CONSTRUCTION CLAIMS & DISPUTES

THE FACTS:

Lean Field Developments v E & I Global Solutions

[2016] 1 Qd R 30



A SUMMARY OF THE CASE THAT STOPS BUILDERS MAKING A STAT DEC A PRECONDITION TO PAYMENT



FACT SHEET

No stat dec = no claim and the Lean Field Case

Why builders can't block your payment claim with extra paperwork

What was this case about?

A developer's contract said a subcontractor couldn't make a payment claim until it had first sent in a draft claim. The subcontractor claimed, went to adjudication and was awarded the money. The developer, Lean Field, went to court to have that decision thrown out, arguing the claim was invalid because no draft had gone in first. **It lost.**

What was the problem?

The contract tried to make the subcontractor's right to make a payment claim depend on giving the builder extra documents **FIRST**.
If the subbie didn't hand in that extra paperwork, the builder claimed the payment claim wasn't valid.

The problem?

This turns the subbie's right to claim into a **conditional right** - meaning the builder controls when you can claim by demanding whatever paperwork they want. The court said this makes your right to get paid illusory - **practically useless**.



FACT SHEET

No stat dec = no claim and the Lean Field Case

What the Court decided

This is a Queensland Supreme Court decision. Queensland adjudicators follow it. In other states it's persuasive – courts there can take it into account, but they don't have to follow it. His Honour Justice Applegarth ruled:

Builders can't force subbies to give extra paperwork as a precondition to making a payment claim.

Why? Because:

- Under BIFA (formerly BCIPA), your right to claim comes from the reference date, not from handing in extra documents.
- Any contract clause that delays, blocks, or interferes with the reference date is void.
- Requiring things like draft claims, stat decs, programs or insurance docs before the real claim can be lodged is an **unlawful precondition**.
- Even if the contract says otherwise — those clauses have **no effect**.
- If your rights are blocked or delayed, the statutory default reference date kicks in instead.
- The adjudicator's decision was upheld.
- The precondition clauses were **VOID**.



FACT SHEET

No stat dec = no claim and the Lean Field Case

In simple terms

- You don’t lose your right to claim just because you didn’t give them a stat dec.
- You don’t lose your right to claim because you didn’t submit a “draft” claim.
- You don’t lose your right to claim because the builder wants more paperwork.

If the extra document doesn’t help the payment happen faster, it can’t be used to stop your claim.

What this means for subbies

- Your legal right to claim starts on the reference date — nothing else.
- A builder can’t add new hoops for you to jump through.
- If they refuse to assess your claim because of missing paperwork — that doesn’t stop your claim being valid.
- Your claim is still valid even if you didn’t attach the paperwork they “demand”.
- Their contract clause is legally meaningless.



FACT SHEET

No stat dec = no claim and the Lean Field Case

Quick example

You're contract says:

"Payment claims must include a stat dec, program, updated insurances and a draft claim. Missing documents mean your claim isn't valid."

You send your claim without the stat dec. The builder says: "Won't assess it. Won't pay it."

Here's the truth:

- Your claim is still valid.
- The clause is void.
- You can still go to adjudication — because the reference date has already given you the right to claim.

Bottom Line

Your right to claim comes from the reference date, not from the builder's paperwork list. If a document doesn't help you get paid, it can't be used to stop you claiming.

Suffer from insomnia? - read the full judgement

If you're really keen to hear exactly what Justice Applegarth had to say, or you just want something to put you to sleep tonight, you can read the full judgement here.



Need Help Getting Your Payment Sorted?

If your builder's pulling this stunt with you, reach out and I'll show you exactly how to get your cash released — fast, legal, and without the sleepless nights.



PHONE:
0418 168 368

EMAIL:
jason@ccandd.com.au

WEB:
www.ccandd.com.au

TALK TO JASON:
Click here to schedule an obligation free call.