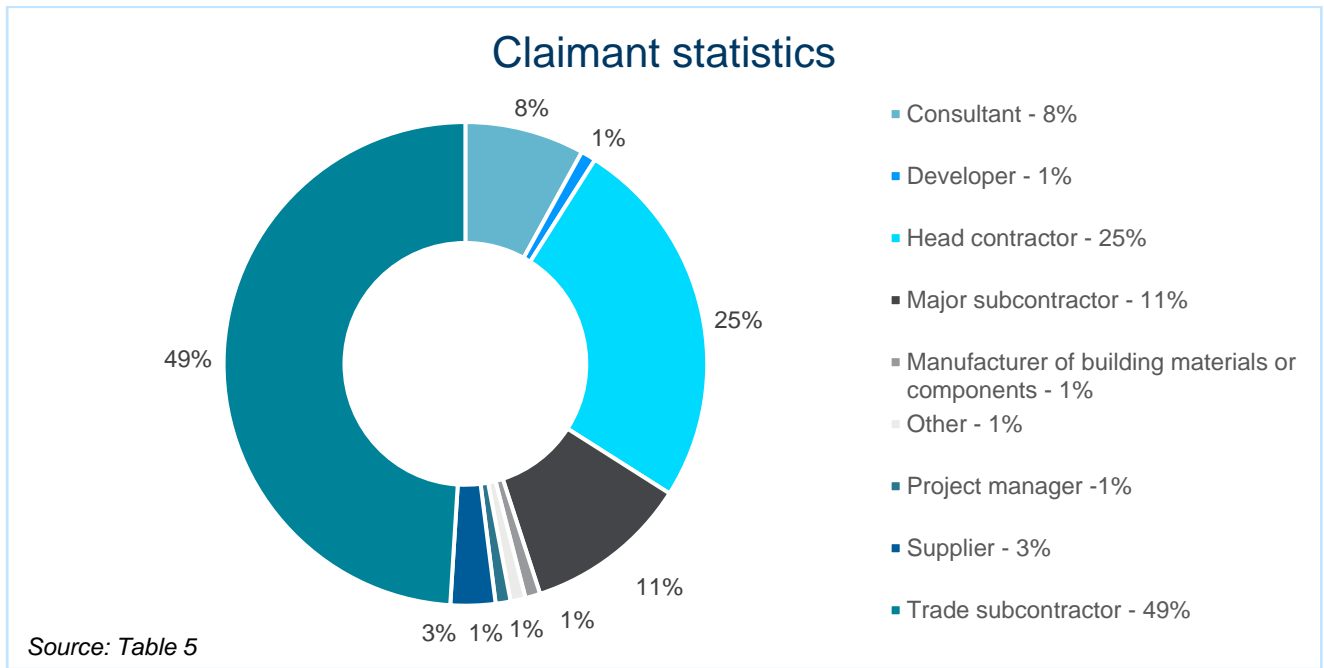


Figure 3: Claimant statistics



Table 6: Respondent statistics

Respondent statistics				
Respondent type	Jul-Dec	Jan-Jun	FY 2024	%
Consultant	1	0	1	0%
Developer	39	52	91	27%
Head contractor	87	91	178	54%
Major subcontractor	10	16	26	8%
Manufacturer of building materials or components	1	2	3	1%
Other	7	7	14	4%
Project manager	0	10	10	3%
Supplier	0	1	1	0%
Trade subcontractor	2	6	8	3%
Total	147	185	332	100%

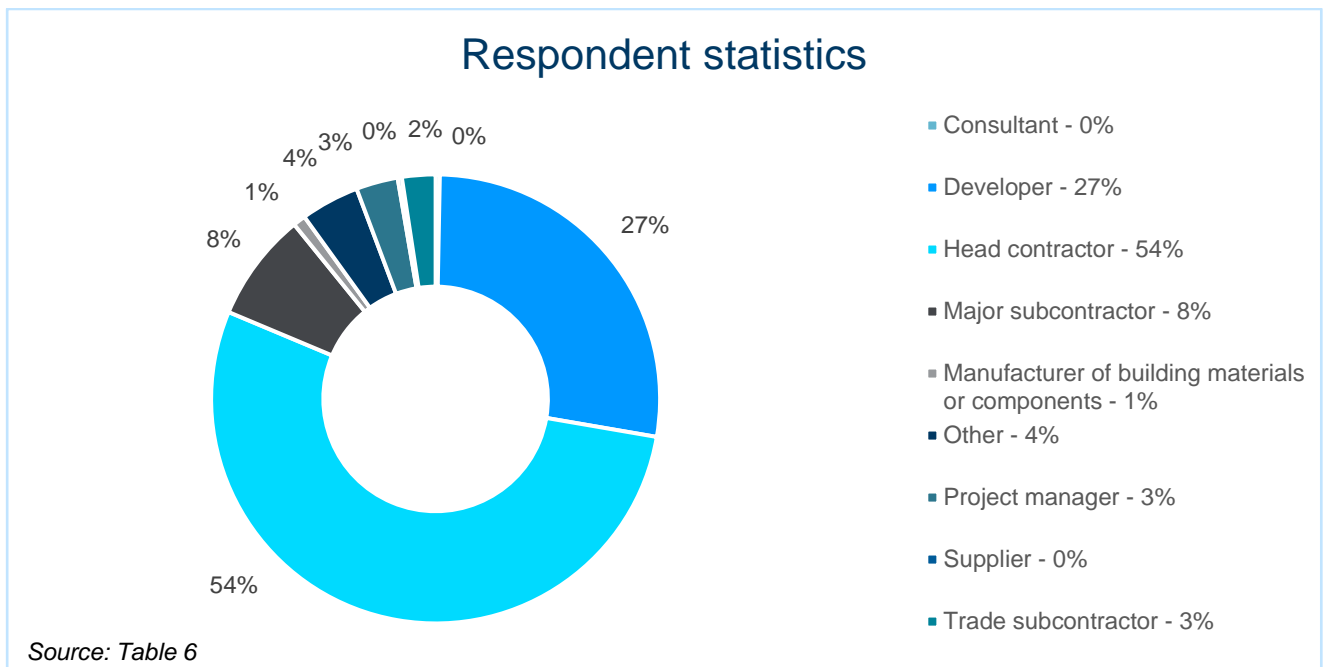


Figure 4: Respondent statistics



Applications by region

Table 7: State-wide distribution of applications

State-wide distribution of applications				
Region	Jul-Dec	Jan-Jun	FY 2024	%
Ballarat	6	10	16	5%
Bendigo	0	3	3	1%
Geelong	2	6	8	2%
Hume	4	4	8	2%
Latrobe - Gippsland	2	3	5	2%
Melbourne - Inner	42	43	85	26%
Melbourne - Inner East	12	23	35	11%
Melbourne - Inner South	15	24	39	12%
Melbourne - North East	8	16	24	7%
Melbourne - North West	10	12	22	7%
Melbourne - Outer East	10	11	21	6%
Melbourne - South East	16	12	28	8%
Melbourne - West	10	8	18	5%
Mornington Peninsula	5	5	10	3%
Shepparton	2	0	2	1%
Warrnambool and South West	0	1	1	0%
Various	3	4	7	2%
Total	147	185	332	100%

