

Consultancy Policy

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Policy control

Approved by	VCEG	
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1. Purpose

- 1 The University is keen to encourage staff to engage in a variety of knowledge transfer activities including external consultancy work. This policy is designed to make sure that staff can be certain of their position in relation to consultancy and specifically, provide a transparent framework for the delivery of consultancy work.

2. Scope

- 2 Consultancy is defined as the giving of advice or assistance with problem-solving from within an existing knowledge base. By contrast, research results in acquisition of new knowledge. 'Applied research' and 'consultancy' can occasionally be confused. If new knowledge is acquired in the course of giving advice in solving a specific problem, then the activity is definable as research (OECD Frascati definitions). Staff undertaking activity of this kind should therefore ensure that the work is treated in a similar fashion to fulfilling a research contract so that steps can be taken to protect Intellectual Property as appropriate and the Investigator's and department's research income profile is maximised as well as ensuring that the project is suitably costed and bounded by the correct legal safeguards to maximise the benefits to the University and reduce risk.
- 3 Academic staff, whether full time or not, must declare all external work - to their line manager- that arises as a result of the professional quality for which they are employed by the University. This applies to all staff, whether engaged on fractional or full time contracts of employment.
- 4 Academic staff are encouraged to pursue consultancy and advisory work and to undertake the provision of other external services through the University, where such links will prove beneficial to the University, in stimulating research and scholarship.
- 5 Contributions to industry, commerce and the local community may be actively fostered to the extent that they are compatible with a member of academic staff's teaching, research and administrative duties for the University, provided that such commitments do not conflict with the interests of the Faculty and the University.
- 6 For the sake of clarity in this document, consultancy arises from a number of sources and may be treated differently, both in terms of contractual obligations and financial rewards. Consultancy includes; projects solely sourced by the staff member and undertaken within their own time; projects sourced by the staff member and undertaken within the staff members allocated workload model with support from the University (e.g. admin, equipment and facilities); projects sourced by other departments (e.g. commercial projects won by Research & Innovation Service) with staff contracted to fulfil a particular piece of work within their allotted work-load.

3. Policy

- 7 The University wishes to encourage its staff to engage in consultancy and other external knowledge transfer and professional activities. These have the potential to enhance the curriculum delivered to our students, provide routes to demonstrable impact of research and provide further development and job enrichment for University staff, as well as generate income.

- 8 The aim of the framework provided in this policy is to clarify:
- professional indemnity cover for the individual staff in appropriate cases
 - the incentives available and to be agreed by the staff member's Line Manager and/or Dean
 - how conflicts of interest may occur between staff and the University and how these should be resolved
 - the role of the Research & Innovation Service, Finance Department and the Faculty in supporting both the pre- and post-award phases of a consultancy contract.
- 9 Any member of staff conducting consultancy without seeking and obtaining prior permission as defined in this policy, may be in breach of their contract of employment with the University.

University Consultancy

- 10 This is where the University or a specified staff member employed by the University is contracted to provide professional services for a fixed period of time for work specified by an external client or through a funded project within the University. The work may either be carried out by a permanent member of University staff within their existing contract or alternatively, by a part-time member of staff within their allotted university work. Alternately, an independent associate known to the University may be contracted to carry out a specific project or projects.
- 11 If a member of the University's staff is fully employed under their substantive contract of employment to carry out this work – in agreement with their Line Manager and/or Dean, within their allotted work load, then no additional payment should be made to the individual, unless agreed separately with their Line Manager and/or Dean. It is suggested that payment to the Faculty should at least cover the staff member's Full Economic Cost but is ultimately at the Dean's discretion. This will be arranged within the Faculty with the relevant Faculty Accountant, normally once funds have been invoiced and cleared within the Faculty account by the Faculty Office in conjunction with the Finance Department. The Research & Innovation Service can be contacted for advice if required and can provide suitable consultancy contracts, including non-disclosure agreements.
- 12 If a member of staff secures the opportunity themselves and believes that they will undertake the work outside of their normal staff duties and/or time and wishes to receive funds in addition to their salary- through an honorarium or separate payment- then this shall require a separate agreement between the Dean and the staff member in question and arranged from within the Faculty. The Research & Innovation Service can be contacted for advice if required.
- 13 If a member of staff is contracted to undertake consultancy work within a larger funded project then this shall be subject to a separate agreement. For example, if the Research & Innovation Service secures a commercial research project under ERDF or ESF funding to undertake economic regeneration within a particular regional sector, then it is likely that this could involve many dozens of smaller consultancy opportunities throughout the lifetime of the project. Suitable academics will be sourced

