

<b>Consultancy Procedure</b>	
<b>Enabling Policy Statement; Executive Owner; Approval Route:</b>	Our Research and Innovation - PVC, Research and Innovation - Executive Board
<b>Is the Procedure for internal use only (Non-disclosable)?</b>	Disclosable
<b>Associated Policy Statements:</b>	Our Research and Innovation Policy Our Data - Chief Operating Officer Our Partners and Reputation - Vice-President Global
<b>Authorised Owner:</b>	Director of Research, Innovation & Impact
<b>Authorised Co-ordinator:</b>	Head of Innovation & Impact
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<b>Sub-documentation:</b>	<a href="#">Private Consultancy Approval Process – Part A Disclaimer of Liability Form</a> <a href="#">Private Consultancy Approval Process – Part B Internal Approval Form</a> University Consultancy Guide

#### Approval History

<b>Version</b>	<b>Reason for review</b>	<b>Approval Route</b>	<b>Date</b>
1.0	Comprehensive review of the Consultancy Services Programme and development of a new Consultancy Procedure.	URIC Executive Board	12/03/25 26/06/25

## 1. Purpose

- 1.1 This document defines the University of Surrey's procedure regarding Consultancy. The aim is to ensure an effective, efficient and transparent process, making it easier for staff to engage in consultancy activity, and to encourage staff to understand and realise the benefits of undertaking Consultancy through the University.

**There are two core options for consultancy:**

- **University Consultancy:** involves the use of university resources and is recognised and supported by the university and submitted on Worktribe (refer to sections 3.1 and 4.7). This is separated into two categories:
  - **Advisory Consultancy** involves only minimal use of the university's resources and facilities such as office facilities (refer to 3.1.1).
  - **Facilities-Based Consultancy** utilises the University's resources, equipment and facilities, and draws upon and applies existing knowledge and expertise (refer to 3.1.2).
- **Private Consultancy:** is completely external to the University and its resources. It is undertaken by the staff member with no support, attachment, affiliation, or recognition of the University, University titles, intellectual property or resources (refer to sections 3.2 and 4.8). The staff member must complete the Private Consultancy [disclaimer of liability](#) and [internal approval](#) forms (private consultancy should not be submitted on Worktribe).

With the exception of sections 1, 2, 3.2 and 4.8, this Procedure relates to University Consultancy. Section 7.2 presents a flow diagram to help determine whether the work is University or Private Consultancy.

- 1.2 University Consultancy supports staff to engage with organisations with the potential to lead to deeper collaboration and enhance research and teaching activities. It enables staff to apply their expertise in a real-world setting, address key challenges, support the generation of impact, and influence policy. The recovery of cost is important to the financial sustainability of the University and Consultancy provides the opportunity for income generation. However, the non-financial benefits including building partnerships, generating follow-on research and knowledge exchange activities, creating impact, enhancing reputation, and profile building are recognised as the key drivers.
- 1.3 As a general guide, it is expected that staff will spend no more than 44 cumulative days per annum on University consultancy. However, under exceptional circumstances, where an outstanding benefit to the individual and the University can be demonstrated, approval may be granted to undertake more than 44 days consultancy per annum.
- 1.4 Consultancy activity is expected to be conducted within workload allocation. Approvers must be satisfied that the consultancy will not have an impact on the ability of the staff member to fulfil their research, teaching, citizenship, administrative, or other contractual responsibilities. The staff member will automatically receive their portion of the income distribution via an Individual Research Knowledge Exchange Account (refer to 3.6.1); they will not be entitled to request a personal payment.
- 1.5 In exceptional cases, where a staff member has a full workload allocation, the staff member should provide justification to the operational approver, for their review, with a request to undertake the university consultancy project outside of their workload allocation. If approved, the staff member will have the option to request to receive their portion of the income distribution via an Individual Research and Knowledge Exchange Account (refer to 3.6.1) or via a personal payment (refer to 3.6.2).

- 1.6 The operational approver must consider the workload and wellbeing of the staff member and ensure compliance with the Working Time Regulations.
- 1.7 This Procedure links directly to [Our Research and Innovation Policy Statement](#) Objective to: “Undertake research and innovation activities that comply with all legal and ethics requirements and any other guidelines that apply. Including but not limited to; ethical review, regulatory requirements or contractual requirements.”
- 1.8 All staff working on University or Private Consultancy projects are expected to have read this Procedure, along with all relevant and available support guides, prior to carrying out the work.

