

Consultancy Policy 2018

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St George's Consultancy Policy 2018

Foreword

The St George's, University of London (SGUL) Consultancy Policy is supplementary to the SGUL Financial Regulations and must be read in combination with these regulations (<https://portal.sgul.ac.uk/org/cs/finance>). The SGUL Consultancy Policy replaces the previous policy entitled 'Policies and Procedures Private Earnings Including Consultancy and Private Clinical Practice' to the extent that the previous version of the policy deals with consultancy. As this policy does not deal with Private Clinical Practice SGUL members of staff should refer to the Private Clinical Practice policy and ask HR for advice. This policy is substantially updated and in line with the legislation and best practice guidelines.

1. Introduction:

SGUL is the UK's only dedicated medicine and health sciences university and aims to be an enterprising and entrepreneurial organisation. SGUL seeks to disseminate the talents of our staff and our knowledge, which arises from our inspiring education and focused research, to benefit the society and economy as a whole.

SGUL understands consultancy activities as key part of its knowledge exchange and technology transfer – one of the hallmarks of an academic institutions. SGUL is committed to support the development of mutually beneficial relationships and engagements with commercial, public and third sector organisations (e.g. charities, social enterprises, associations and community groups) that facilitate knowledge exchange and technology transfer and contribute to social and economic impact. External relationships and engagements can take many forms but in defined circumstances they can be considered as consultancy activity.

On an individual level, consultancy activities can bring various career and monetary rewards for SGUL members of staff. They are considered in academic promotion applications, can lead to additional publications and grant applications through the generation of new research collaborations and built up international reputation. In addition, consultancy activities will usually deliver additional income but more importantly can generate supplementary funding for activities such as bridging funds and the funding of conference attendance and build relationships which could lead to studentships and bursaries.

On an organisational level, consultancy activities can deliver additional income to SGUL. As key parts of SGUL's knowledge exchange and technology transfer activities, consultancy activities have to be reported in different annual government returns and have an impact on higher education funding allocations which are essential for SGUL to maintain and further improve its world-class teaching and research outputs.

2. Purpose of this policy:

This policy is intended to provide a clear framework for those SGUL members of staff who are currently engaged in or wish to engage in consultancy either on an individual level (Private Consultancy and Personal SGUL-Managed Consultancy) or on an institutional level (Institutional Consultancy).

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SGUL encourages the transfer of knowledge through consultancy within the terms of the employee's duty to SGUL. This includes the duty of each employee to act in SGUL's best interests and never to engage in any activity which might bring SGUL into disrepute.

SGUL expects all members of staff to comply with this policy and regards any breach as a serious matter which may result in disciplinary action being taken in accordance with SGUL's policies and procedures.

3. Scope of this policy:

This policy applies to all consultancy activities carried out by all SGUL members of staff. It must be read in combination with the SGUL policies and procedures and financial regulations, particularly the policies on "Conflicts of Interest and Business Dealings" and "Intellectual Property".

SGUL members of staff are expected to follow the framework and processes set out in this policy for the approval, carrying out, recording and declaration of consultancy activities during and outside university time.

4. Definitions

This policy is intended to cover all forms of consultancy activities conducted by SGUL members of staff. For ease and simplicity the following naming conventions shall be used throughout this policy. Detailed explanations and examples for different Consultancy Arrangements can be found under Section 9 of this policy.

What is consultancy?

SGUL understands consultancy as provision of knowledge and expertise in an activity of a professional nature conducted by one or more SGUL member(s) of staff in their field of expertise for an external client for financial or non-financial benefit. Examples include but are not limited to:

- Provision of advice or solutions to specific problems for companies (e.g. biotech and pharma companies)
- Provision of expert reports on medical, technical and environmental issues
- Acting as an expert witness
- Editing and promoting a scientific journal for for-profit publishers
- Teaching for a commercial organisation
- Participation in delivering seminars and workshops for commercial organisations
- Provision of advice for and appearance in film and TV documentaries

Working as a founder scientist for a SGUL spin out company is regulated by a Secondment Agreement. According to the SGUL Intellectual Property Policy the spin out company is to pay a consultancy fee to SGUL for the time academics spend on company business.

