

UNIVERSITY OF WESTMINSTER (the “University”) CONSULTANCY POLICY

CONSULTANCY POLICY

Equality, Diversity and Inclusion

This Policy will be applied in alignment with [our EDI Strategy \(2021 – 2025\)](#) and applies to all colleagues, regardless of their professional title or rank and mode of employment (e.g. full-time, part-time, remote or office-based).

Accessibility

We are committed to ensuring our websites and content is digitally accessible according to the Public Sector Bodies Accessibility Regulations (2018). This policy is published on our external website and the intranet; and can be requested in a range of formats e.g. Word, PDF, plain text, alternative formats such as large print or Braille.

Policy Monitoring and Review Process

This Consultancy Policy will be reviewed at least every two years via the Research and Knowledge Exchange Office (RKEO) and the Knowledge Exchange committee, for recommendation and approval to the Research and Knowledge Exchange steering committee and Academic Council.

This Consultancy Policy, and any changes made to it, will be implemented as soon as they are approved by Research and KE Steering Committee.

The University will monitor the effectiveness of this policy through College-level reporting, external statutory reporting for Research and Knowledge Exchange (e.g. the annual Higher Education and Business Community Interaction Survey (HE-BCIS)) and internal University-level Financial Planning and reporting processes.

Introduction

The University’s Consultancy Policy details the procedures and conditions under which consultancy undertaken by colleagues can be carried out for external partners.

For the purposes of this policy, consultancy is the provision of expert advice and guidance, based on existing knowledge, to address specific challenges or problems providing strategic insights within a particular field.

This policy does not cover the delivery of short courses as consultancy. Short Courses are the imparting of knowledge and skills through instructional sessions with the aim of enhancing practical capabilities, and are classified as being ‘education’.

The creation of new knowledge is classified as 'research' and should not under normal circumstances be categorized as consultancy.

[Guidance on employing consultants to undertake consultancy for our University](#) can be obtained via Finance Operations.

Consultancy is an important element of the University's knowledge exchange activities.

Consultancy has many benefits for both the individual and the University including: income generation, opportunities for external collaboration, personal and professional development, enhanced reputation of the University, and contribution to the University's knowledge exchange endeavours including economic and social impact criteria.

Consultancy carries with it an element of risk to the individual, the University and its reputation. Therefore the University is keen to encourage and support its colleagues to engage in consultancy in a regulated manner.

The RKEO are available to support and advise colleagues looking to engage in Consultancy.

The objective of this policy is to define private and university consultancy, explain the processes by which these are internally approved and minimise potential risks.

1. This policy applies to both academic and support colleagues engaged in consultancy and/or commissioned work.
2. Other related benefits to consultancy (a term which henceforth includes the production of commissioned works, but not the creation on new knowledge, which is classified as research) include:
 - a. Its capacity to contribute across all sectors to the development of policies, practices, economic activity, cultural experience, and quality of life.
 - b. The opportunity it provides colleagues to develop and maintain professional expertise, and to enhance the social and commercial relevance of their research, teaching, or professional activity.
 - c. Generation of income for the University, its Schools, Directorates and Units and individual colleagues who contribute to such activity over and above their regular duties.
 - d. Increase in HE-BCIS, Higher Education and Innovation Funding (HEIF) and Knowledge Exchange Framework (KEF) success and income, under the income-generating consultancy metric.
3. These benefits are only possible if the consultancy work is approved, costed, contracted and managed by and therefore known by the University. It is therefore the University's policy to encourage colleagues to engage in consultancy wherever appropriate through University mechanisms and in a manner which is consistent with their contractual responsibilities, our [Financial Regulations](#), [Travel and Expenses](#) and [Travel Insurance Policies](#), [IP Policy](#) and the [Code of Research Good Practice and the Code of practice governing the ethical conduct of research](#). Colleagues must also complete the 'Exclusivity of Service' Proforma annually and return it to the People, Culture and Wellbeing.