## 2. Scope and Exceptions to the Procedure

### 2.1. This procedure applies to:

- All permanent staff (academic and professional services) employed by the University or its subsidiaries who engage in consultancy activity, whether through the University or in a private capacity.
- All technicians and fixed term staff employed by the University who engage in consultancy activity, whether through the University or in a private capacity. However, the eligibility for technicians and fixed term staff to undertake consultancy activity through the University will be dependent upon their contract and should be discussed with their Line Manager and the Consultancy Manager.
- School, Faculty, Institute, and University leadership staff responsible for approving consultancy services.
- Professional services staff responsible for coordinating consultancy services, financial management, monitoring and reporting.

### 2.2. This procedure does not apply to:

- Emeritus staff, or students, as they are not employed by the University.
- Emeritus staff and students may be involved in university consultancy but must only be included under directly incurred costs (see section 3.5.2 for definition). Payment will be via Unitemps or the supplier route and will be at the standard rate.

## 3. Definitions and Terminology

### 3.1. University Consultancy

As defined by the [Higher Education Statistics Agency](#) (HESA), consultancy is the provision of expert advice and work, which while it may involve a high degree of analysis, measurement or testing, is crucially dependent on a high degree of intellectual input from the higher education provider to the client (commercial or non-commercial) without the creation of new knowledge.

University Consultancy is fully supported by the University, including support to scope and cost the project, price and negotiate the contract, set-up the project, raise and chase invoices, collate feedback, create case-studies, provide reports, and manage the relationship to support further opportunity development.

To support internal processing and tracking, the University of Surrey has separated the above definition of University Consultancy into two categories of consultancy:

### 3.1.1 **Advisory Consultancy**

The application of existing knowledge and expertise from staff to provide advice and guidance to an external organisation, with minimal use of the University's resources and facilities e.g. use only of the office facilities and excluding the use of any lab equipment or facilities.

### 3.1.2 **Facilities-Based Consultancy**

The provision of analysis, measurement and testing, which utilises the University's resources, equipment and facilities, and draws upon and applies the existing knowledge and expertise of the staff member, to an external organisation.

#### **Examples of Advisory and/or Facilities-Based Consultancy include but are not limited to:**

- **Expert advice and opinion** - the insights, recommendations, and professional judgement provided by an individual with specialist knowledge, skills, and experience in a particular field.
- **Expert witness services** – the provision of testimony, analysis, and opinions in legal cases, by professionals with specialised knowledge.
- **Provision of expert reports** – a formal document prepared by a professional with specialised knowledge in a particular field; these reports provide expert opinions, analysis and findings on aspects such as scientific, technical, commercial, economic, or legal matters.
- **Routine testing and analysis of materials with the application of expertise** – examination of the properties of materials, with the application of specialised knowledge to analyse aspects such as quality, safety and performance.
- **Pilot and pump priming projects, feasibility and scoping studies** – the assessment of whether a project, idea, or business plan is practical, viable and worth pursuing. It could consider technical, financial, operational and market aspects.
- **Validation activities such as prototype testing** – the evaluation of a preliminary version of a product, service, or system to identify issues, gather user feedback, and refine the design.
- **Review of a client's products, services or processes** – an evaluation to assess aspects such as the quality, market relevance, competitiveness, and performance, to identify strengths, weaknesses, or opportunities for improvement and optimisation.
- **Sustainability assessment** – evaluation to measure the environmental, social, and economic impacts of a project, process, policy, or operations of the client.
- **Strategy evaluation** – analysis and assessment of an organisations' plan to determine its effectiveness in achieving business objectives/goals.
- **Review of policies and procedures** – evaluating, updating, and improving an organisation's guidelines, rules, or standard operating procedures, to ensure they remain relevant, compliant, and effective.
- **Data analysis** – collecting, interpreting and visualising data to extract useful insights, identify patterns, and support decision making.
- **Data audit** – systematic review of data quality, accuracy, consistency, and compliance with policies and regulations.
- **Data translation** – converting complex data, technical findings or analytics into a format that is understandable and actionable for the client.
- **Market research** – collecting, analysing, or interpreting data about a market, including aspects such as customer preferences, competitors, trends, and potential opportunities.
- **Technology evaluation or audits** – systematic evaluation of an organisation's technology to assess aspects such as performance, security, compliance and efficiency and advice on alternative technologies.
- **Advice on protocols for clinical trials** – advising on a detailed plan that outlines the study

objectives, design, methodology, procedures, and regulatory requirements for conducting a clinical trial.