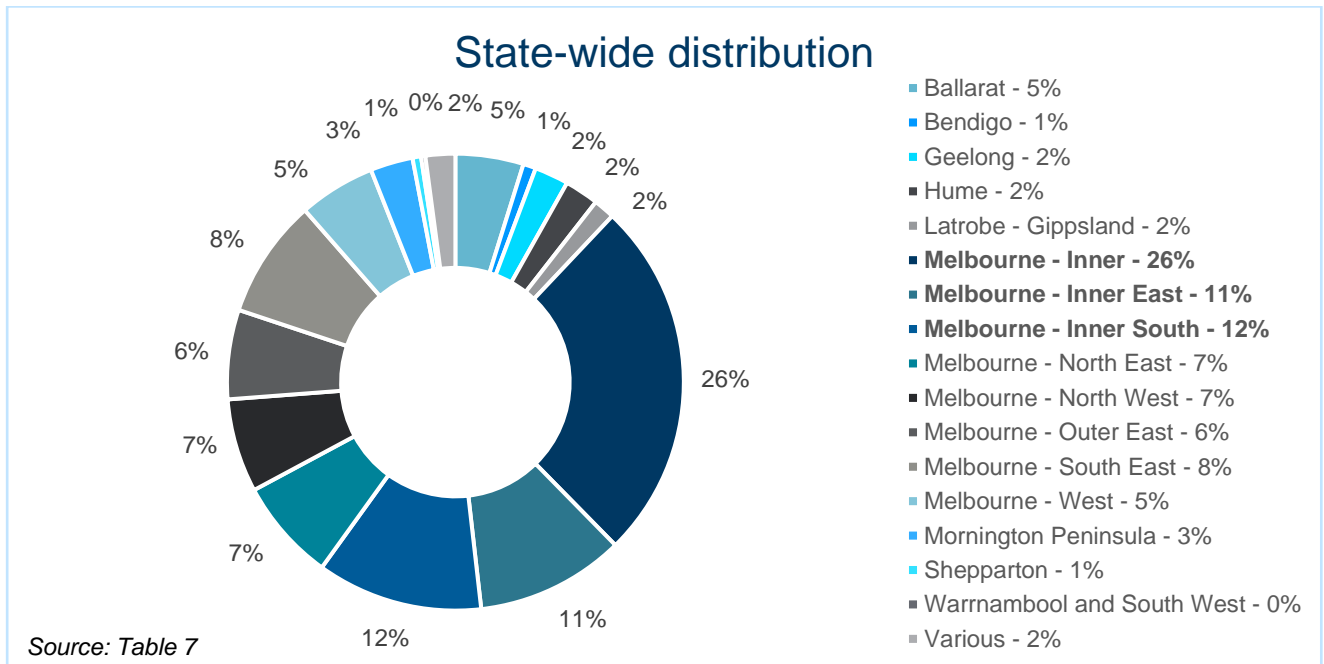


Figure 5: State-wide distribution of applications



Table 8: Inner-Melbourne distribution of applications

Inner-Melbourne distribution of applications				
Inner-Melbourne	Jul-Dec	Jan-Jun	FY 2024	%
Melbourne - Inner	42	43	85	53%
Brunswick - Coburg	4	5	9	6%
Darebin - South	0	1	1	1%
Essendon	6	9	15	9%
Melbourne City	14	10	24	15%
Port Phillip	3	4	7	4%
Stonnington - West	9	8	17	11%
Yarra	6	6	12	7%
Melbourne - Inner East	12	23	35	22%
Boroondara	8	10	18	11%
Manningham - West	0	5	5	3%
Whitehorse - West	4	8	12	8%
Melbourne - Inner South	15	24	39	25%
Bayside	7	10	17	11%
Glen Eira	7	6	13	8%
Kingston	0	8	8	5%
Stonnington - East	1	0	1	1%
Total	69	90	159	100%

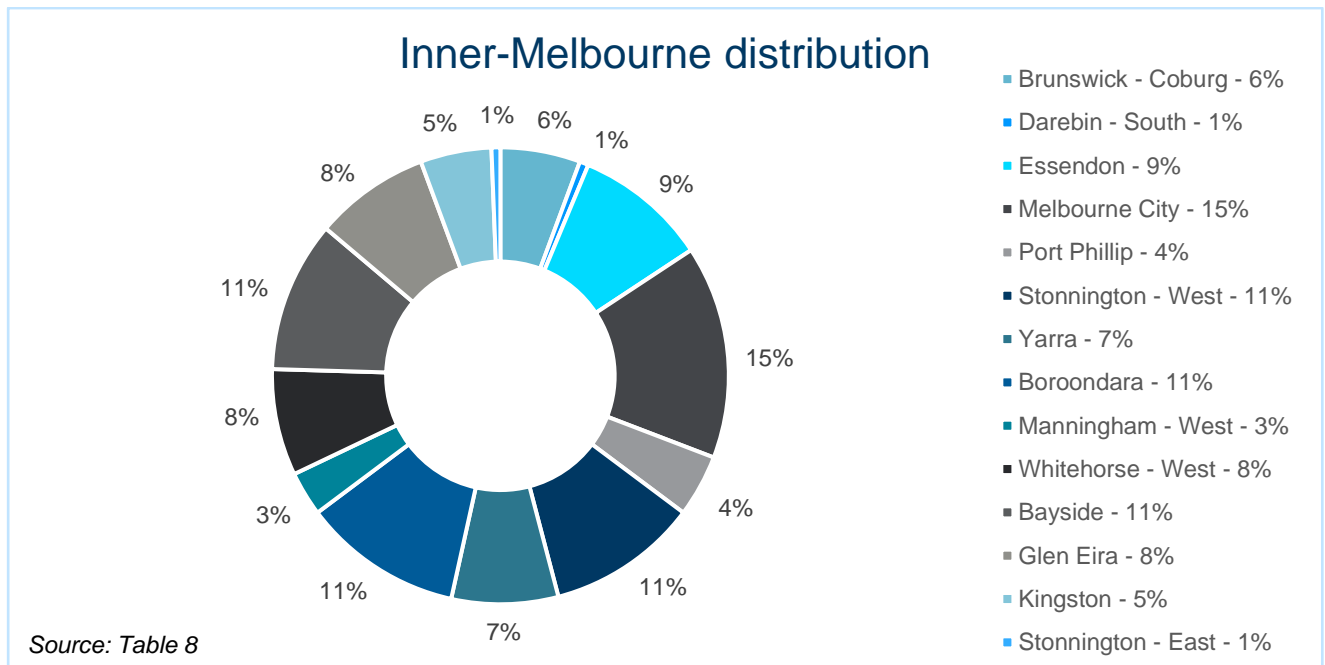


Figure 6: Inner-Melbourne distribution of applications



3. Claimed amounts

Table 9: Claimed amount statistics

Claimed amount statistics			
Claimed amounts (\$)	Jul-Dec	Jan-Jun	FY 2024
Sum of claimed amount	69,653,128	50,163,058	119,816,186
Maximum claimed amount	39,521,237	5,220,807	39,521,237
Minimum claimed amount	380	1,060	380
Average claimed amount	473,831	272,625	361,982