Definitions and Scope of the Policy

4. For the purposes of this policy the University defines consultancy as professional work undertaken by colleagues in their field of expertise, for which the client makes payment; it normally produces some form of contracted output. It is not the creation of new knowledge. The creation of new knowledge with and for a partner is classified as research. Consultancy with non-academic partners is classified as a HE-BCIS metric, generating HEIF income. Consultancy for academic clients or knowledge exchange between academic partners is not classified as a HE-BCIS metric, and therefore will not generate HEIF income or KEF metric.
5. Colleagues carry out consultancy in their capacity as University employees. The work carried out may be either part of or additional to their normal duties. Supplementary payments may be made to them depending on the nature of their involvement, the extent and form of any impact on their normal duties, and School, Directorate or Unit arrangements for releasing them for this work. This enables colleagues to pursue consulting opportunities with the full support of the University, including revenue sharing, University insurance, access to IT and other support and the ability to use their association with the University and job title to secure and publicize the consultancy work.

Private Consultancy

6. Private consultancy is carried out by colleagues entirely independently of the University.
7. Full-time colleagues normally have an exclusivity of service contract with the University, and as such need to obtain the approval of their line manager (not to be unreasonably withheld or delayed) before entering private consultancy agreements or contracts.
8. For those on fractional contracts, the University does not seek to limit or control such work as long as it does not impinge adversely on the colleague's effective performance of their contractual duties and the [University's IP Policy](#) where the consultancy builds on work supported by the University during the course of employment. This means that colleagues must obtain permission from their line manager, and this will be subject to there being no conflicts of interest identified between their consultancy work and their role and work in the University.
9. The matters the line manager shall consider for assessment include (but are not limited to) whether taking up the consultancy work would:
 - a. compromise their availability.
 - b. represent more than a full-time workload.
 - c. result in a conflict of interest with University work or competition against services our University provides;
 - d. compromise University intellectual property ("IP") ownership or planned ownership of IP generated during employment at the University; or
 - e. depend on the use of University resources or their status at the University;
 - f. depend on other relevant criteria as the line manager deems appropriate.
10. Consequently, colleagues are advised to discuss the demands of their work outside the University with their line manager, Head of School, Director or Head of Unit in the first instance to ensure a mutually agreed and beneficial outcome. Colleagues

are further advised that if University resources (space, equipment, time or materials) are to be used, this must be agreed with the relevant Head of School, Director of Services or Unit. The RKEO can assist with the costing and pricing of facilities use, which will be informed by the nature of the project, space, and equipment being utilised. Finally, it must be made clear to all clients that the work is being undertaken in a private capacity and that the University bears no liability or responsibility for the delivery or quality of the work. Furthermore, the colleague must advise the client that they must not include the name of the University in any publicity or refer to it nor must it associate the work with the University except in the context of the individual's general working background. In addition, the colleague will not have access to liability insurance and would need to make their own arrangements.

11. Consultancy for companies owned and part-owned by the University or in which a colleague may have an interest is included within the scope of this document. Colleagues should ensure that they comply with the relevant University policies (see paragraph 3) when undertaking any work for such companies and seek advice from their Head of School, Director or Head of Unit if they are unclear about whether their proposed work constitutes University consultancy. The RKEO will provide advice to Heads of School, Directorates and Units where necessary.

Disclosure of Consultancy

12. The University requires that all consultancy undertaken by its colleagues, whether University based or private, is disclosed to the School, Directorate or Unit where the colleague is based no less than 20 working days prior to the commencement of the consultancy project. This will ensure that it is formally approved according to the protocols set out below and will reflect the support required and credit given.

This is for the following reasons:

- a. Conflicts of Interest: The University must be satisfied that the individual will continue to perform all the duties required of them by their contract of employment with the University and that the consultancy does not conflict with the interests of the University.
- b. Non-competition: The University must be satisfied that colleagues are not undertaking consultancy in competition with the University, either directly or indirectly. Colleagues must be clear that their primary contractual obligation is to the University of Westminster, and that consultancy work must not act in any way that conflicts with the best interests of the University. If colleagues are in doubt about any consultancy opportunities, they must seek advice from their Head of School, Director or Head of Unit and the RKEO before progressing discussions.
- c. Consistency with University values and ethical issues: Colleagues must ensure that the consultancy is not directly or indirectly associated with activities which are likely to be perceived internally or externally as unethical or inappropriate or inconsistent with the University values or strategy. [Guiding codes of practice are the Code of Practice Governing the ethical conduct of research and Code of Research Good Practice.](#)
- d. Intellectual Property: Consultancy for external bodies must be consistent with the provisions of the University's latest Intellectual Property Policy and be

reported through its provisions (also see paragraph 45).