What is not consultancy?

In general, the creation of knowledge through external relationships such as collaborative research (publicly funded) and contract research (publicly or privately-funded) as well as the

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delivery of primary knowledge such as SGUL's core teaching activities are not considered as consultancy activities.

SGUL acknowledges that certain tasks are within the normal scope academic work if they are fulfilling the wider academic/SGUL citizenship responsibilities of SGUL members of staff. These tasks include but are not limited to:

- Reviewing grant applications and publications
- Presenting at scientific conferences
- The production of scholarly works such as books, articles and papers
- Membership of an editorial board
- Serving on governmental or related committees

If unpaid, such activities and tasks are not considered as consultancy activity and can be carried out in addition to the annual consultancy day limit (see Section 5) and do neither need approval nor declaration (although good practice would be to discuss with a line manager), however, if there is a potential conflict of interest they will need to be declared. If paid, such activities are considered as consultancy activity except paid external examining including PhD theses and other degrees which is not considered as consultancy activity.

Naming conventions:

Contractor: the legal entity (individual SGUL member of staff or SGUL) who/which enters into an agreement with a Client to provide Consulting Service.

Consultant: eligible SGUL member of staff, irrespective of the staff category, or any other person or persons subcontracted to SGUL who wish to consult. A consultant may be a full- or part-time member of staff. Eligibility is explained under Section 5.

Client: one or more external organisation(s) receiving Consulting Service.

Consulting Services: intangible and tangible outputs delivered by the Consultant to the Client in return for a financial or non-financial benefit.

Consultancy Arrangements: a generic term which covers the different forms of consultancy activities, principally to distinguish between Private Consultancy, Personal SGUL-Managed Consultancy and Institutional Consultancy.

Private Consultancy: here a SGUL member of staff acts as Contractor and enters directly into an agreement with a Client to provide Consulting Services in a private capacity, with the SGUL member of staff providing their expertise on a matter not related to SGUL-owned materials or facilities. Private Consultancy is not organised through or under the control of SGUL and important restrictions apply. There is no relationship between SGUL and the Client regarding the work being undertaken and the Consultant must make sure that any Client is aware of this.

Personal SGUL-Managed Consultancy: here SGUL acts as Contractor and enters into an agreement with a Client on behalf of the SGUL member of staff. As opposed to Private

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Consultancy, there is a direct relationship between SGUL and the Client regarding the Consulting Services being delivered by the SGUL member of staff and SGUL provides professional insurance cover for such services.

Institutional Consultancy: here SGUL acts as Contractor and enters into an agreement with a Client to provide Consulting Services undertaken by an individual academic, or other SGUL members of staff (including technicians and professional services staff), or a team of collaborators on behalf of SGUL. The contract is often related to SGUL's materials or facilities. Such consultancy will be undertaken within the terms of the SGUL member of staff's employment contract. SGUL members of staff involved are expected to be working flexibly and supportive in the interests of SGUL and their own professional development. There is a direct relationship between SGUL and the Client regarding the work being undertaken and SGUL provides professional insurance cover.

5. The 30 day limit and eligibility:

SGUL encourages a pro-active involvement of all staff in knowledge exchange and technology transfer activities and thus everyone would be expected to assess opportunities for any type of Consultancy Arrangements, particularly for Personal SGUL-Managed Consultancy and Institutional Consultancy.

The 30 day limit and additional notes on working hours

SGUL permits in total 30 days of consultancy activity for eligible full-time SGUL members of staff (pro rata for eligible part-time SGUL member of staff) through defined Consultancy Arrangements in any 12 month period. This limit applies for Private Consultancy and Personal SGUL-Managed Consultancy conducted during university working time. If this limit is to be exceeded written approval from the Institute Director (or from the Deputy Principal for the Institute Directors, or from the Principal for the Deputy Principal, or from the Chair of Council for the Principal) will be needed. Institutional Consultancy does not fall under the 30 day limit.

