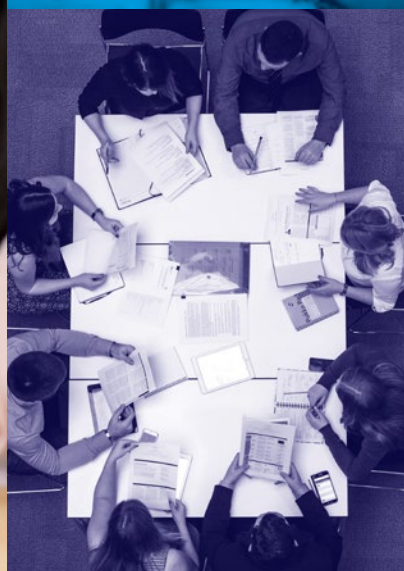


CONSULTANCY POLICY AND PROCEDURES

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Effective from **May 2019**



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This document is also available on the University's website at:

https://www.ulster.ac.uk/__data/assets/pdf_file/0008/381257/Consultancy-Policy.pdf

If you require this document in an alternative format (such as large print, in Braille, audio, easy read) and/or language, please contact Kerry Patterson, **k.patterson@ulster.ac.uk**, to discuss your requirements.

Section A - Consultancy Policy

This Policy should be read in conjunction with the Knowledge Exchange Statement which sets out the value of various types of knowledge exchange activity and the significance of knowledge exchange to the Research & Impact strategy and Five and Fifty strategic plan.

1.0 Policy Statement

- 1.1 This document sets out clear guidelines within which Consultancy activity can be undertaken by University staff, how the University will support and reward staff that engage in Consultancy and how this activity will be developed and managed by the Department for Research & Impact.
- 1.2 The University recognises Consultancy activity as an important outlet for the dissemination of its knowledge and research outcomes and encourages its staff to seek opportunities to apply Ulster's resources and expertise for the advancement of society and the economy. Where possible Consultancy activity will be carried out in areas that build on previous research within Ulster University and also align with the University's Five and Fifty strategic plan and strategic objectives.
- 1.3 Any projects (whether Consultancy or research) involving human participants, their tissues or personal identifying data are covered by applicable University Research Governance Policies and also, where appropriate, by legislation or regulations. All such projects must adhere to the appropriate University and wider policies and regulations, and follow the designated approval route for human research. Policies, Procedures and further information on approval processes and governance requirements can be found at: <https://www.ulster.ac.uk/research/our-research/research-integrity> or through the Portal under the Research & Impact tab.
- 1.4 It is envisaged that the University will benefit from Consultancy activity in a number of ways including:
 - 1.4.1 Development of the economic and social context in which the University conducts its business;
 - 1.4.2 Improved teaching through exposure to the latest business and societal trends;
 - 1.4.3 Improved research impact through the direct application of research and also the enhancement of research strategy informed by trends in the economy and wider society; and
 - 1.4.4 The generation of income revenue which is used to enhance the University's ability to innovate and generate further economic impact.
- 1.5 Staff should note that they will only be covered by Ulster's professional indemnity insurance cover if they are carrying out Consultancy projects in line with the University's Consultancy Policy.

2.0 Definitions

Certain terms are used in this document with specific meanings, as defined in this section. These definitions do not necessarily conform to customary usage.

- 2.1 **University** means Ulster University.
- 2.2 **Consultancy** is professional work carried out on behalf of a third party utilising the knowledge and expertise of a member(s) of University staff and, in some cases, the equipment and facilities of the University.
- 2.3 **Consultant** means a member of staff engaged in the provision of Consultancy.
- 2.4 **Ulster University's Overhead** is the overhead levied by the Finance Department at Ulster to cover professional services for the administration of claims, invoicing and distribution of income from Consultancy projects as per B4.4.
- 2.5 **Research & Impact** is the Department of the University that manages the exploitation of the University's knowledge and technology base through Consultancy activity. Staff in Research & Impact are responsible for the management of Consultancy activity and for the provision of cover for Professional Indemnity Insurance.

3.0 Types of Consultancy

Consultancy utilises the specialist skills and knowledge of University staff. In all cases the activity will bring benefits to the individual staff member, their School, Faculty and/or the University.