- e. Information Access: Work for, and collaboration with, external bodies on behalf of the University is held by the University for the purposes of the Freedom of Information Act (2000) and information generated under the contract (including the terms of the contract itself) will be subject to disclosure unless a relevant Exemption within the Act applies. This must be specified in the contract.
 - f. Quality Assurance: The University requires that appropriate arrangements are in place to assure the quality of University consultancies, and to ensure that its contractual obligations to third parties can be met in the event of a member of colleagues originally undertaking the work being unable to complete the work for whatever reason.
 - g. University Reputation and Credit: The University expects to receive credit for supporting and releasing colleagues to undertake University consultancy or commissioned activity, and appropriate reference to the University is required as a condition of agreement.
14. Failure to disclose or obtain approval for consultancy as required by this policy, prior to the start of the consultancy shall be regarded as a disciplinary matter and is subject to the University's disciplinary procedures. In addition, colleagues will not be indemnified or insured by the University in circumstances where approval for consultancy has not been obtained.

Principles Governing University Consultancy

15. It is not expected that all colleagues will be involved in University consultancy. The degree of involvement in consultancy, research, professional practice, course development, teaching and academic management, and other activities will vary dependent on individual expertise and the needs of Schools, Directorates and Units. Colleagues may decline to undertake a consultancy.
16. Individual colleagues must submit a proposal for a University consultancy or commissioned work to their line manager (in consultation with Heads of School, Director or Head of Unit) at an early stage and at least 20 working days in advance of the start date of the consultancy. Once approved by the line manager, the RKEO can assist with the costing and pricing of consultancy and contract development and review. The School, Directorate or other University Unit is responsible for the day-to-day execution of the consultancy work, its deliverables and financial management.
17. The University holds the ultimate responsibility for the appropriateness and quality of consultancy undertaken in its name, and for ensuring that there is a reasonable degree of consistency in the way that principles are applied. When a line manager has approved a consultancy at School, Directorate or Unit level, they must submit the proposal with the leading colleague to the RKEO for costing, pricing, and contract negotiation, indicating the key terms and conditions and details of internal financial arrangements. The final, fully executed copy of the contract must be prepared by the RKEO via a qualified contract manager and signed by the Head of the RKEO on behalf of the University. A fully executed copy of the consultancy contract must be made available on the Virtual Research Environment ("VRE") system for audit and reporting purposes.

18. The line manager, Head of School, Director, Head of Unit or other senior management professionals may deny approval for a range of reasons, including but not limited to, financial non- viability, a colleague's workload, health and safety issues, reputational risk or lack of appropriate expertise.
19. Consultancy must not involve activities that have the potential to bring the University into disrepute or that conflict with the interests of the University, nor breaches any other University policy such as those relating to health and safety provisions. If consultancy does involve activities that conflict with University interests, the University reserves the right to deny approval or to terminate the consultancy agreement early, where legally appropriate and advantageous.
20. Under most circumstances a maximum limit on the amount of time spent by colleagues on either University or private consultancy would be up to 25 days per academic for full-time staff and pro-rata for part-time staff, providing that it does not compromise the discharge of the employee's contractual responsibilities to the University. It is the responsibility of the colleague undertaking the consultancy or commissioned work to monitor this and with their line manager in alignment with Workload Allocation Modelling (WAM) policies.
21. The colleague or client must not use the University's name in connection with the consultancy without formal approval. Requests by clients to use the University's name in relation to any output or outcomes from a consultancy must be referred to the RKEO and Corporate Communication and Public Affairs teams. Equally, the University expects colleagues engaging in consultancy to acknowledge the University's support in publicity and marketing of the work. The Corporate Communication and Public Affairs team has University templates and logos available for this purpose, if required.
22. The University will monitor the effectiveness of this policy through College-level reporting, the RKEO, governance and reporting systems for Research and Knowledge Exchange and its annual HE-BCIS and financial returns. Periodic updates to this policy will be approved via the appropriate governance channels for Research and Knowledge Exchange, via the RKEO.

