Alternative Dispute Resolution (ADR) describes any method of resolving legal disputes other than through litigation in the ordinary courts or tribunals. ADR includes methods such as arbitration, mediation, adjudication, conciliation, med-arb, and early neutral evaluation/expert determination. This chapter explains why ADR in general exists, its many advantages (compared to litigation) as well as its disadvantages, and the differences between the various forms of ADR. The chapter examines the case law over the last fifteen years on the ‘cost consequences’ of a failure by one party to a legal dispute to engage in ADR when presented with the opportunity to do so. The chapter considers whether ADR should ever be made compulsory and the extent to which the parties to a dispute, having agreed to resolve their dispute through ADR, can be compelled to honour that agreement.