



Consultancy Policy

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1. Introduction

- 1.1 The University recognises the value of its staff undertaking consultancy for outside bodies. This work is an important channel through which knowledge and expertise can flow to and from businesses and other external agencies and therefore contributes to the development of growing and productive relationships with these bodies. Consultancy activity within the University of Glasgow is often associated with other contractual relationships, including research, service contracts and in some cases the provision of funds to provide studentships. It is therefore the University's policy to encourage staff to engage in consultancy wherever appropriate and in a manner that is consistent with their contractual responsibilities.
- 1.2 This policy is intended to provide the information required to undertake consultancy work in accordance with the University's approved procedures.
- 1.3 University employees should also be aware of the [Bribery Act 2010](#) and the relevant [Compliance Section of the University's financial regulations](#).

2. Definitions and Scope of the Policy

- 2.1 **Consultancy:** The University uses a broad definition of what constitutes consultancy. Its essential features are:
- 2.1.1 Consultancy is work of a professional nature, undertaken by University staff in their field of expertise, for clients outside the institution, for which some financial return is provided;
 - 2.1.2 Unlike research it does not have as a prime purpose the generation of new knowledge;
 - 2.1.3 Consultancy will produce some form of contracted output which may be partly or wholly owned by the client;
 - 2.1.4 The University normally does not have freedom of publication over the results of consultancy;
 - 2.1.5 It tends to be governed by short-term contracts, makes minimal use of University resources and involves extra work for existing staff rather than the employment of new staff
- 2.2 Consultancy for **companies owned by the University** or in which a member of staff may have an interest are also included within the scope of this document. Staff are advised to ensure that they comply with the University's Conflicts of Interest Policy when undertaking any work for such companies¹.
- 2.3 **Excluded from the above definitions:** This policy does not apply to those activities, paid or unpaid, which are in furtherance of scholarship or general dissemination of knowledge, such as:
- 2.3.1 Authorship of, or royalties from, the publication of books
 - 2.3.2 Service on public sector or charitable committees
 - 2.3.3 External examiner duties
 - 2.3.4 Lecture tours and conference presentations or attendance
 - 2.3.5 Editorship of academic journals or the publication of academic articles
 - 2.3.6 Professional arts performances
- 2.4 College arrangements for the consideration and approval of consultancy activity may vary. Whilst this Policy refers to Heads of College, local arrangements may devolve this activity to the Head of School / Research

¹The University's Research Policies can be found at: <http://www.gla.ac.uk/research/aims/ourpolicies/>

Institute Director or other appropriate staff. Staff must take account of local arrangements in their interpretation of the requirements.

- 2.5 Staff should seek advice from their Head of College if they are unclear about whether their proposed work constitutes consultancy. The Research Support Office will provide advice where necessary to Head of College in reaching a decision about the classification of a particular piece of work, but the final decision should be made locally.

3. Permitted level of Consultancy

- 3.1 University employees are permitted to undertake up to 30 working days consultancy activity per academic year with the approval of their line manager.
- 3.2 In some circumstances College may authorise staff to undertake further consultancy work outwith this limit, but this must be discussed and approved by the Head of College on a case-by-case basis.

4. Approval of Consultancy Activity

- 4.1 The decision process for whether an individual is permitted to undertake a piece of consultancy is handled at a local level. All consultancy proposals should be passed to the appropriate Head of College in the first instance. The Head of College will make the decision to accept or decline the proposal.
- 4.2 The decision to accept a proposal to undertake consultancy activity is not automatic and factors including other sources of research income will be considered.

5. Income Distribution

- 5.1 University costs identified on the Consultancy Project Form (CPF)² will be recovered before the following income distribution model is applied.
- 5.2 The standard income distribution model is based on income per consultancy agreement per financial year.

Income	Employee	College
Up to £5,000	100%	0%
Over £5,000	80%	20%

- 5.3 Individuals are not permitted to enter into more than one contract worth less than £5,000 with any one company in any one financial year.
- 5.3 In any financial year, a total consultancy income of £20,000 per staff member is permissible under the standard distribution model outlined in 5.2, subject to the discretion of the Head of College.
- 5.4 Above this threshold, College will require an alternative distribution arrangement to be implemented or require the activity to be managed under a service contract.
- 5.5 Finance Office facilitate this decision by providing College with quarterly reports of the consultancy income (per financial year) generated by their staff.