Table 10: Number of claims by claim range

Number of claims by claim range				
Range of claimed amounts (\$)	Jul-Dec	Jan-Jun	FY 2024	%
<5,000	9	16	25	8%
5,000-9,999	11	17	28	8%
10,000-24,999	24	36	60	18%
25,000-39,999	17	12	29	9%
40,000-99,999	33	42	75	23%
100,000-249,999	24	23	47	14%
250,000-499,999	16	17	33	10%
500,000-749,999	4	7	11	3%
750,000-999,999	2	2	4	1%
1,000,000-4,999,999	5	11	16	5%
5,000,000-9,999,999	1	2	3	1%
>10,000,000	1	0	1	0%
Total	147	185	332	100%

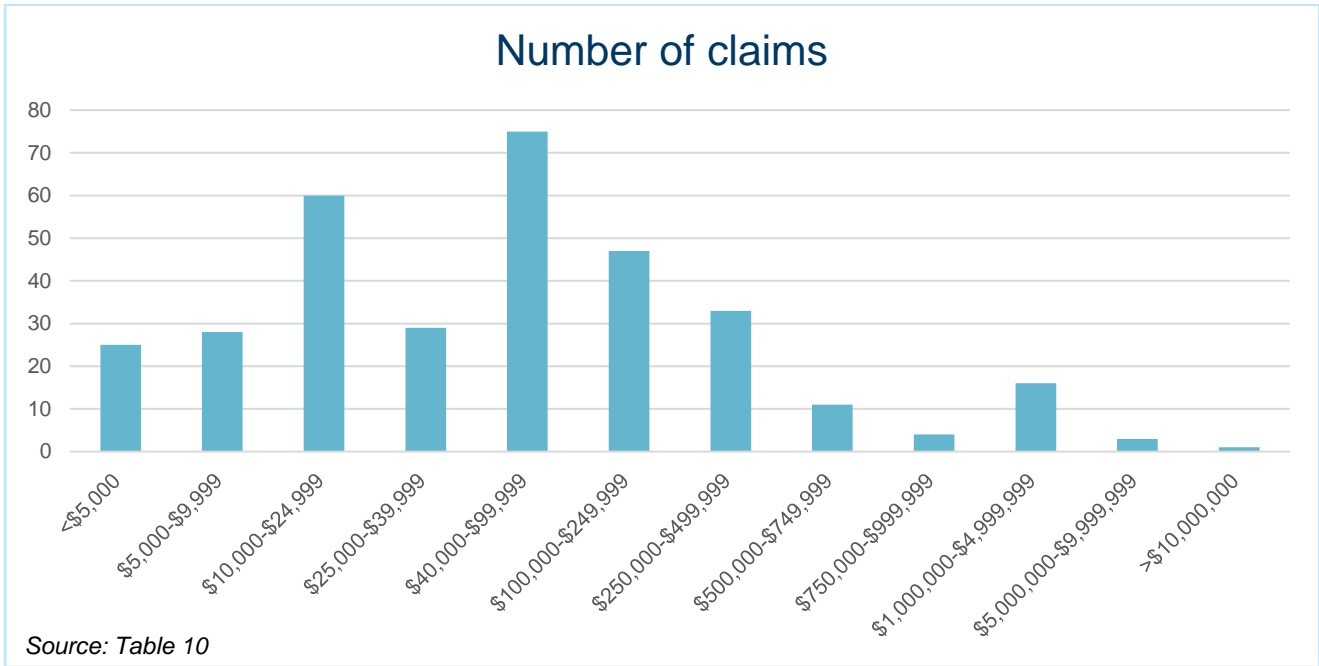


Figure 7: Number of claims by claim range

Table 11: Total claimed amounts by claim range

Sum of claimed amounts by claim range				
Range of claimed amounts (\$)	Jul-Dec	Jan-Jun	FY 2024	%
<5,000	28,697	56,328	85,025	0%
5,000-9,999	82,387	123,052	205,440	0%
10,000-24,999	388,420	567,560	955,979	1%
25,000-39,999	545,518	369,422	914,939	1%
40,000-99,999	2,210,671	2,893,910	5,104,581	4%
100,000-249,999	3,705,491	3,581,649	7,287,140	6%
250,000-499,999	5,908,028	5,744,791	11,652,819	10%
500,000-749,999	2,366,738	4,369,865	6,736,604	5%
750,000-999,999	1,757,135	1,714,244	3,471,378	3%
1,000,000-4,999,999	7,993,922	20,306,595	28,300,517	24%
5,000,000-9,999,999	5,144,885	10,435,643	15,580,528	13%
>10,000,000	39,521,237	0	39,521,237	33%
Total	69,653,128	50,163,058	119,816,186	100%