- 3.1 A *standard* type of Consultancy project is when a member of University staff provides professional expertise and services to a third party.
 - 3.1.1 Where academic staff have been commissioned as an expert to comment on scientific, medical, road traffic collisions etc and are being paid a fee for their expertise (which may also include a court appearance where they are being called to give evidence associated with their expertise), this is classed as Consultancy.
- 3.2 *Technical/Facilities* related Consultancy is where the third party client is given access to specialist infrastructure and/or equipment owned by the University that is not widely available in the marketplace.
- 3.3 *Private Consultancy* activity is where a member of University staff undertakes work in a personal capacity completely independent of the University. **The University should be considered as your principal employer and as such, you are required to devote your attention and abilities to your duties and to act in the best interests of the University. Accordingly, you must not, without obtaining the written consent of your Head of School undertake any employment which might interfere with the performance of your duties or conflict with the interests of the University** (Section B7.1). Disclosures relating to secondary income must be advised to Ulster's Office of University Secretary.

4.0 Eligibility

Subject to the approval of the relevant Line Manager, in accordance with the Ulster University Consultancy Procedures:

- 4.1 Academic Staff and staff employed to manage and run University equipment and facilities are eligible to undertake Consultancy projects on behalf of the University whether they are contract, temporary or permanent members of staff.
- 4.2 Professional Services Staff and Technical Staff may undertake Consultancy projects only when part of an academic led team and subject to Section A6.
- 4.3 PhD Researchers may undertake Consultancy projects giving them invaluable experience of working as a Consultant on a challenging business issue, and the opportunity to apply their knowledge in the real world. PhD researchers can work alongside their supervisor or be directed by colleagues but may not lead a project. Conditions are subject to Section A6.
- 4.4 Ulster's Emeritus Professors are eligible to undertake Consultancy projects on behalf of the University. For projects under £5,000, an Emeritus Professor can lead a project but must also have at least one other academic staff member on the project team. For projects over £5,000, the project must be led by an Ulster Academic Staff member. The academic staff team member is responsible for logging the project on the online Consultancy Approval system, SharePoint.

5.0 Activity Not Covered by this Consultancy Policy

- 5.1 Consultancy projects are defined as distinct from activities that form part of research and other conventional academic activities. This Policy does not cover activity funded with the main aim of undertaking research. Examples of conventional academic activities that are excluded from this Policy include:
 - 5.1.1 Lecturing;
 - 5.1.2 Research Assessment or Evaluation panel memberships;
 - 5.1.3 Knowledge Transfer Partnerships (KTP's);
 - 5.1.4 Teaching Quality Assessment;
 - 5.1.5 Refereeing and reviewing papers, books or grant applications;
 - 5.1.6 External Examining; and
 - 5.1.7 Credit bearing training projects.
- 5.2 In general this Policy does not apply to traditional academic activity or to appointments as a University nominee on private or public boards where remuneration is less than £5,000 per year. If remuneration for appointments as a University nominee on private or public boards exceeds £5,000 per calendar year then the Consultancy Policy and Procedures will apply. The Department for Research & Impact can advise on how any particular activity relates to this policy.

6.0 Time Spent on Consultancy

- 6.1 The maximum allowable number of days for Consultancy activity is thirty days per financial year, at the discretion and subject to the approval of the Line Manager, with the exception of circumstances noted in Section A6.2, 6.3. and 6.4.
- 6.2 In circumstances where Consultancy activity is likely to exceed thirty days AND the activity can be shown to be strategic for the School, then, with the agreement of the Head of School and the Director of Research & Impact, permission will be granted for the extra days Consultancy activity.
- 6.3 Professional Services Staff and Technical Staff are only permitted to undertake Consultancy activity up to a maximum of 10 days per annum, one day being equal to an eight-hour period, subject to approval of their line manager. The exception to this clause is those Technical staff whose job descriptions include deriving income from selling time and expertise on facilities and equipment, in which case the thirty day limit applies instead.
- 6.4 In all circumstances where the number of Consultancy days exceeds that specified in Section A6.1, income in excess of that earned within the thirty day limit will, after deductions for the overheads for the School and Ulster University, be retained by the School in an S code for business use under the control of the academic who generated the Consultancy income. (See Section B5 of the Ulster Procedures for more information on the distribution of income from provision of Consultancy services.)

7.0 Key Responsibilities

- 7.1 The Pro-Vice Chancellor (Research & Impact) is responsible for ensuring that the implementation and operation of the University Consultancy Policy is in line with the current overall Research & Impact Strategy.
- 7.2 Heads of School and, where there is significant use of research facilities, Research Directors, have authority for the prioritising and objective setting of Consultancy activity within their areas of operational responsibility. Research Directors should consider Consultancy activity as part of their research strategies and should use this activity to maximise research impact.
- 7.3 Consultancy contracts require formal approval from the Line Manager and in cases where research facilities are to be used, approval from the Research Director. Heads of School and Research Directors should be aware of the time spent by members of staff on Consultancy work. Any member of staff undertaking Consultancy activity must first have the approval of their direct Line Manager. In the absence of a Head of School (for example, for reasons of leave or illness), approval can be sought from the relevant Research Director.
- 7.4 It is the responsibility of each member of staff to familiarise themselves with the Consultancy Policy and Procedures and ensure they comply with its processes and procedures.
- 7.5 External Consultancy partnerships (for example other educational institutions or external organisations) must be drawn up in co-operation with Research & Impact staff.