Consultancy and Secondments

23. Colleagues are required to be aware of their responsibilities to each party when consultancy is agreed. In cases where colleagues are acting as University consultants, they are operating on behalf of the University of Westminster. Their primary responsibility is to work in the best interests of the University of Westminster, under the University's management or under the direction of a University nominee.
24. Colleagues who are seconded to another organization must work in the best interests of the organization to which they have been seconded. Where this creates conflicts with their University or other employments, resolution will be in accordance with procedures determined in the consultancy contract. Where the colleague becomes concerned regarding a conflict of interest or is aware that the consultancy is working in conflict with the interest of the University, they should raise the matter through appropriate procedures and management lines defined in the consultancy agreement and in alignment with the [University's Financial Regulations](#) and other appropriate policies as they apply to the nature of the conflict of interest.
25. Residencies, where offered, should be subject to similar agreements that allow

Schools, Directorates or other Units to be reimbursed for the cost of the absence of colleagues from the University. In all cases, it is the University's reasonable expectation that colleagues, and external organizations acknowledge the University's granting of permission in a manner appropriate to the activity.

26. Colleagues responsible for setting up a private consultancy or secondment (whether for themselves for another person) should ensure that there is a clear written understanding with the other party to the contract as to who holds the information generated under the contract for the purposes of the Freedom of Information Act (whether the other party is itself subject to the provisions of the Act or not).

Indemnity, contracting, and pricing for University Consultancy

27. All consultancies must have a legal contractual basis and contracts must be signed by the Head of the RKEO, or their delegate. Among other things, the contract must refer to financial arrangements, the time scale, deliverables and to the ownership of output, including intellectual property.
28. The costs, price, fees, charges, and expenses of the consultancy must be negotiated in accordance with the costing and pricing procedures agreed by the RKEO and Research Finance. The Head of School, Director or Head of Unit is required to confirm, in approving a proposed consultancy, that the charges made to clients cover at minimum all the foreseeable direct and indirect costs of undertaking the work, and that the School, Directorate or Unit accepts financial responsibility for any potential loss.
29. The RKEO will manage the development of contracts for University consultancy. Under most circumstances, consultancy should be undertaken under a standard set of terms and conditions, provided by the partner seeking consultancy support via the University. It is recognized that contract terms and conditions may need to be negotiated and varied under some circumstances. The RKEO will consult with the colleagues and their Head of School, Director or Head of Unit where a material change is required.
30. Any consultancy contract documents must use the legal name of the University of Westminster as specified in our Articles of Association, and financial transactions are also required to use that name. University of Westminster or the University of Westminster (Trading) Ltd. Details of our Articles of Association and of the University's legal form (required by some contractors) are available [on the University's Governance website](#).
31. The University provides professional indemnity insurance to colleagues undertaking approved University consultancy under a formal contract between the University and the external body. The University disclaims all liability for negligence, malpractice, or lack of exercise of due care in every case in which work is undertaken without its prior approval and the relevant activities are not specified in the contract. The University will not take responsibility for any action against a consultant in relation to work that they agreed to undertake privately or without University approval.

University consultancies: Income distribution and payments to colleagues

32. Consultancy projects should be costed at 100% Full Economic Costing (FEC), plus a 20% mark-up as a starting point. VAT may also be charged to the client. Any

exception to this needs to be negotiated with the partner and discussed and approved by the Head of School, Director, or Head of Unit, and in consultation with the RKEO in advance of the project starting. The costing and pricing for consultancy should cover all directly incurred costs and overheads for the consultancy work, including consumable costs, travel, accommodation, mileage, and any other costs needed to complete the consultancy project such as the contracting of external providers to deliver the agreed consultancy outcomes, as well as payment for the colleague's time and/ or teaching and administrative cover which may be required.