from the wider University's pool of expertise and, with the agreement of the relevant Line Manager and/or Dean, will be contracted for a particular piece of work. Such work can be considered a 'pump-priming' piece of work, ideally intended to lead to more costed work, and it is likely that this will cover the costs of the staff member's time. Funds will be transferred to the Faculty once released from the funder (normally 3 months in arrears) to cover the staff time and should therefore ideally be undertaken within the staff members allotted work-load. Any separate agreement for reimbursement to the staff member will be between the staff member and their Line Manager and/or Dean only.

- 14 If the University employs an external supplier then a contract must be issued. In some cases consultancy may be designated as a duty and will not attract any additional payment for staff involved. Contractually, duties are defined by the Dean or by the Director of Service with the assistance and advice of HR; the appropriate member of the Vice Chancellor's Executive Group will act as arbiter in any cases of dispute and receive advice from the Director of Human Resources and the Deputy Vice Chancellor (Academic). For further advice and guidance please contact the Research & Innovation Service which can advise on all aspects of consultancy.
- 15 Professional Indemnity Insurance is provided to staff undertaking University Consultancy within the terms of their employment (see sections 9-12 and 25).
- 16 Any member of staff conducting consultancy or promoting their own consultancy expertise and services in association with the University, within staff time or with University resources without seeking and obtaining prior permission as defined in this policy, will likely not be covered by Professional Indemnity Insurance and may therefore be in breach of their contract of employment with the University.
- 17 Consultancy contracts are written with the aims outlined in Section (7) above, and the Principal named in the contract is accountable for the successful delivery of the project. Where a team is involved in the delivery, one academic will lead the project and retain overall responsibility for completion as outlined in the project methodology.

Conflicts of Interest

- 18 It should be recognised that there can be potential conflicts of interest between external professional activities and the University's own business. The onus is on the staff member to raise any potential for a conflict of interest and seek advice from their Line Manager and/or Dean in the first instance. The Research & Innovation Service can be contacted for advice as required.

Professional Indemnity Insurance

- 19 University Consultancy will be subject to the conditions below and be covered under the University's indemnity cover. Staff engaged in consultancy will be covered, provided that the work carried out is on behalf of the University of Bedfordshire, the fees due are paid to the University, or one of its subsidiary companies as appropriate, and that the approved University contract has been used.
- 20 Full details of the professional indemnity policy are on the Insurance section of the intranet. However in brief, the policy covers the University for all sums for which the University may become legally liable to pay arising from a breach of professional duty, by a negligent act, error, or omission, committed, or alleged to have been

committed, and notified to the insurers during the period of insurance, up to the value shown on the intranet.

- 21 This cover is only in respect of those contracts and projects included in the annual return to insurers and where a University of Bedfordshire contract has been agreed and signed, or an approved limitation of liability clause has been included in the agreement.
- 22 The main exclusions under the policy are as follows:
- Liquidated, punitive and exemplary damages attached solely because of a contracted out agreement.
 - Fines.
 - Express warranties or guarantees.
 - Work undertaken by sub-contractors as part of the project.
 - Courts jurisdiction: any claim made or brought in the USA, Canada or territories under their jurisdiction; or judgements made in or under the laws of USA, Canada, or territories under their jurisdiction.