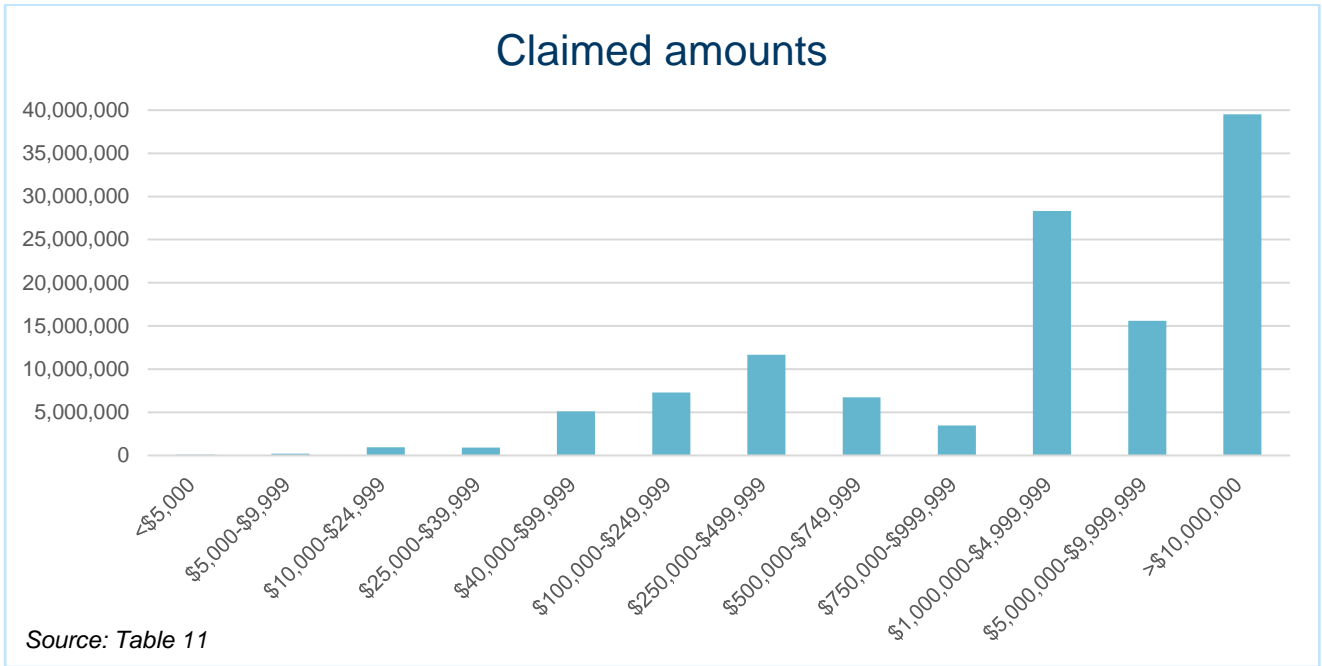


Figure 8: Total claimed amounts by claim range



4. Adjudicated amounts

Table 12: Adjudicated amount statistics

Adjudicated amount statistics			
Adjudicated amounts (\$)	Jul-Dec	Jan-Jun	FY 2024
Sum of adjudicated amount	29,781,241	12,407,073	42,188,314
Maximum adjudicated amount	18,957,046	1,938,824	18,957,046
Minimum adjudicated amount	0	0	0
Average adjudicated amount	300,821	145,966	229,284

Table 13: Number of adjudicated matters by adjudicated amount range

Number of adjudicated amounts by adjudicated amount range				
Range of adjudicated amounts (\$)	Jul-Dec	Jan-Jun	FY 2024	%
<5,000	29	35	64	33%
5,000-9,999	6	3	9	4%
10,000-24,999	14	18	32	16%
25,000-39,999	11	6	17	9%
40,000-99,999	19	10	29	15%
100,000-249,999	10	9	19	10%
250,000-499,999	8	5	13	6%
500,000-749,999	2	2	4	2%
750,000-999,999	2	2	4	2%
1,000,000-4,999,999	1	3	4	2%
5,000,000-9,999,999	0	0	0	0%
>10,000,000	1	0	1	1%
Total	103	93	196	100%

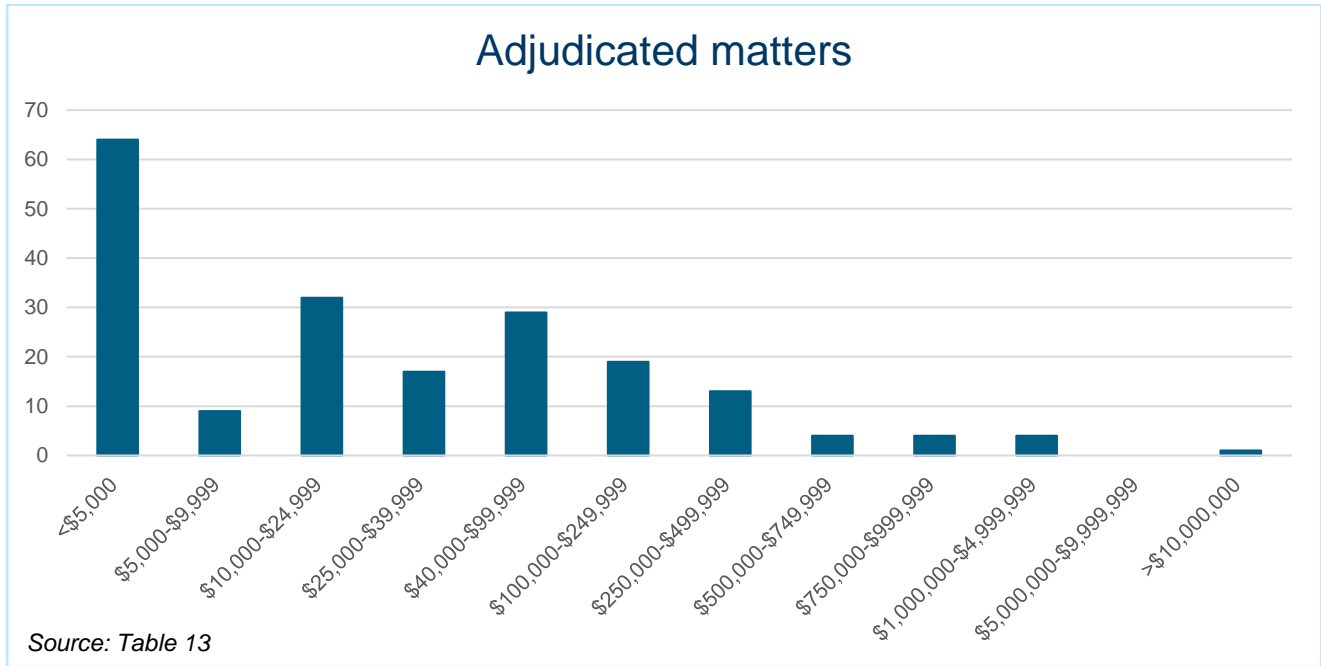


Figure 9: Number of adjudicated matters by adjudicated amount range

Table 14: Total adjudicated amounts by adjudicated amount range

Sum of adjudicated amounts by adjudicated amount range				
Range of adjudicated amounts (\$)	Jul-Dec	Jan-Jun	FY 2024	%
<5,000	15,309	23,232	38,541	0%
5,000-9,999	51,733	21,560	73,293	0%
10,000-24,999	231,393	261,416	492,809	1%
25,000-39,999	355,374	192,245	547,620	1%
40,000-99,999	1,253,333	580,645	1,833,977	4%
100,000-249,999	1,545,771	1,665,522	3,211,293	8%
250,000-499,999	2,989,551	1,987,616	4,977,167	12%
500,000-749,999	1,082,670	1,243,193	2,325,863	6%
750,000-999,999	1,768,098	1,745,621	3,513,719	8%
1,000,000-4,999,999	1,530,962	4,686,024	6,216,986	15%
5,000,000-9,999,999	0	0	0	0%
>10,000,000	18,957,046	0	18,957,046	45%
Total	29,781,241	12,407,073	42,188,314	100%

