SOLICITORS' STARTER PACK

Costs negotiation offer letter

Without prejudice save as to costs

Blank template • England and Wales • Prepared 14 October 2026

A working Calderbank-style settlement letter, not a Part 36 offer. The court may consider such an offer in its costs discretion; no automatic costs protection is promised. The label alone does not establish privilege. Obtain advice on wording and whether Part 36 is preferable.

Addressee and matter

[Date; recipient; matter and claim number.] WITHOUT PREJUDICE SAVE AS TO COSTS

Scope and sum

Our client offers [£amount] to settle [precisely identify costs and period]. This sum [includes/excludes] VAT, disbursements, interest and the costs of assessment/negotiation [specify each separately].

Reasons

[Brief explanation by reference to the bill, disputed issues and evidence. Do not disclose privileged advice or make unsupported assertions.]

Acceptance and payment

[Specify method and deadline for acceptance, payment due date, treatment of payments already made, and any conditions. Do not promise an expiry date provides automatic costs protection.]

Status of offer

This is a without prejudice save as to costs offer, not an offer under Part 36. If appropriate, our client may refer to it when the court determines costs; any consequences remain for the court.

Authority and sign-off

[Confirm authority to offer, lawful settlement terms and signatory. Check service and retain proof of transmission.]

Educational working document, not an official court form or legal advice. Adapt to the order, current rules and evidence. Obtain a qualified Costs Lawyer's review before use. No review or approval by our directors is implied.

Fictional worked example

Costs negotiation offer letter

All parties, facts and amounts below are invented. This is not a real case, approved precedent or promised outcome.

Illustrative offer

WITHOUT PREJUDICE SAVE AS TO COSTS — Northmere Services Ltd v Willowbridge Trading Ltd (wholly fictional).

Settlement terms

For illustration only, the paying party offers £18,000 in full settlement of the receiving party's inter partes costs under the identified fictional order, including VAT (if chargeable), disbursements, interest and assessment costs. No payment on account has been made in this example.

Acceptance and payment

Written acceptance is requested by [date and time selected following advice]; payment within 14 days of written acceptance. Check actual dates, authority and any additional terms before adapting.

Costs position

This is not a Part 36 offer. The paying party may ask the court to take it into account when exercising its costs discretion. The offer does not guarantee any particular result. No invented bill value or recovery percentage is implied.

Before adapting

Replace every placeholder, verify the current rules and the actual order, reconcile all figures, and obtain legal review. Never file or serve the fictional example unchanged.

Rules reference: CPR Part 47 and Practice Direction 47 (justice.gov.uk); for settlement offers, CPR 44.2 and Part 36. Check current provisions before use.

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