- **Creation and provision of CPD content to a client for their delivery, “train the trainer”-** creating and designing learning materials using existing expert knowledge of industry standards and trends, customizing the materials to the client’s needs, and training the client to deliver the learning materials.

### 3.2. Private Consultancy

Private consultancy is any consultancy that is completely external to the University. No use will be made of the University resources such as laboratories, meeting rooms, offices, IT equipment or internet access, databases, intellectual property, technical or administrative support. Private consultancy is arranged by the staff member and must be declared to the Head of School for approval to proceed. The contract, including the fee, is agreed between the individual staff member and the client without university support. The individual staff member is responsible for arranging appropriate insurance, including but not limited to professional liability and indemnity cover. The staff member is responsible for coordinating invoicing and is responsible for any relevant VAT, personal tax and national insurance payments. Refer to section 4.8 for further information.

Private consultancy is not incorporated into workload allocation, and it is not considered as part of the individual’s performance or promotion criteria. The decision on whether a private consultancy project can be included within a REF impact case study will be considered on a case-by-case basis.

### 3.3. Other Types of Work (non-consultancy)

Paragraphs 3.3.1 to 3.3.5 list the activities that are not managed under this Consultancy procedure and associated process. Section 7.1 presents a work-type decision making flow chart to help determine whether the work is consultancy or one of the below.

- 3.3.1 **Research and experimental development (R&D)**, defined by the Frascati Manual as: creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge. R&D activities must satisfy five core criteria: novel; creative; uncertain; systematic; and transferable and/or reproducible.
- 3.3.2 **Contract research**, defined by HESA, as work undertaken by the University to meet the specific research needs of an external partner.
- 3.3.3 **Facilities & Equipment Use**, defined by HESA as the use of a higher education provider’s specialist facilities and equipment by an external party with the purpose of supporting their business. The use of the equipment and facilities will not require the application of existing know-how and expertise. The output is raw data with no added analysis.
- 3.3.4 **Continuing Professional Development (CPD)** courses, defined by HESA as training programmes for learners already in work who are undertaking the course for purposes of professional development/up-skilling/workforce development. A few examples of CPD as defined by HESA include:
  - short courses developed for a specific client or group of clients.
  - an academic programme based around workplace practice, designed for a specific employer/sector/external body.
  - Post-qualification CPD activity e.g. programmes aimed at upskilling professionals.

3.3.5 **Other Academic Services** which form part of the wider academic endeavour, including:

- Teaching
- Authorship of academic textbooks, or articles for journals, magazines or newsletters
- Reviewing or editing of professional/academic journals or publications
- Acting as a member on committees of public sector organizations, government agencies or charitable bodies
- Honorariums (a small payment given for professional services that are rendered nominally without charge)
- Appearances in media
- External examining and assessing
- Student summer placements

3.4. **Consultancy Roles**

3.4.1 The **Lead Consultant** is the principal investigator (PI), they are responsible for providing their expertise and leading, managing, and delivering the consultancy project in accordance with the contract on behalf of the University.

3.4.2 The **Support Consultant(s)** is/are the co-investigator(s), they are responsible for supporting the Lead Consultant, providing their expertise, and delivering their input to the consultancy project in accordance with the contract.

3.4.3 The **Consultancy Manager** may be the Innovation Officers in Research, Innovation & Impact (RII), the Innovation Lead in the Institute's Sustainability Innovation Hub, or any equivalent roles managing consultancy within specialist teams across the University. The initiation of the consultancy project, scoping of work, price negotiation, and relationship management may also be supported by the RII Innovation Managers, Faculty or Institute Partnership Managers, or equivalent roles. The consultancy guide and website will direct staff to the relevant Consultancy Manager.

3.4.4 The **Client** is the organisation contracting and paying for the services of the University of Surrey to deliver the consultancy project.