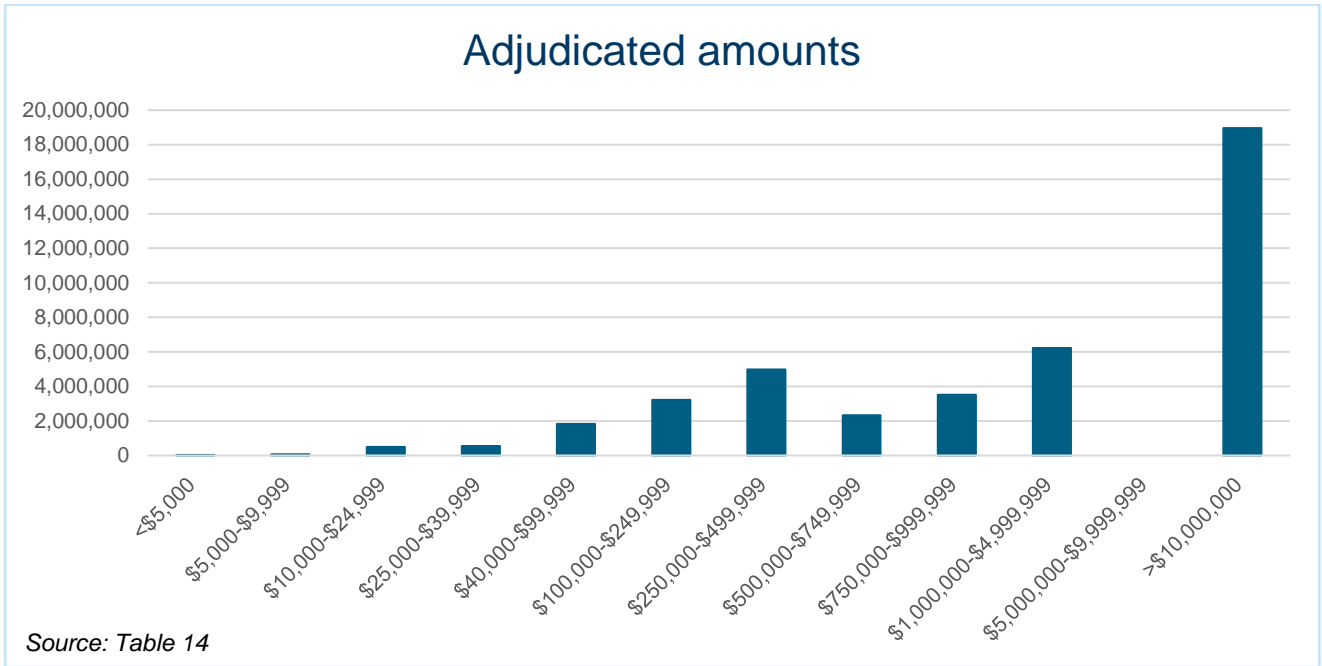


Figure 10: Total adjudicated amounts by adjudicated amount range



5. Adjudicated amount as a percentage of claimed amount

Table 15: Adjudicated amount as a percentage of claimed amount

Adjudicated amount as a percentage of claimed amount						
Range of claimed amounts (\$)	Number of applications	Number of determined applications	Number of adjudicated amounts equal to the claimed amount	Percentage of adjudicated amounts equal to claimed amount	Average claimed amount (\$)	Average determined amount (\$)
<5,000	25	64	8	13%	3,779	2,492
5,000-9,999	28	9	4	44%	7,543	5,023
10,000-24,999	60	32	18	56%	15,413	11,720
25,000-39,999	29	17	5	29%	31,834	23,712
40,000-99,999	75	29	13	45%	64,101	38,051
100,000-249,999	47	19	9	47%	156,537	111,224
250,000-499,999	33	13	7	54%	353,209	174,875
500,000-749,999	11	4	2	50%	587,804	234,642
750,000-999,999	4	4	0	0%	890,173	673,981
1,000,000-4,999,999	16	4	1	25%	1,769,775	865,664
5,000,000-9,999,999	3	0	0	0%	5,182,846	346,896
>10,000,000	1	1	0	0%	39,521,237	18,957,046
Total	332	196	67			

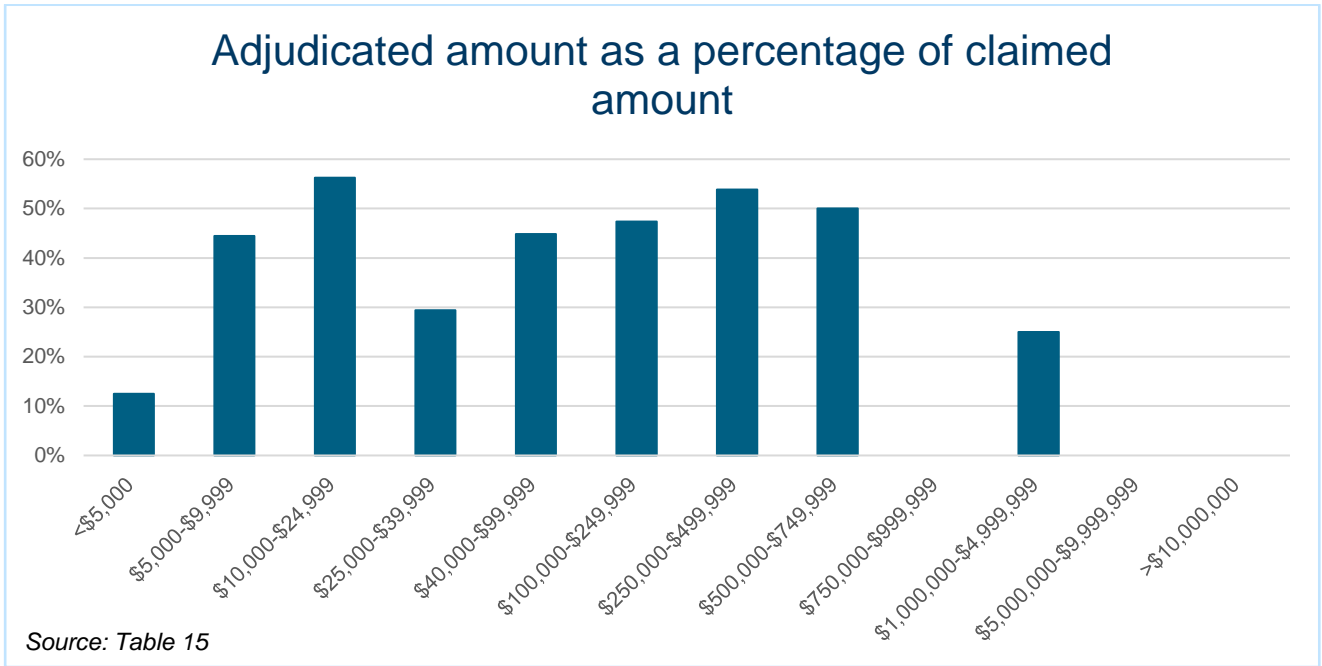


Figure 11: Adjudicated amount as a percentage of claimed amount by claim amount range



6. Adjudication fees

Table 16: Adjudication fees (excluding administration and adjudication certificate fees)

