
STATUTORY INSTRUMENTS

1998 No. 3132

The Civil Procedure Rules 1998

PART 36

OFFERS TO SETTLE AND PAYMENTS INTO COURT

Deduction of benefits

36.23.—(1) This rule applies where a payment to a claimant following acceptance of a Part 36 offer or Part 36 payment into court would be a compensation payment as defined in section 1 of the Social Security (Recovery of Benefits) Act 1997(1).

(2) A defendant to a money claim may make an offer to settle the claim which will have the consequences set out in this Part, without making a Part 36 payment if—

- (a) at the time he makes the offer he has applied for, but not received, a certificate of recoverable benefit; and
- (b) he makes a Part 36 payment not more than 7 days after he receives the certificate.

(Section 1 of the 1997 Act defines “recoverable benefit”)

(3) A Part 36 payment notice must state—

- (a) the amount of gross compensation;
- (b) the name and amount of any benefit by which that gross amount is reduced in accordance with section 8 and Schedule 2 to the 1997 Act; and
- (c) that the sum paid in is the net amount after deduction of the amount of benefit.

(4) For the purposes of rule 36.20, a claimant fails to better a Part 36 payment if he fails to obtain judgment for more than the gross sum specified in the Part 36 payment notice.

(5) Where—

- (a) a Part 36 payment has been made; and
- (b) application is made for the money remaining in court to be paid out,

the court may treat the money in court as being reduced by a sum equivalent to any further recoverable benefits paid to the claimant since the date of payment into court and may direct payment out accordingly.