Crossing the Irish Sea: A Costly Lesson on Adjudication Jurisdiction

By Andrew Singer KC & Arran Dowling-Hussey[1]

In *Connaughton v Timber Frame Projects Ltd t/a Timber Frame Ireland* [2026] IECA 216 (13 November 2026), the Irish Court of Appeal held that claims for common law unliquidated damages fall outside Ireland's statutory adjudication regime—leaving a successful referring party with a void award after two rounds in court.

Anyone working across both UK and Irish construction projects knows how easy it is to assume the two adjudication systems operate in basically the same way. Both enforce awards on a 'pay now, argue later' basis, and UK textbooks and Technology and Construction Court (TCC) authorities are cited daily in Dublin. Yet when it comes to what can actually be referred to an adjudicator, Ireland's Construction Contracts Act 2013 is drawn much more tightly than the UK's Housing Grants, Construction and Regeneration Act 1996 (HGCRA).

Mr. Justice Owens, on behalf of a unanimous court, separated disputes over contractual payments from claims for general common law remedies. For commercial managers, contract drafters, and dispute practitioners working on both sides of the Irish Sea, *Connaughton* shows how quickly a routine UK-style referral can fall apart at enforcement in Ireland—wasting months of time and heavy legal costs along the way.

'Any Dispute' vs. 'Payment Disputes'

The difference comes down to the statutory wording. Under Section 108(1) of the HGCRA 1996, a party can refer 'any dispute arising under the contract' to adjudication. Over the past thirty years, UK courts have read those words broadly. Interim valuations, delay and disruption, professional negligence, common law damages for repudiation—a UK adjudicator generally has jurisdiction to decide all of them.

When the Oireachtas drafted the Construction Contracts Act 2013, it took a narrower line. Section 6(1) limits statutory adjudication to 'any dispute relating to payment arising under the construction contract (in this Act referred to as a "payment dispute").'

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Since the 2013 Act took effect, practitioners have debated whether the Irish High Court would eventually drift towards a broad, UK-style approach—treating almost any financial dispute on a project as a payment dispute—or stick rigidly to the black-letter words of the 2013 Act. *Connaughton* settles that question. The boundary is real, and the Irish courts will police it.

How the Dispute Arose

The dispute arose out of a bespoke contract to design, manufacture, and erect a prefabricated timber-frame house. Unlike standard forms such as JCT, NEC, RIAI, or FIDIC, the agreement contained no post-termination accounting clauses, no mechanism for valuing incomplete work on default, and no provision for repaying upfront sums if the contractor breached.

When the project broke down, the employer, Mr. Connaughton, alleged fundamental breaches by Timber Frame Projects Ltd and purported to terminate the contract. Looking for expeditious recovery, he referred a claim to statutory adjudication under the 2013 Act, seeking the return of a €124,891 upfront stage payment along with consequential damages.

The adjudicator accepted jurisdiction and found in Mr. Connaughton's favour, awarding him a total of €184,119.87. When the contractor failed to pay, Mr. Connaughton applied to the High Court for leave to enforce the decision under Section 6(11) of the Act.

Mr. Justice Simons in the High Court refused enforcement (*Connaughton v Timber Frame Projects Ltd* [2025] IEHC 469). A claim for unliquidated damages for breach of contract, he held, was not a 'payment dispute' under the statute. Mr. Connaughton appealed, arguing that recovering money paid for unperformed work—and losses flowing directly from a construction contract—naturally relates to payment under that contract.

Why the Court of Appeal Dismissed the Appeal

On 13 November 2026, the Court of Appeal upheld the High Court's approach. Mr. Justice Owens rejected the appellant's wide reading of Section 6(1) on four grounds:

- **Contractual payment rights vs. common law remedies.** Section 6(1) covers sums payable under the express or implied terms of the contract: interim certificates, milestones, contractually valued variations, or final account balances. Unliquidated damages are different. They are a secondary remedy imposed by the common law when a contract is breached.

The same goes for recovering a stage payment based on total failure of consideration or repudiatory breach. Unless the contract itself provides for repayment, that is a restitution or damages claim, not a contractual debt.

- **Looking past labels.** You cannot bring a damages claim inside the 2013 Act simply by dressing it up in the Notice of Adjudication as a liquidated sum, a debt, or an account revaluation. The Court will look at the true legal basis of the claim. Because Mr. Connaughton's right to recover the €124,891 depended on proving a repudiatory breach at common law rather than triggering a contractual repayment clause, the adjudicator had no jurisdiction.

- **The reality of 28 days.** Under Section 6(6) of the 2013 Act, an adjudicator has 28 days to reach a decision (extendable to 42 days with the referring party's consent). That tight timetable exists to keep cash moving on live projects by resolving valuation and certification disputes quickly. It was never meant for investigations into repudiation, causation, mitigation, and unliquidated damages.

- **Employers can still adjudicate—with the right drafting.** Section 6 is not solely a contractor's tool. An employer can refer a payment dispute to adjudication if the claim rests on a genuine contractual payment mechanism, such as an overpayment under an interim valuation clause, a contractual deduction for liquidated damages, or a post-termination accounting clause like those in FIDIC or RIAI contracts. Mr. Connaughton's problem was simply that his bespoke agreement had no such wording.

Practical Takeaways

For construction professionals and dispute practitioners working across the UK and Ireland, four points stand out:

1. Leave UK assumptions behind. In the UK, challenging an adjudicator's subject-matter jurisdiction rarely gets very far. In Ireland, *Connaughton* gives a responding party a clear knock-out point at enforcement if the referral overreaches—turning a quick win at adjudication into an expensive dead end.

2. Check the contractual hook before serving a Notice of Adjudication. Every head of claim in an Irish referral needs to tie back to an express or implied payment term.

Pure common law damages, loss of profit after wrongful termination, or extra-contractual *quantum meruit* claims belong in arbitration or court. Including them in an adjudication risks tainting an otherwise valid award.

3. Watch bespoke post-termination clauses. When drafting or reviewing Irish-law development agreements or bespoke building contracts, make sure post-termination completion costs and deposit recoveries are converted into certified contractual debts. Discovering after a dispute erupts that missing standard provisions have closed off fast-track statutory adjudication is a painful way to learn the difference between the two statutes.

4. Expect strict boundaries alongside tough enforcement. Recent High Court decisions—including *Leder Plant Ltd v Breffni Building and Civil Engineering Ltd* [2026] IEHC 759—show that Irish judges will decisively enforce valid awards. As *Connaughton* proves, though, that judicial backing stops dead at the statutory edge of a 'payment dispute'.

Connaughton v Timber Frame Projects confirms that the Irish courts will not force Section 6(1) of the Construction Contracts Act 2013 beyond its strict terms to match the wide reach of the UK's HGCRA 1996. For Mr. Connaughton, winning the adjudication only to lose in both the High Court and the Court of Appeal meant ending up back at square one—still facing fresh court or arbitration proceedings to recover his money. In Ireland, statutory adjudication remains squarely focused on contractual cash flow, leaving common law damages claims to the traditional dispute forums.

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