Staff categories and eligibility

For the purpose of consultancy eligibility SGUL members of staff are grouped in two staff categories, namely 'Academic Staff', comprising of academics at Lecturer level and above as well as their clinical equivalents, and 'Other Staff', comprising of academic staff below Lecturer level, technicians, professional services and all other SGUL staff.

Academic Staff are eligible to consult under Private Consultancy or Personal SGUL-Managed Consultancy Arrangements during university working time under the 30 day limit. Consulting Services delivered under such Consultancy Arrangements outside university working time do not fall under the 30 day limit.

Other Staff are eligible to consult under Private Consultancy or Personal SGUL-Managed Consultancy Arrangements only outside university working time.

All SGUL members of staff are eligible for Institutional Consultancy which, in accordance with the definition, is expected to be conducted during university working time.

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6. Approval, reporting obligations & other responsibilities

General approval requirements:

Academic Staff need to obtain written approval before engaging in Private Consultancy or Personal SGUL-Managed Consultancy conducted during university working time under the 30 day limit. The approval is subject to the consent and guidance of the Institute Director (or of the Deputy Principal for the Institute Directors, or of the Principal for the Deputy Principal, or of the Chair of Council for the Principal) and needs to be obtained before any formal agreement with a Client. The application form for such consultancy approval can be found on the SGUL Portal on the HR Home Page under Policies and Procedures (file: Private Earnings: Consultancy and Private Clinic Practice (Application Form, link:

<https://portal.sgul.ac.uk/org/cs/hr/A-Z%20policies-and-procedures/Policies%20and%20Procedures>) and needs to be submitted for appropriate approval.

Eligible full-time and part-time SGUL members of staff engaging in Private Consultancy or Personal SGUL-Managed Consultancy outside university working time do not need approval unless it could lead to a conflict of interest with the core duties of their employment.

The approval process

After submission of the application form the approver will consider the following criteria (as applicable):

- SGUL's strategic objectives for knowledge exchange and technology transfer
- Individual Institute's objectives and targets for that year
- Availability of measures for ensuring that the core duties are not adversely affected by the consultancy activity
- Individual workloads
- Potential conflict of interest
- Potential reputational risks and benefits of engaging in the consultancy activity

The approver shall maintain records of consultancy approvals to enable the recording of work towards the 30 day limit and the resolution of any issues of conflict of interest.

Refusal of approval and termination of consultancy activities:

Consultancy is a privilege and SGUL reserves the right to refuse or terminate any consultancy activity at any time if there is reasonable evidence that the individual's core performance at SGUL is impacted or due to an arising conflict of interest or if the institutional reputation and dignity is endangered. In case of termination reasonable notice of the intention to terminate the consultancy activity will be given. Any dispute about granting or revoking approval will be dealt with in accordance with the SGUL Grievance Procedure.

Reporting obligations – declaration of conflict of interest

Independent from any approval obligations, eligible SGUL members of staff engaging in Private Consultancy or Personal SGUL-Managed Consultancy during or outside university

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working time must report such activities in the annual declarations of interest return which will automatically be sent out by the SGUL Communications to be returned to Compliance@sgul.ac.uk. The declaration obligations are in accordance with the SGUL policy on Conflict of Interest and Business Dealings.

All SGUL members of staff who engage in any form of Consultancy Arrangement must be very careful to ensure that all consultancy activities do not give rise to a conflict of interest with obligations owed to SGUL. Any consultancy activity which could give rise to any conflict of interest either in their own circumstances or in connection with any other third party must ensure compliance with SGUL's Conflict of Interest Policy and must be declared as described above. Additional reporting is required for any conflict of interest which falls outside the annual reporting cycle.