Section B - Consultancy Procedures

1.0 Approval Process

The authorisation required for a Consultancy project and the procedures to be followed are:

- 1.1 When a Consultancy opportunity is identified, the Consultant member should discuss the potential benefits, requirements and opportunities with their Line Manager. The project must have the Head of School's or Line Manager's support and approval as a first step.
- 1.2 If research facilities are to be used, the approval of the Research Director is an additional requirement.
- 1.3 Any projects (whether Consultancy or research) involving human participants, their tissues or personal identifying data are covered by applicable University Research Governance Policies and also, where appropriate, by legislation or regulations. All such projects must adhere to the appropriate University and wider policies and regulations, and follow the designated approval route for human research. Policies, Procedures and further information on approval processes and governance requirements can be found at: <https://www.ulster.ac.uk/research/our-research/research-integrity> or through the Portal under the Research & Impact tab.
- 1.4 Where there is potential for research impact this should be discussed with the relevant Research Director and the evidence required to support research impact should be considered.
- 1.5 The Consultant should ask the client for a clear statement of requirements (SOR).
- 1.6 The Consultant should discuss the SOR for the project with staff from Research & Impact, who can advise on appropriate costs and contracting for the project.
- 1.7 The details of the Consultancy project should be entered fully on a Consultancy Approval Form (choose 'General', 'FUSION' or 'Innovation Voucher' option) available through SharePoint on the Portal or through <https://ulster.sharepoint.com/sites/consultancyadmin/>. The form will be reviewed by Research & Impact and either (a) sent back via SharePoint to revise and resubmit or (b) sent directly via SharePoint to the appropriate Line Manager to authorise.
- 1.8 On approval, all staff named on the Consultancy Approval Form for the project will be notified of the approval by Research & Impact who will then draw up a Consultancy Services Agreement with the client on behalf of Ulster University. Once the client agrees and signs the document, staff from Research & Impact will also sign on behalf of the University and the project can commence. In some instances clients may not want to accept Ulster's Consultancy Services Agreement preferring their own contract, purchase order or Letter of Offer. In this case, staff from Research & Impact can advise and approve, if appropriate, on the acceptability of the clients contract, purchase order or Letter of Offer.
- 1.9 Staff must not undertake Consultancy projects prior to the Consultancy Approval Form being completed and approved by the Line Manager, and the Consultancy Services Agreement being signed off. Failure to follow this procedure is covered by the terms of clause B7.1 of these Procedures.

- 1.10 It is the responsibility of each staff member to monitor the number of days being committed to Consultancy activity in any year (1 August to 31 July), in line with the maximum number allowable number of days and to advise their Head of School on the total as and when requested.

2.0 Complaints/Appeals Process

- 2.1 Consultancy activity is valued as important activity within Schools and approval by the Line Manager will not unreasonably be withheld. However, in considering the merits and implications on the School/Department, the Line Manager may withhold consent.
- 2.2 In such instances, and if a member of staff feels they have been unfairly prevented from undertaking a Consultancy opportunity, they may refer the matter to their Dean who will attempt to resolve the matter. In the unlikely event of this being unresolved at that point it may then be referred to the Pro Vice Chancellor for Research & Impact who will have the final decision.

3.0 Contractual Arrangements

- 3.1 Members of Staff considering entering into contractual arrangements for the supply of Consultancy services must discuss the drawing up of any agreements or contracts with Research & Impact before entering into commitments. Staff should not enter into any contractual arrangements or agreements themselves. This is a requirement of these Procedures and is in the professional interests of the member of staff. All Consultancy related agreements or contracts will be between Ulster University and the client. The standard Consultancy Services Agreements supplied by Research & Impact should be used in all practicable circumstances where possible. Examples are available from Research & Impact.
- 3.2 The advice and support from Research & Impact staff will enable members of staff to offer professional terms and conditions in advance to third parties to ensure the successful delivery of projects, enhancing their own and the University's reputation. Contractual problems, disputes or disagreements are best avoided by clear terms and conditions setting out the financial arrangements and service delivery commitments.

4.0 Project Costing/Pricing

- 4.1 Research & Impact can provide advice on the pricing of projects and will help the Consultant to ensure that this takes account of the prevailing market and competitive conditions.
- 4.2 Consultancy projects must be accurately costed to ensure staff and equipment overheads are appropriately covered. If the Consultancy project involves the use of equipment/facilities, these must be charged at the full economic costing rate.
- 4.3 Where elements of the project work cannot be delivered by University staff and external sub-contractors need to be brought into the project, then the procurement of the sub-contractors must be done in compliance with University procurement guidelines. All Subcontractor procurement and payments should be managed by the Consultant's School Office and in line with Ulster's procurement procedures.