3.4.5 The **designated University signatory** is the person(s) who can sign a consultancy contract. Designated signatories and approval thresholds are set out in table 13 of the [University's Scheme of Delegation](#). No-one other than a designated university signatory may sign a consultancy contract.

3.5. **Costing**

3.5.1 **Full Economic Costing (fEC)** is a government-directed standard costing methodology used across the UK Higher Education sector for the production of consistent and transparent research project costs. The underlying principle of fEC is to establish the true cost of a project, and for this to inform the amount requested from funders (the price). In simple terms, fEC aims to capture all the running costs of the research project, including consumables, travel costs, facility access, staff costs, estates, infrastructure costs, overheads, and any other day-to-day project costs.

3.5.2 **Directly Incurred Costs** are project-specific (i.e., they arise as a direct consequence of the project taking place). Examples include non-staff costs such as travel and subsistence, and consumables. Directly incurred costs also include staff-costs for posts required specifically to work on the project such as agency staff (including emeritus staff and students).

3.5.3 **Directly Allocated Costs** are not project-specific (i.e., they are shared resources that would still exist even if the project didn't happen) and are estimated at the project level e.g. PI/CoI time, infrastructure technician time (where not directly incurred), estates costs, and research facilities and equipment costs.

3.5.4 **Indirect Costs** are not related to a specific activity but are the wider university support costs.

### 3.6. **Income Distribution to Directly Allocated Academic and Non-Academic Staff**

There are two income routes available to directly allocated staff undertaking consultancy; the route taken is dependent on whether the consultancy is undertaken within or outside of workload allocation. Where the consultancy is undertaken within workload, which is the expectation for most consultancy projects, the directly allocated staff may take their portion of the income (refer to section 4.5) as an individual research and knowledge exchange budget (IRK). Where the consultancy is undertaken outside workload, which is the exception, the directly allocated staff may request to take their portion of the income as an IRK or as a personal payment.

#### 3.6.1 **Individual Research & Knowledge Exchange Budget Account (IRK).**

The directly allocated staff engaged in a consultancy project can individually request to receive their allocation of the financial income from the project as an individual Research & Knowledge exchange budget (IRK). The IRK may be used to further research or knowledge exchange activities. Eligible spend for an IRK budget is outlined in section 4.5.1, Table 4.

An IRK will automatically be rolled across financial years, up to a maximum of 3 years, after this time, any remaining funds will be transferred to a School code. An individual staff member will have a cap on their total IRK account of ~£50k at any given time. After this cap is reached, any future consultancy project income will be transferred to a School code, unless the staff member gains written approval from the Executive Dean for an exception. It is not possible to take a personal payment from unused IRK funds.

#### 3.6.2 **Personal Payment.**

Where the operational approver has approved the consultancy project to be undertaken outside of workload allocation, the directly allocated staff member may request a personal payment as an alternative to the IRK. The maximum personal payment will be up to 50% of the directly allocated staff cost (at price to funder). The personal payment must be approved by the Faculty Finance Manager. A personal payment will be made via payroll and will be subject to the normal deduction of income tax, employee's and employer's National Insurance Contribution. No superannuation will be payable. It is not possible to take a personal payment from unused IRK funds.

## 4. **Procedural Principles**

Section 4.7, Diagram 1, outlines the University consultancy process.

### 4.1. **Roles and responsibilities**

#### 4.1.1 **Lead Consultant (PI)**

- Discuss, negotiate, and agree the scope of work with the Client, with support from the Consultancy Manager as required.
- Discuss the scope of work with the Support Consultant(s) (Co-I's) if relevant.
- Discuss the project with their Line Manager - agree that the work is classified as

consultancy and gain verbal approval in principle to proceed. Where there is ambiguity in the classification of the work, the Lead Consultant should discuss it with the Consultancy Manager.