Other responsibilities:

SGUL members of staff engaging in any consultancy activities are responsible for following all SGUL regulations, policies and guidelines. These include but are not limited to the following:

- SGUL Financial Regulations
- SGUL Consultancy Policy [this document]
- SGUL policy on Conflict of Interest and Business Dealings
- Declarations of Interest and Consultancy Return 2017
- SGUL Intellectual Property Policy
- SGUL Anti-Corruption and Anti-Fraud Policy

All SGUL members of staff engaging or wishing to engage in consultancy activities should seek guidance about local guidelines and practices from the Institute Director or the Director of the relevant professional services or departments. All SGUL members of staff who engage in any form of Consultancy Arrangement must maintain high standards of conduct and ensure that any consultancy activity is carried out in accordance with good practice and comply with any ethical guidelines drawn up by SGUL and relevant professional bodies.

All SGUL members of staff who engage in any form of Consultancy Arrangement must operate with the utmost integrity and openness. Particular care must be taken to ensure that business arrangements do not conflict with the Bribery Act 2010 and Criminal Finances Act 2017. An example of such an arrangement would be seeking a consultancy arrangement in return for offering some form of benefit to a third party, e.g. the placing of a SGUL contract with that third party in breach of the SGUL's Procurement Regulations, or entering into a contract disguising tax arrangements in order to evade or avoid tax.

7. Use of SGUL facilities

Independent from the Consultancy Arrangement, if a SGUL member of staff is required to use SGUL facilities in order to carry out the Consulting Services the SGUL member of staff must first seek approval from the Institute Director or Director of the relevant professional services department. After approval the JRES will need to be informed to assess the costs in

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accordance with the JRES standard rates. SGUL facilities must not be used before such additional costs are agreed. Depending on the form of Consultancy Arrangement the costs will either be directly incurred with the Consultant (Private Consultancy) or built into the consultancy contract price (Personal SGUL-Managed Consultancy and Institutional Consultancy). SGUL facilities include but are not limited to:

- Laboratory space
- Equipment or materials
- Phone and IT services
- Secretarial assistance

The use of SGUL facilities must be governed by a contract and comply with SGUL's insurance and health and safety policies.

8. Confidentiality obligations and intellectual property

Any SGUL member of staff engaging in Private Consultancy or Personal SGUL-Managed Consultancy is expected to familiarise itself with the terms and conditions of any agreement relating to any research or other projects it is involved in as well as with the SGUL Intellectual Property Policy and to not do anything which might put SGUL in breach of its obligations to any third party. In particular, the SGUL member of staff should be careful not to use any confidential information and or intellectual property which belongs either to a third party or to SGUL without written consent.

The JRES Enterprise & Innovation Team will provide thorough advice and detailed information on all confidentiality and intellectual property queries regarding any project and all intellectual property generated by SGUL member(s) of staff during the course of their core duties. Such intellectual property is owned by SGUL, not by the SGUL inventor, unless otherwise agreed in writing, and referred to as SGUL background intellectual property.

Consultancy activities can result in the generation of novel intellectual property in which case the ownership has to be clarified on a case-by-case basis in the respective consultancy agreement. Since the nature of consultancy activities is being a 'paid-for-service' such novel intellectual property will usually be owned by the Client.

9. Consultancy arrangements and rewards

As introduced under Definitions (see Section 4), SGUL distinguishes between three forms of Consultancy Arrangements, namely Private Consultancy, Personal SGUL-Managed Consultancy and Institutional Consultancy. Clarity on the form is of utmost importance for all consequences related to commercial/financial, legal and risk management. If there is any uncertainty over which form of Consultancy Arrangement a particular consultancy activity falls under the Resources Review Committee (RRC) will make the final decision.