Costs incurred in relation to projects

- 23 In-year allocation of direct costs incurred against any project, including those outside of the staff member's own department, should be made to ensure the local budget is released to provide for backfill costs as necessary. This should be processed through the normal 'recharge' process details of which are contained on the finance pages of the intranet. In relation to costs, advice can be sought from the Research & Innovation Service and from Finance on issues of processing and transfer of funds.

Reward process for departmental innovation and enterprise activity

- 24 At the end of each financial year a forecast for total innovation and enterprise related income and surplus (e.g. contribution less central overheads) will be produced for each department / institute. Upon agreement with the Head of Department and/or Dean an amount to be decided at the Deans or budget holders discretion of the total surplus can be assigned to staff development (or other agreed) budget for the following year. This fund may be used by the Department to develop new initiatives for income generation, enhance the student experience or other activities considered of strategic importance.

Once the budget has been assigned, confirmation of the project code that holds this fund will be provided by Finance to the Department against which spend can be made. Unspent budgets at the end of the year will not be rolled forward.

Example

	Project 1	Project 2	Project 3	Total
Total income	5,000	1,000	10,000	16,000
Direct staff costs	1,000	1,000	3,000	5,000
Non-pay costs	-	500	5,000	5,500
Allocation of central costs	200	100	600	900
Surplus	3,800	(600)	1,400	4,600
50% for department fund				2,300

Pricing University Consultancy

- 25 Any member of staff who has a consultancy opportunity should in the first place consult with their Line Manager and/or Dean to gain initial approval to proceed. Should permission be granted the member of staff should contact the Research & Innovation Service who will advise on costing and pricing.
- 26 The member of staff should not, under any circumstances, discuss pricing with the potential client before discussing the project internally as in clause 24.
- 27 Full Economic Costing (FEC) principles will be used to calculate a cost. An appeal to the relevant Dean on pricing may be made if the member of staff wishes to charge a price that is below the normally calculated cost. If permission to undertake consultancy is not granted, the member of staff may appeal to the Deputy Vice Chancellor (Academic), who has the final say on all matters related to consultancy.
- 28 Where the client is UK based, regardless of whether the client is a charity, government body or an individual VAT will be added to the costing for the invoice to be supplied by the Faculty. For advice concerning VAT please contact the Finance Department.

Part Time Staff

- 29 The University recognises that there are a number of staff on part time contracts who may have consultancy work outside of their contracted hours with the University. All such consultancy work must be disclosed to the University. Where possible, agreement may be reached as to whether this consultancy can be run under the University consultancy scheme. In cases where it is not possible or it is not decided to run such consultancy through this scheme then no mention of the University may be used in that context, the University name or logo should not be used nor is entitlement the use of any University facilities given.

Concessions

- 30 These activities are outlined in the academic staff contract, and include: one-off lecturing, refereeing papers, book reviews, editing, one-off broadcasting and external examining. These are exempt from University regulations relating to consultancy work. Royalties from published work are also exempt from these regulations. Other opportunities may also fall outside the scope of these guidelines and where this may be so the permission of the Deputy Vice Chancellor (Academic) must be sought before agreeing to take part.

Intellectual Property

- 31 Intellectual property (Know How or otherwise), owned by the University of Bedfordshire, including any teaching or training materials, at the start of the consultancy and necessary for the consultancy, or developed by members of staff outside of the remit of the consultancy shall be referred to as Background. Background is and will remain the property of the University of Bedfordshire. The University's approval of any consultancy is conditional upon the express agreement that the consultant will not, without express permission from the Deputy Vice Chancellor (Academic), grant any rights to Background to another party.
- 32 Guidelines for ownership of Foreground IP can be found in the University of Bedfordshire's Intellectual Property Strategy and Policy document.

4. Forms/Instructions

- 33 See Appendix 1.

5. Links/Dependencies

- 34 This policy should be read and its use considered with reference to:
- Professional Indemnity Insurance
 - University Consultancy case studies
 - Intellectual Property Strategy and Policy document

6. Appendices

Appendix 1 - Consultancy Process

CONSULTANCY PROCESS