² The current consultancy project form can be found at:
<http://www.gla.ac.uk/services/researchsupportoffice/quickhelp/quickguidesandforms/forms/>

6. Costing/Pricing of Consultancy Activity³

- 6.1 Normally, consultancy activity should be recorded using the CPF. This form provides recommended daily rates for consultancy and only in exceptional circumstances (and with the approval of the Head of College) should consultancy be undertaken at below this rate.
- 6.2 The form can be used to determine the consultant's net income (following deductions for College share, any direct costs, tax and national insurance). If you have any queries about the form, please contact Finance Office for advice.
- 6.3 Completed CPFs should be signed by the PI and approved by the Head of College and Head of School / Research Institute Director, then forwarded to the Research Support Office for processing.
- 6.4 Some consultancy work, especially where University resources are being used (technician time, equipment or IP) may be more appropriately managed under a service contract. This is at the discretion of the Head of College and should be discussed with her/him at an early stage in proposal development.
- 6.5 Where the activity is to be managed under a service contract, the activity should be costed, priced and recorded using a standard PAF.

7. Contractual Requirements

- 7.1 The University is liable for the actions of its employees during work-related consultancy even if the actions or activities are not covered by an agreement involving the University.
- 7.2 The University, therefore, strictly prohibits staff from entering into work-related consultancy arrangements with outside agencies without approval from their Head of College.
- 7.3 Staff involved in ***non-work related consultancy must not use the University of Glasgow name*** to endorse this activity without prior written approval from the Head of the Research Support Office.
- 7.4 **Standard Terms & Conditions:** The University has adopted standard contract terms & conditions and recommends that these are used⁴. The Head of College can authorise and sign off any work that is undertaken under the University's standard terms. A copy of the finalised contract must be forwarded to the Research Support Office, together with the signed CPF. The Research Support Office will record the information on the research system and arrange for the appropriate information to be sent to finance office to enable invoice(s) to be raised.
- 7.5 **Non-Standard Terms & Conditions:** The Research Support Office must be involved in the contract negotiations and will advise the Head of College on key issues arising from the terms of the contract. Where these issues are considered problematic, approval of the Head of College will be sought prior

³ Please note: This costing/pricing policy may be subject to major revision following implementation of new corporate tax laws.

⁴ A template consultancy agreement is available from the Research Support Office on request.

to final sign-off by an authorised individual from the Research Support Office. A fully signed CPF will also be required.

- 7.6 Staff are recommended to involve the Research Support Office in the processing of consultancy as early as possible so that any issues with the contract can be highlighted and, where possible, either resolved or mitigated.

8. Recording activity

- 8.1 All staff are required to record their consultancy activity with the Research Support Office.
- 8.2 Original copies of the contracts and CPF must be forwarded to the Research Support Office for the University records and for processing to the Finance Office.