Total adjudication fees				
Adjudication fees (\$)	Jul-Dec	Jan-Jun	FY 2024	%
Application fees	0	0	0	N/A
Adjudicator fees	900,999	690,113	1,591,111	100%
Adjudicator share	718,114	540,933	1,259,047	79%
ANA share	182,885	149,180	332,065	21%
Total	900,999	690,113	1,591,111	100%

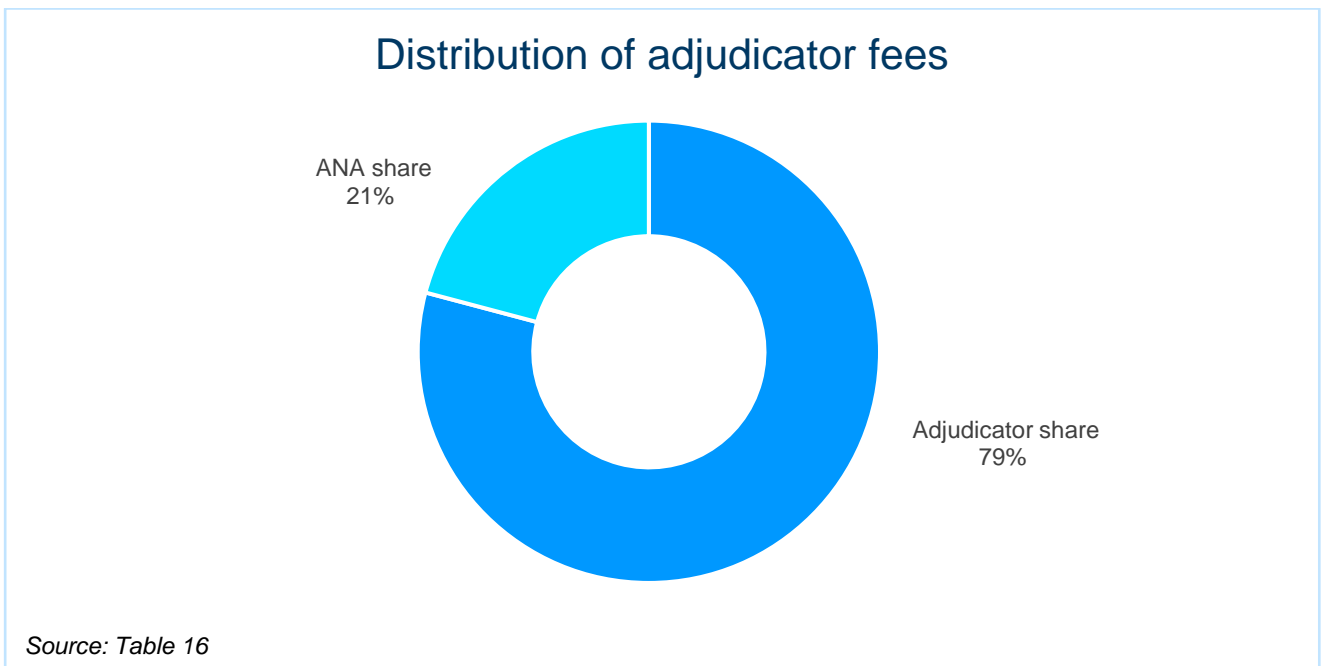


Figure 12: Distribution of adjudicator fees between adjudicator and ANA



Table 17: Average adjudicator fee as a percentage of the average claimed amount by range (determined applications only)

Average adjudicator fee as a percentage of the average claimed amount by range								
Range of claimed amounts (\$)	Number of adjudicated matters	Average claimed amount (\$)	Average adjudicator fee (\$)	Average adjudicator fee payable by claimant (\$)	Average adjudicator fee payable by respondent (\$)	Average fee as a percentage of the average claimed amount (%)	Average payable by claimant (%)	Average payable by respondent (%)
<5,000	12	3,779	789	223	566	20.9%	28%	72%
5,000-9,999	12	7,543	1,299	278	1,021	17.2%	21%	79%
10,000-24,999	35	15,413	1,878	387	1,547	12.2%	21%	82%
25,000-39,999	18	31,834	3,578	885	2,693	11.2%	25%	75%
40,000-99,999	42	64,101	4,401	928	3,473	6.9%	21%	79%
100,000-249,999	27	156,537	8,539	1,938	6,601	5.5%	23%	77%
250,000-499,999	24	353,209	13,123	6,547	6,575	3.7%	50%	50%
500,000-749,999	7	587,804	16,314	7,447	8,868	2.8%	46%	54%
750,000-999,999	2	890,173	47,406	12,760	34,646	5.3%	27%	73%
1,000,000-4,999,999	14	1,769,775	27,648	6,940	20,708	1.6%	25%	75%
5,000,000-9,999,999	2	5,182,846	45,320	22,660	22,660	0.9%	50%	50%
>10,000,000	1	39,521,237	79,200	39,600	39,600	0.2%	50%	50%
Total	196							

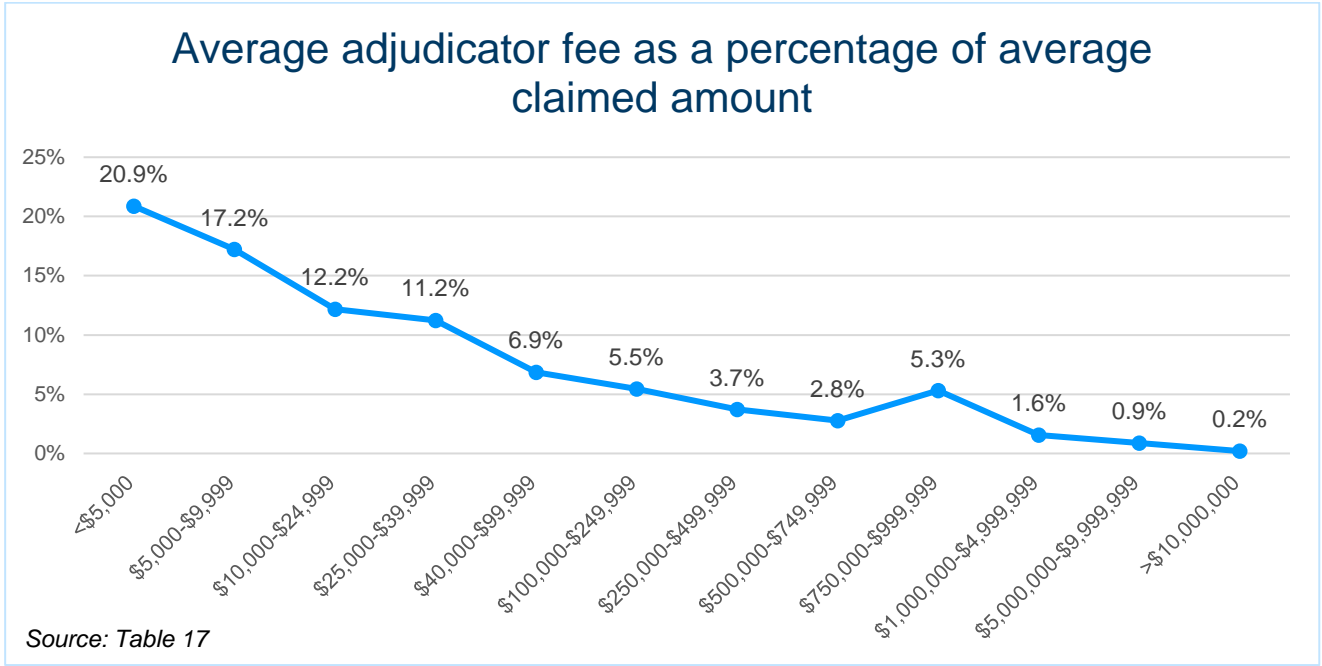


Figure 13: Average adjudicator fee as a percentage of the average claimed amount by claim range (determined applications only)