- Complete the required project details, including costs, on Worktribe, under the Consultancy category (refer to Consultancy Guidance).\*
- Request IRK or, if applicable, a personal payment.
- Complete the [Declaration of Interest form](#), if applicable, in accordance with the [Ethical Conduct Procedure](#).
- Ensure all relevant approvals (including ethics) and agreements/contracts are in place before any work commences.\*
- Manage and deliver the project in accordance with the contract. (This requires the Lead Consultant to be familiar with the contract, including the scope of services, the responsibilities of each party, the payment schedule, and any timing constraints). The Lead Consultant is responsible for raising any queries with the Consultancy Manager as early as possible.\*
- Notify the Consultancy Manager of the completion of any project milestones, e.g., to trigger invoicing.\*
- Notify the Consultancy Manager of any request for variation or extension to the contract.\*
- Inform the Consultancy Manager when the project is completed.\*
- Complete the project feedback form and, if requested, support the completion of a case study.
- Submit a high-level spending plan to Research Finance for any funds added to the IRK. The spending plan for the IRK budget will need to be updated and submitted to Research Finance in time to be included in the annual Planning round. (This is typically April/May but the Lead Consultant should confirm timescales with Research Finance).

\*Where the consultancy project is managed by the Institute for Sustainability Innovation Hub, these responsibilities will be supported or undertaken by the Innovation Lead, in addition to facilitating the project scoping, preparing a project plan, scheduling a minimum of 3 meetings (kick-off/mid-point review/close) for the project team, and developing the case-study and a video.

#### 4.1.2 **Support Consultant(s) (Co-I(s))**

- Discuss and agree the scope of work with the Lead Consultant (PI).
- Discuss the project with their Line Manager and gain verbal approval in principle to proceed.
- Support the PI to complete/review the required project details, including costs, on Worktribe, under the Consultancy category (refer to Consultancy Guidance).\*
- Request IRK or, if applicable, a personal payment.
- Complete the [Declaration of Interest form](#), if applicable, in accordance with the [Ethical Conduct Procedure](#).
- Support the Lead Consultant to ensure all relevant approvals (including ethics) and agreements/contracts are in place before any work commences.\*
- Support the Lead Consultant to deliver the project in accordance with the contract.\*
- Complete the project feedback form and if requested, support the completion of a case study.
- Submit a spending plan to Research Finance for any funds added to the IRK. The spending plan for the IRK budget will need to be updated and submitted to Research Finance in time to be included in the annual Planning round. (This is typically April/May but the Support Consultant should confirm timescales with Research Finance).



#### 4.1.3 **Consultancy Manager**

- Review the project on Worktribe and ensure the project details are completed.
- Request due diligence from the Assurance team.
- Review project costing and pricing.
- Undertake or support negotiations with the Client.
- Request the required project approvals.
- Prepare the Consultancy Services Offer Letter and obtain signatures from the authorised signatories both within the University and the client organisation.
- Check if the Agresso customer ID exists for the client. If it does not, request customer set-up form to be completed by Client and request Agresso customer ID from Finance.
- Set up the project code and provide it to the Lead Consultant, once the contract/agreement is fully signed.
- Prepare contract variations or extensions if required.
- Raise invoices.
- Close the project code once all invoices have been paid and request fund distribution.
- Request feedback from the Lead Consultant and Client.
- Facilitate introductions to relevant colleagues for further potential collaboration where appropriate.
- Provide quarterly reports on consultancy to the Head of Innovation & Impact.
- Provide annual HE-BCI consultancy data to the Head of Innovation & Impact.

#### 4.1.4 **Assurance Officer**

The Assurance Officer will undertake due diligence, highlight any potential risks regarding the Client or project to the Consultancy Manager and Lead Consultant, and make a recommendation on whether to proceed. This will ensure that due diligence is conducted independently.

- Undertake due diligence and credit checks on the Client and project.
- Set up the funder in Worktribe.

#### 4.1.5 **Commercial Contracts Manager**

The preference is to use the University's standard Offer of Services Letter wherever possible. In exceptional circumstances, where this is not possible the Commercial Contracts Manager will:

- Review the client contract or
- Prepare a bespoke contract

The University of Surrey reserves the right to add additional costs to the consultancy project to reflect the additional time incurred where a client contract must be used, or where a bespoke contract is required.

#### 4.1.6 **Finance**

- Central Finance:
  - Set-up the Customer ID on Agresso.
- Post-Award Finance:
  - Distribute funds as agreed and inform the Consultancy Manager when completed.
  - Review and monitor the IRK budget spending plan and spend.

#### 4.1.7 **Financial Approver**

The Faculty Finance Manager (FFM) or Professional Services equivalent will be required to act as "financial approver" on the following consultancy projects:

- Advisory consultancy projects which include a request for a personal payment.
- All Facilities-based consultancy projects.