- 4.4 All Consultancy project pricing should be quoted to include an overhead of 20% for the School to which the academic belongs, and a 20% overhead to be split between Ulster's Finance Department (to cover professional services for the accounts and invoicing management, payment receipts and distribution of the member of staff's services) and Research & Impact for further investment in impact activities.
- 4.5 Overheads are not normally applied to expenses, including consumables, materials and travel or external sub-contract work. These are billed to the client at cost. Overheads are only applied to the use of internal facilities and equipment when they are considered extensive in nature or disproportionate to the academic Consultancy fee involved in the project.
- 4.6 Consultancy work is currently subject to VAT, which must be added at the current rate.

5.0 Distribution of Income

- 5.1 Members of staff may elect either to receive their Consultancy fee as personal income via payroll, have it retained within the University to fund expenses related to their employment, for example, conference attendance, university travel, academic related equipment or a combination of both. The choice of payment method should be indicated on the Consultancy Approval Form on SharePoint.
- 5.2 Personal Income
- 5.2.1 When taken as personal income the payment is subject to income tax, and employers and employees' National Insurance contributions. Note, an additional employers' National Insurance contribution amount will be deducted prior to payroll processing as the standard employers' contribution is based on the employee's salary before these additional earnings are taken into account.
- 5.3 Retained Income
- 5.3.1 When taken as retained income, staff will have their funds transferred directly to the Consultancy Income code (S code) or a combination of both of these options if desired. Each Faculty's DFO will administer these funds which are ring-fenced for academic use only, on employment related expenses.
- 5.3.2 In the case of internal Consultancy i.e. Consultancy undertaken by a member of staff where a University Department or School is the client, income may only be treated as retained amounts against employment related expenses (as described above) and not as personal payments.
- 5.3.3 Retained Consultancy earnings cannot be used to "buy out" teaching commitments.
- 5.4 Administration of Retained funds:
- 5.4.1 School staff will administer these funds which are ring-fenced for academic use only, on employment related expenses. Unspent Consultancy monies do not become part of faculty general core income. The school will continue to receive the normal 20% overhead on all Consultancy projects.
- 5.4.2 Academics with Consultancy funds which have not been spent within 12 months will be given the option to divert their monies to either (a) their Salary (liable for tax and NIC), (b) their School, (c) their Research Unit of Assessment or (d) the Ulster University Student Fund managed by the Development and Alumni Relations Office.

5.4.3 Expenditure against retained amounts must use the established University purchasing and approvals procedures. As tax and National Insurance have not been paid, these amounts may never be used for personal expenditure.

5.5 Retained funds may be donated by the Consultant to the University for the advancement of activities relating to the Five and Fifty strategic plan. For example, income which is being held within a cost code may be surrendered to be used for staff costs or other recurrent costs, such as a Research Assistant's salary or the purchase of equipment for academic purposes. Approval is required from Research & Impact, the Head of School and the head of the benefitting School, Unit of Assessment or Department.

6.0 Turnaround times/service levels

The following turnaround times are expected during the lifetime of each Consultancy project:

- 6.1 Approvals of projects by Line Managers on SharePoint within 4 working days;
- 6.2 Cost centre set up within 5 working days of approval on SharePoint;
- 6.3 Invoicing of completed projects once notified on SharePoint within 5 working days;
- 6.4 Processing of claims to funders once notified on SharePoint and receipt of all documentation within 7 working days;
- 6.5 Distribution of funds to staff within 2 months of receipt of payment from client.

7.0 Compliance

- 7.1 Failure to comply with the Policy and Procedures will constitute a disciplinary offence under the University's Statutes and Ordinances.

8.0 Equality Statement

The university is committed to equality of opportunity and the Consultancy Policy provides the opportunity for each member of staff to undertake Consultancy projects (subject to eligibility criteria).

The Equality Screening is complete and will be reviewed as part of the Consultancy Policy review process.

9.0 Contact Details

For queries relating to Consultancy activity, please contact:

Kerry Patterson, Knowledge Exchange Manager (Consultancy), Research & Impact, k.patterson@ulster.ac.uk

For queries relating to Consultancy Finance activity, please contact:

Heather Hewitt, Accountant, Management Accounting, h.hewitt@ulster.ac.uk OR

Rhonda Kearney, Finance Administrator (Transparency), Management Accounting, r.kearney@ulster.ac.uk