Private Consultancy:

Here an SGUL member of staff enters directly into an agreement with a Client to provide Consulting Services in a private capacity and important restrictions apply. Being completely independent from SGUL, nothing is allowed to relate to SGUL unless it is separately costed

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and paid for. Agreement specifications (e.g. price, deliverables etc.) and negotiations are a matter for the SGUL member of staff and the Client. To protect SGUL from any risk and potential liability the following restrictions apply:

- Private Consultancy may not be conducted using SGUL postal or email address.
- The SGUL logo may not be used on letterheads, presentations, reports, etc.
- Private Consultancy may not be conducted using SGUL facilities and telephones (including SGUL-provided mobile phones), unless it is separately costed and paid for.
- Electronic devices subject to licences (including internet) and any other resources (including SGUL purchased electronic resources) may not be used.
- The SGUL member of staff must explicitly ensure that all Clients are clearly informed that the Consulting Arrangement is private and that SGUL is neither involved nor liable.
- SGUL is not involved in any financial transactions (invoicing, remuneration, etc.). It is assumed that the Client will pay the Consultant directly and all revenue matters are solely a matter for the Consultant and not SGUL. SGUL members of staff are responsible for obtaining legal and tax advice in relation to the management of their income derived from Private Consultancy.
- Private Consultancy is not covered by SGUL's insurance. The SGUL member of staff must ensure that there is an appropriate risk and personal professional indemnity cover in place. SGUL members of staff are responsible for taking appropriate professional advice to protect themselves either by clauses in Private Consultancy contracts or through a professional liability insurance. SGUL will neither provide any advice nor will SGUL's professional services be available for consultation.

The Institute Director or Director of the relevant professional services department may decide on other usage to be inappropriate for Private Consultancy on a case-by-case basis. However, the Institute Director or Director of the relevant professional services department may also decide to allow minor and incidental use of SGUL computer or other office facilities. If there are any doubts or concerns in this matter the default position must be applied, i.e. the use of any SGUL facilities or resources or not allowed unless separately costed for.

Personal SGUL-Managed Consultancy:

The Personal SGUL-Managed Consultancy has been designed for all SGUL members of staff who seek to personally engage in consultancy activities with similar financial benefit as for a Private Consultancy Arrangement but with additional use of the SGUL brand reputation, full SGUL insurance cover, and minimal administrative effort.

Contract and risk management

Here SGUL enters into an agreement with one or more Clients on behalf of the SGUL member of staff who seeks to undertake consultancy activities. The JRES Enterprise & Innovation Team would arrange the correspondence with the Client, negotiate commercial/financial terms with the Client, manage the contract drafting and negotiation

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(e.g. design and specification of the work to be done, intellectual property terms, etc.) and deal with all revenue matters (e.g. invoicing, revenue distribution, etc.). The Personal SGUL-Managed Consultancy Arrangement allows the following advantages over the Private Consultancy Arrangement:

- The use of the SGUL postal or email address is allowed.
- The SGUL logo may be used on letterheads, presentations, reports, etc.
- SGUL facilities and telephones (including SGUL-provided mobile phones) may be used and the costs determined by the JRES will be built into the consultancy contract price (see below).
- Electronic devices subject to licences (including internet) and any other resources (including SGUL purchased electronic resources) may not be used.
- The consultancy activity is covered by the SGUL insurance.
- SGUL arranges for all revenue matters and advises on taxation/national insurance queries.
- SGUL background intellectual property may be used if appropriate and where not in conflict with third party rights and or any commercialisation plan.

SGUL members of staff involved in Personal SGUL-Managed Consultancy are obliged to notify the JRES of any special risks that would need to be reported to SGUL's insurers.

After execution of the consultancy contract the JRES Enterprise & Innovation Team would liaise with the JRES Research Funding Team and manage the post-contractual follow up including the setup of the consultancy activity on the finance system, the management of the account, the invoicing as well as the revenue distribution.