7. Adjudicator fees

Table 18: Total adjudicator fees by range (completed applications)

Total adjudicator fees by range					
Range of claimed amounts (\$)	Number	Total	Average	Minimum	Maximum
<5,000	23	9,040	753	160	1,364
5,000-9,999	25	12,991	1,083	0	3,000
10,000-24,999	58	65,733	1,369	0	4,636
25,000-39,999	27	65,949	3,140	0	4,636
40,000-99,999	70	176,024	3,827	0	13,295
100,000-249,999	42	230,559	7,950	0	24,979
250,000-499,999	32	301,819	12,576	0	35,200
500,000-749,999	11	97,884	16,314	2,640	37,840
750,000-999,999	4	94,813	47,406	43,773	51,040
1,000,000-4,999,999	14	359,420	27,648	4,275	74,878
5,000,000-9,999,999	3	97,680	32,560	7,040	57,200
>10,000,000	1	79,200	79,200	79,200	79,200
Total	310	1,591,111			

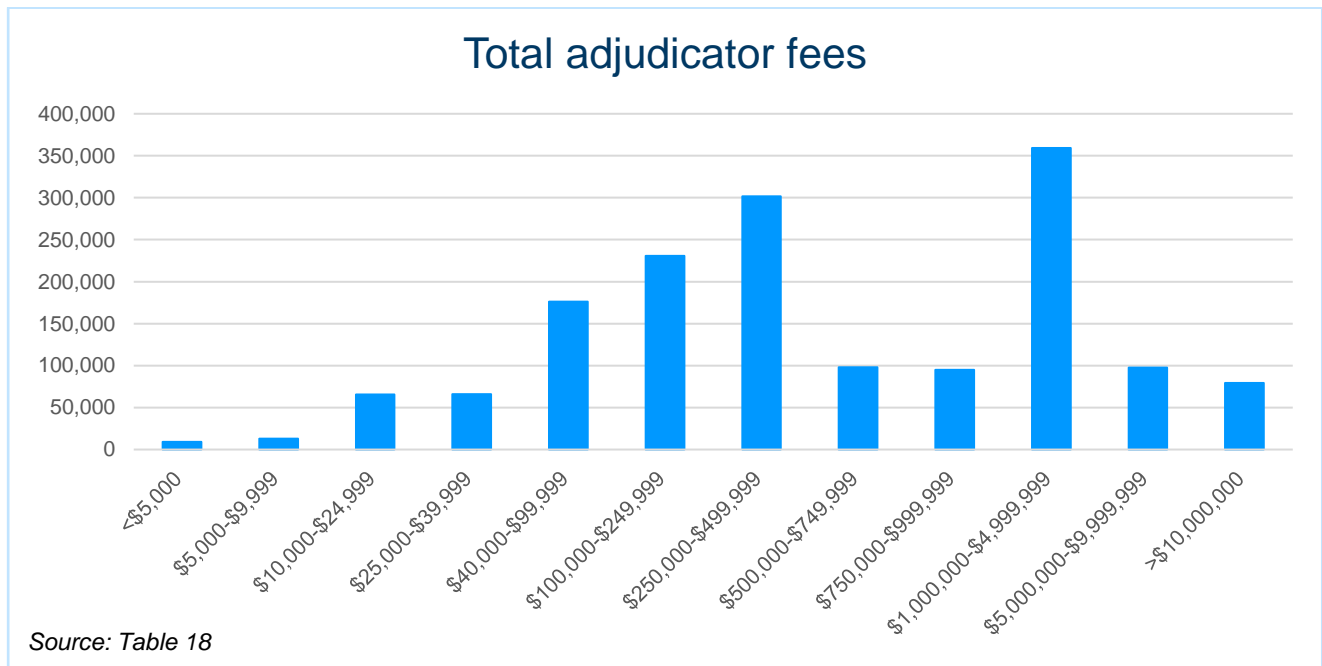


Figure 14: Total Adjudicator fees for completed applications by claim range



Table 19: Adjudicator fees payable by claimant and respondent by range (completed applications)

Apportionment of adjudicator fees between claimants and respondents						
Range of claimed amounts (\$)	Number of applications	Total adjudicator fee (\$)	Total payable by claimant (\$)	Total payable by respondent (\$)	Average payable by claimant (\$)	Average payable by respondent (\$)
<5,000	23	9,040	2,817	6,222	235	519
5,000-9,999	25	12,991	2,782	10,209	232	851
10,000-24,999	58	65,733	13,149	52,584	280	1,119
25,000-39,999	27	65,949	17,476	48,473	832	2,308
40,000-99,999	70	176,024	37,106	138,918	789	2,956
100,000-249,999	42	230,559	52,320	178,240	1,744	5,941
250,000-499,999	32	301,819	150,584	151,235	6,274	6,301
500,000-749,999	11	97,884	44,679	53,205	7,447	8,868
750,000-999,999	4	94,813	25,520	69,293	12,760	34,646
1,000,000-4,999,999	14	359,420	90,217	269,203	6,940	20,708
5,000,000-9,999,999	3	97,680	48,840	48,840	16,280	16,280
>10,000,000	1	79,200	39,600	39,600	39,600	39,600
Total	310	1,591,111	525,090			