33. The costs should be based upon a "true cost" principle and attribute only those costs to the calculation which represent a real or true demand upon University and staff resources, including the use of University space and equipment.
34. The price the client pays is **not** the same as the internally generated cost(s) and the price should recognize the value of the work and market conditions (i.e. should normally include some element of profit margin). It is likely that VAT will also be charged to the client.
35. Where the proposed consultancy has no adverse impact on normal workload then after settling all direct and indirect costs, 70% of the remaining income is retained by the consultant, 20% is allocated to meet costs incurred by the School in supporting and administering consultancy activity and 10% is allocated to meet costs incurred by RKEO, including University administration and management, and to provide a small profit margin.
36. Indirect and estates costs, if appropriate and relevant to the Consultancy project, can be calculated using the FEC methodology as a starting point.
37. The amount chargeable (price) for academic and technician or other professional time will depend on the market conditions at the time. The price of a consultancy project should take into consideration [University salary scales](#). University salary scales can be used as a starting point to calculate the cost of academic, professional staff and technician time to which should be added a project's direct costs and an overhead charges.
38. The price of academic and technician time will reflect several factors including the:
 - a. Extent of the customer's needs.
 - b. Level of expertise involved
 - c. Time involved on the project
 - d. Results expected by the customer
 - e. Availability of competitive alternatives
 - f. Extent of knowledge in the public domain
 - g. Extent of convenience, intrusion and relevance to main research activities
 - h. Strategic value of the relationship to the University
 - i. Historical relationship of the partner with the University.
39. Before a consultancy is agreed in principle and recommended to the Head(s) of the School, Directorate or Unit whose colleague(s) is/are undertaking the work will agree with the colleague involved:
 - a. The extent to which their consultancy-related work will be undertaken as part of, or in addition to, their normal duties and

workload.

- b. Any costs to their School, Directorate or Unit of (a) releasing colleagues from their normal duties to undertake the consultancy (e.g. teaching buy-out) and (b) increased pressure on other resources (e.g. additional technician or clerical time).
- c. Any additional workload taken on by departmental colleagues to facilitate the consultancy.
- d. Any consultancy related circumstance that led to greater than a full-time equivalent workload.

40. They must then agree:

- a. The amount of income to be used to cover direct costs.
- b. Mutually acceptable levels of payment to the colleague(s) whose total workloads are directly or indirectly increased by the consultancy or whose skills/expertise/ reputation add significant financial value to the consultancy contract.

41. Payments to colleagues may take the form of supplements to personal salary. Payments taken additional to a normal salary will be subject to tax and national insurance deductions. Payments will be made via payroll as a lumpsum or a periodic payment.

42. Any travel and other personal expenses incurred whilst carrying out the consultancy work will be treated as direct cost and reimbursed to colleagues via the normal expenses system and in accordance with the University's [Travel and Expenses policy and procedures](#). Where the client reimburses expenses at a higher rate than the University policy, e.g. mileage rate, the surplus is regarded as a part of the nett surplus of the contract and is distributed on the 70:20:10 principle.

43. The following additional conditions apply:

- a. Normally no payment will be made to an individual where it would result in a deficit on the contract, without prior permission from the Head of School, Director or Head of Unit.
- b. No payment will be made to individuals where the terms and conditions of contract prohibit it.
- c. No payment will be made to individuals in advance of the client paying the invoice.
- d. Any time input required to rectify unsatisfactory work will not normally be cause for additional payments unless there is additional income to cover further costs.

44. Heads of School, Directors and Heads of Unit will be expected to include actual and projected consultancy income into their financial plans, including their budget.

Intellectual Property

45. All colleagues are required to discuss intellectual property (IP) issues with the RKEO, Head of School, Directorate or Unit in advance of carrying out any work likely to lead to its creation. Ownership of the results (including any arising IP created by either party) shall be in accordance with the consultancy agreement and reflected in the fees payable to the University. In this way the negotiation of any IP can be dealt with

on a case-by-case basis, including the use of IP for academic and research purposes and future potential exploitation. The University requires that an IP and patenting assessment is undertaken before IP retention costs are incurred. A business case must be presented to the RKEO before a patenting assessment will be considered.