Pricing and costing principle

The JRES will provide a source for guidance on pricing and costing. This will help all SGUL members of staff, who seek to engage in Personal SGUL-Managed Consultancy, ensure that the prevailing market and competitive conditions are accounted for. SGUL strongly recommends that individuals do not discuss pricing with a Client before discussing the project with the JRES. The following principles and guidance shall apply but JRES and SGUL members of staff must ensure that Price, Costs and Disbursement fundamentals are clarified and agreed before any contract is finalised:

- **Price:** The price is the total financial consideration the Client will pay to SGUL in return for receiving the Consulting Services and will include the internally generated SGUL Costs (see below), a sector- and market-specific mark-up and may include expenses. The price will reflect the value of the work and align with the expectation of the SGUL member of staff.
NOTE: Consultancy work is usually subject to VAT, thus the prevailing rate of VAT will be charged in addition to the approved price.
- **Costs:** The internally generated SGUL costs are calculated by the JRES and reflect the real or true demand upon SGUL and staff resources. Daily consultancy rates for SGUL

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members of staff will be calculated based on 100% Full Economic Costing (FEC) model rates, which will include overheads, plus an administration fee.

- **Disbursement:** The disbursement describes the flow of revenue received by SGUL and would normally flow as following after cash receipt confirmation:
 - i) Repayment of the SGUL administration fee.
 - ii) Payment of remaining revenue to the SGUL member of staff (see details below). The remaining revenue should be in accordance with the desired consultancy income of the SGUL member of staff.

Remuneration

After successful delivery of the Consulting Service or in case of longer term Consultancy Arrangements in regular intervals (e.g. monthly or quarterly), the Consultant should hand in a time sheet or email notification to the relevant point of contact who will arrange for the invoicing and subsequent disbursement. The consultancy income for the SGUL member of staff can then either be directly paid to the individual or to the individual's business via payroll as one-off payment, which will be subject to appropriate national insurance and income tax deductions, or it can be transferred to an SGUL departmental/institutional project code on completion of a fee waiver form.

Institutional Consultancy:

As opposed to Personal SGUL-Managed Consultancy, for Institutional Consultancy an individual academic, or other members of staff (including technicians and professional services staff), or a team of collaborating staff provide a Consulting Service on behalf of SGUL within the terms of their employment contract during university time. Institutional Consultancy is fully covered by the SGUL insurance. The intention of the engaged SGUL members of staff is to support SGUL as institution and their own professional development. Institutional Consultancy plays a vital role for SGUL in supporting and partnering with other organisations.

For Institutional Consultancy the Head of Enterprise & Innovation will lead the management and negotiation of the contractual framework in close collaboration with the Chief Operating Officer and the Quality and Partnerships Department. The post-contractual follow up will be managed centrally by the Finance Department.

An appropriate SGUL member of staff will be approached by the Head of Enterprise & Innovation (or a nominated member of the senior management) via their line manager. Depending on the actual workload and the individual contribution of the SGUL member of staff SGUL may agree to disburse a part of the Institutional Consultancy income towards the benefit of the individual's professional development such as a contribution to training courses or conferences. In exceptional circumstances, such as a substantial individual contributions from a SGUL member of staff, SGUL may consider the payment of an honorarium, however, this is subject to approval by the RRC.

Examples for Institutional Consultancy include but are not limited to the provision of:

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- Curriculum support for other universities
- Training on SGUL educational methods and/or materials
- Support where SGUL acts as a contingency partner for other universities

10. SGUL use of income from consultancy activities

While Private Consultancy does not generate any SGUL income, Personal SGUL-Managed Consultancy will generate overheads which will be distributed to the respective institute or department.

Any income generated from Institutional Consultancy will be applied to recover full economic costs incurred by SGUL.

In general, SGUL institutes and departments are encouraged to recognise the contribution made by members of staff engaging in Personal SGUL-Managed Consultancy or Institutional Consultancy activities in their allocation of resources.

In case of a significantly high consultancy contract the Executive Committee reserves the right to decide that administration fee or parts thereof to be kept centrally in SGUL.

11. Related policies and documents

- SGUL policy on "Conflict of Interest and Business Dealings"
- SGUL Intellectual Property Policy
- Declarations of Interest and Consultancy Return 2017
- the SGUL Financial Regulations
- the Anti-Corruption and Anti-Fraud Policy