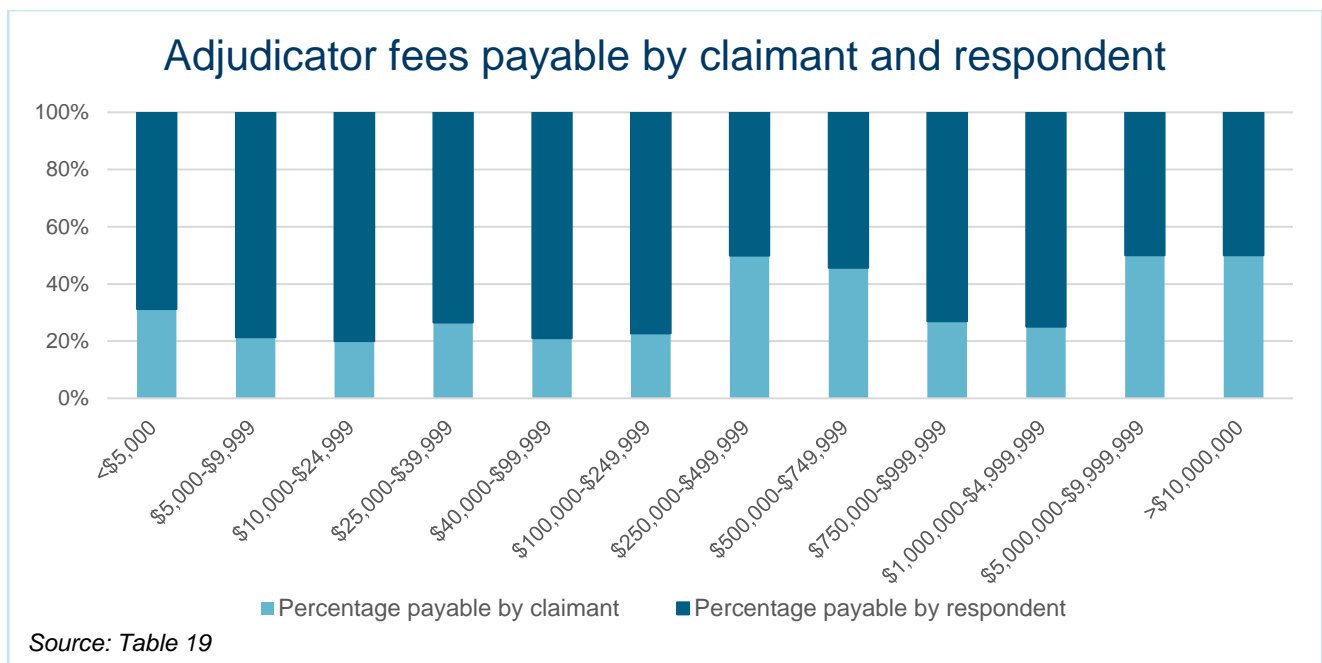


Figure 15: Apportionment of adjudicator fees payable by claimant and respondent for claim range



8. Adjudication certificates

Table 20: Number of adjudication certificates issued versus number of determinations (released)

Number of adjudication certificates issued versus number of determinations			
Adjudication certificates issued	Jul-Dec	Jan-Jun	FY 2024
Applications determined	100	89	189
Adjudication certificates issued	37	28	65
Certificate issued versus determinations	37%	31%	34%

Table 21: Adjudication certificate fees

Adjudication certificate fees (\$)			
Adjudication certificate fees (\$)	Jul-Dec	Jan-Jun	FY 2024
Total Adjudication certificate fees	7,150	5,550	12,700
Average Adjudication certificate fee	193	198	195

Table 22: Number of adjudication certificates by range of adjudicated amount

Number of adjudication certificates issued by range of adjudicated amount				
Range of adjudicated amounts (\$)	Jul-Dec	Jan-Jun	FY 2024	%
<5,000	1	3	4	6%
5,000-9,999	0	1	1	1%
10,000-24,999	7	7	14	22%
25,000-39,999	6	4	10	15%
40,000-99,999	9	5	14	22%
100,000-249,999	7	4	11	17%
250,000-499,999	4	1	5	8%
500,000-749,999	1	1	2	3%
750,000-999,999	1	1	2	3%
1,000,000-4,999,999	1	1	2	3%
5,000,000-9,999,999	0	0	0	0%
>10,000,000	0	0	0	0%
Total	37	28	65	100%

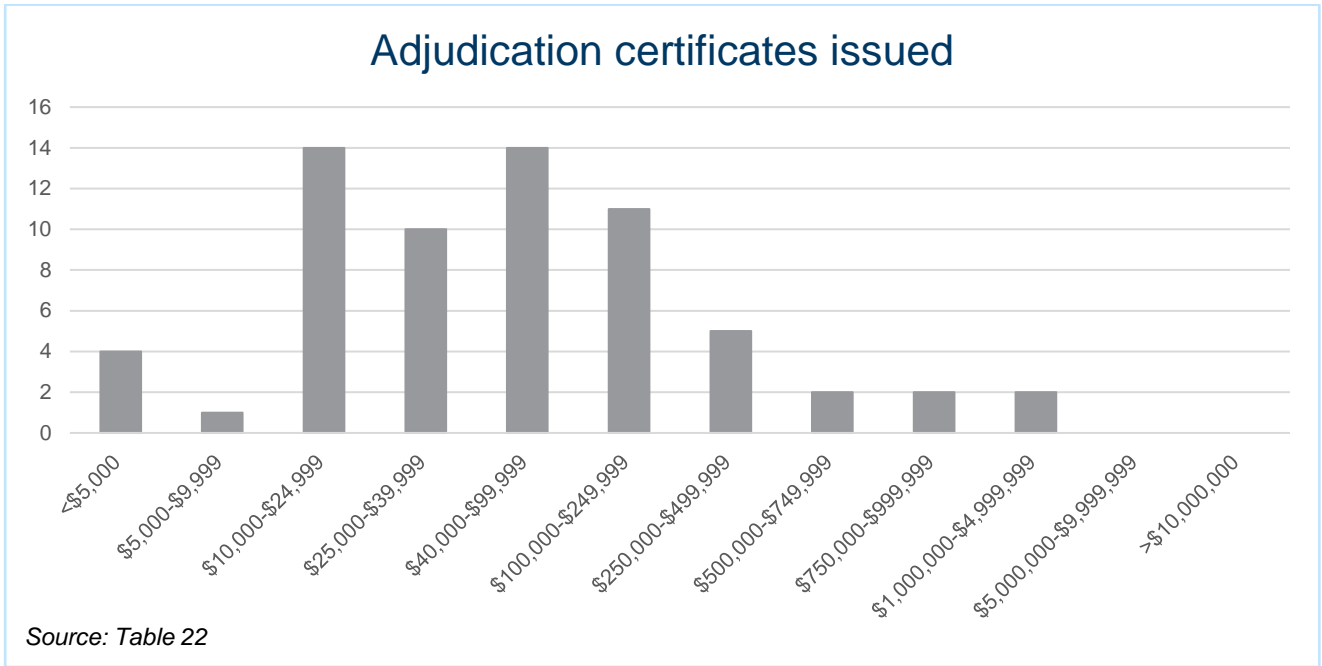


Figure 16: Number of adjudication certificates issued by adjudicated amount



9. List of Authorised Nominating Authorities

The following organisations were authorised as Authorised Nominating Authorities under section 42 of the SOP Act during the 2023-2024 financial year.

- Adjudicate Today Pty Limited
- Resolution Institute
- Rialto Adjudications Pty Limited
- RICS Dispute Resolution Service

Want to know more?

If you have any questions about this information, please contact the VBA.

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