46. Any arising IP from consultancy projects should be managed in accordance with the [University's IP Policy](#).

Publication

47. If the consultancy is likely to result in publishable results, the consultancy agreement should ensure that the University has the right to publish any results without limitation (except for client confidential information or where a patent is likely to be filed and a delay in publication is necessary).

Private Consultancy

48. All colleagues are permitted to carry out and retain the income from private consultancy subject to the previously noted provisos that they disclose the consultancy, and it is approved based upon it not impinging adversely on the effective discharge of their contractual responsibilities to the University. No adjustment may be made to the individual's University overall workload in recognition of their private consultancy.
49. The individual colleague and any work that s/he/ they undertakes on a private consultancy basis will not be covered by professional indemnity insurance or any other insurance provided by the University.
50. Colleagues are, therefore, personally responsible for the consequences of their private consultancy, and for ensuring that clients are fully aware that the University is in no way responsible for or liable in respect of private consultancy undertaken by its colleagues. There is a risk that, in the case of private consultancies, claims by clients for damages related to under-performance or breach of contract may be mistakenly directed at the University rather than the individual colleague. For this reason, the University requires the colleagues make it explicit to private clients, that the University cannot be held liable for any claims for damages resulting from negligence, lack of performance or breach of contract.
51. Colleagues who are undertaking private consultancy or unauthorized consultancy need to be clear, (and shall make it clear to their clients), that it is their own responsibility to provide independent evidence of their competence to do the work they have agreed to undertake, and that the client may not rely solely on their employment and standing in the University. Colleagues should make clear to clients that they are responsible for undertaking due diligence to assure themselves of the consultant's competence, and that they should not rely on the University's relationship with the consultant as proof of competence to perform the consultancy work.
52. The University of Westminster will not take responsibility for any action against a consultant in relation to work undertaken in a private or unauthorized capacity, and colleagues undertaking private consultancy are required to indemnify the University against any costs, claims, damages or expenses incurred by the University as a consequence of the consultant's private work in a separate agreement or declaration made by the colleague.

53. Private consultancy must not involve activities that have the potential to bring the University into disrepute or that conflict with the interests of the University or any of its subsidiaries. In such circumstances, an authorized officer of the University (i.e. appropriate Head of School, Director or Head of Unit), will make clear to a colleague(s) the basis of the incompatibility of their consultancy with their contractual obligations to the University and will seek immediate resolution of the conflict of interest. The University reserves the right to refuse permission for the colleague to undertake or continue with the consultancy in question.
54. A colleague shall make no use of facilities, resources, equipment or premises belonging to the University whilst undertaking private work without the explicit agreement of the Head(s) of the relevant Schools, Directorates, Units and facilities, and subject to appropriate charges.
55. The University's name and/or endorsement (including use of ~~a University of~~ Westminster email address, headed paper, University business cards, logo and other branded materials) may not be used in connection with private consultancy. In addition, the University may require that indemnity is given against all costs incurred because of the individual's consultancy work.
56. Colleagues undertaking private consultancy and other paid work other than with the University are responsible for their own financial and tax arrangements and for complying with all statutory requirements laid down by HM Revenue and Customs or other bodies and should seek appropriate independent professional advice.

Research and Knowledge Exchange Office
Approved by the Research and KE steering committee 10 June 2024

Appendix A

Comparative Summary of Benefits of University Consultancy

	University Consultancy	Private Consultancy
Permission Required (Head of School, Directorate or Unit)	Yes	Yes
Indemnity Insurance	University Policy	Personal Insurance Arrangements Required
Use of University name or Facilities	Yes	No
Maximum permitted working days per academic year	25 days per annum and in agreement with line management	None
University Administrative Support (Financial costing, pricing, management and reporting, Contract development etc.)	Yes	No
Managed on VRE (and auditable and reportable to HE-BCIS and KEF)	Yes	No

Simple worked Example of a Consultancy Costing Split

- A project is costed at £100,- FEC at 100% FEC and a 20% (£20) mark-up is added to this.
- The total asking price to the partner is therefore £120,-
- The direct and indirect costs combined total £70
- The remaining costs at £50 are split as follows, using the 70:20:10 split.

Percentage % split	Consultant £	School £	University/ RKEO £
70	35		
20		10	
10			5