9. Fee Waivers

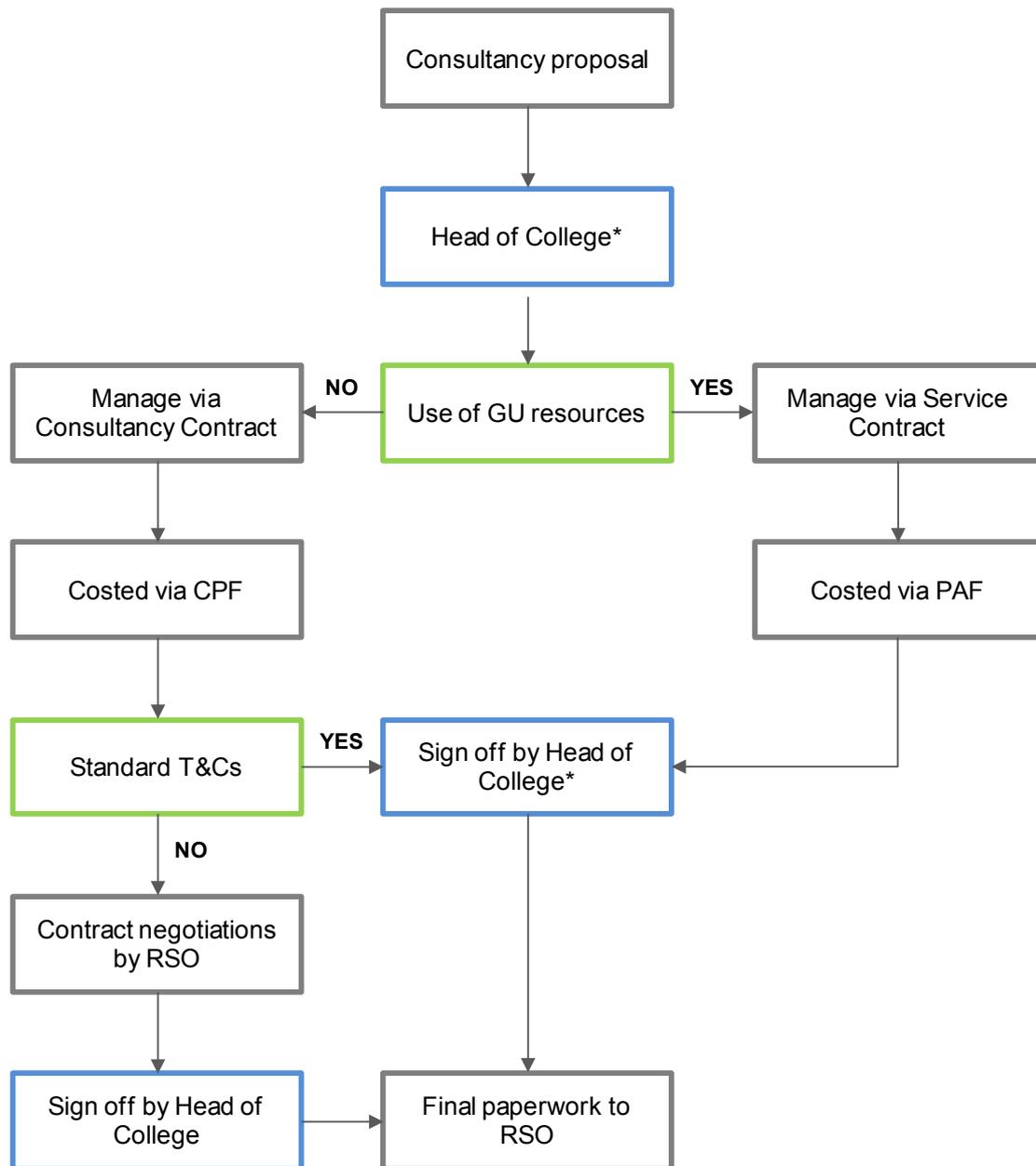
- 9.1 The Inland Revenue requires that any **fee waivers** are decided before the proposal has final approval. No fees will be waived without a completed fee waiver form which must be returned to the Research Support Office with the signed CPF.
- 9.2 Fee waivers are credited to a College reserve account and must be used within one year of receipt. Balances remaining after twelve months in the reserve account will be transferred to College general funds unless there is a specified and agreed reason for rolling them over to the following year.
- 9.3 More details about how fee waiver income can be accessed within the University can be found on the Management Accounting webpages.⁵

10 Tax and National Insurance

- 10.1 The finance office will ensure that both employers and employees costs are remitted to the Inland Revenue. The statutory deductions for income tax and national insurance will be made, and staff will receive the net amount.

⁵ Information on waived fees can be found on the Management Accounting webpage at <http://www.gla.ac.uk/services/finance/staffsections/managementaccounting/waivedfeesreleaseform/#d.en.126709>

Appendix: Process map of the procedures outlined in the policy document



*The Head of College may delegate authority to the Head of School or Research Institute Director. Staff must ensure they are aware of local arrangements.