The Faculty Finance Manager or Professional Services equivalent will:

- Review the request for a personal payment.
- Review the rates for use of facilities and equipment.
- In addition, for any projects priced below fEC, the FFM will review whether there is sufficient justification and a mechanism to monitor or validate the rationale, and whether any other financial issues have been considered.
- The FFM will provide the financial context to the Operational Approver for their review.

#### 4.1.8 Operational Approver

Table 1 sets out the Operational Approver based on the level of risk, cost, and lead consultant. This is in line with table 13 of the [University of Surrey Scheme of Delegation](#).

**Table 1. Consultancy Operational Approval Authority**

Operational Approver	Limit	Lead Consultant
Head of School or Professional Service Function	Low risk & <£50k	Staff within the School or Professional Service Function
Pro-Vice-Chancellor-Executive Dean, Associate Dean Research & Innovation (ADRI), Director of Professional Service Function or equivalent	Low risk & <£50k	Head of School or Professional Service Function
	Medium risk &/or <£250k	Staff within the School or Professional Service Function Head of School or Professional Service Function
Pro-Vice-Chancellor, Research & Innovation	Low risk & <£50k	Pro-Vice-Chancellor, Executive Dean or ADRI, Director of Professional Service Function or equivalent
	Medium risk & <£250k	Pro-Vice-Chancellor, Executive Dean or ADRI, Director of Professional Service Function or equivalent
	High risk &/or >£250k	Staff within the School or Professional Service Function Head of School or Professional Service Function Pro-Vice-Chancellor, Executive Dean or ADRI, Director of Professional Service Function or equivalent
President and Vice-Chancellor	Very High risk	All Staff

Table 2 sets out some of the key issues to be considered when assessing a consultancy project's risk. These issues draw substantially on the risk assessment embedded in the Worktribe system and focus on both the client and the proposed work.

**Table 2. Consultancy Project Risk Levels**

Risk Level	Description
Low	<p>Low risk projects will be characterised by issues including:</p> <ul style="list-style-type: none"> <li>- the client is a known and reliable entity, an existing customer of the University that is regarded as credit-worthy and with no reputational risks</li> <li>- value of the work falls within the customer's credit limit</li> <li>- no regulatory risks (e.g. National Security and Investments Act (NSIA); Export Control) (refer to <a href="#">Export Controls Procedure</a>)</li> <li>- activity not taking place in a sanctioned country</li> <li>- activity covered by the University's existing insurance cover</li> <li>- no potential conflicts of interest (refer to the <a href="#">Ethical Conduct Procedure</a>)</li> </ul>

Risk Level	Description
Medium	<p>Medium risk projects will contain certain issues including:</p> <ul style="list-style-type: none"> <li>- a new customer for the University where due diligence checks find a potential risk (e.g. poor credit worthiness) and / or questions about the entity's capability to support the consultancy work.</li> <li>- activity that is not covered by the University's existing insurance cover</li> <li>- potential conflicts of interest that will need to be managed / mitigated (refer to the <a href="#">Ethical Conduct Procedure</a>)</li> </ul>
High	<p>High / very high-risk projects will include issues such as:</p> <ul style="list-style-type: none"> <li>- regulatory risks – such as working with entities from a sanctioned country or sensitive jurisdiction (refer to <a href="#">Collaborating with Sensitive Jurisdictions in a Sensitive Area</a>), National Security and Investment Act (NSIA) flags, Export Control issues (refer to <a href="#">Export Controls Procedure</a>) – requiring escalation to Surrey's Trusted Research team and possible further escalation to the University's Partnerships &amp; Reputation Committee (PRC)</li> <li>- reputational risks for the University of associating with certain entities, again with escalation to PRC</li> <li>- client provides their own contract and T&amp;Cs which includes high-risk terms (e.g. unlimited liability clauses)</li> <li>- Pro-Vice-Chancellor, Research &amp; Innovation to escalate to Vice-Chancellor if proposed work is deemed very high risk.</li> </ul>

The Operational Approver will consider whether:

- The project aligns with the School, Faculty, Institute, and/or University priorities and the potential benefits to the individual and the University.
- The Lead and Support Consultant(s) have the capacity to complete the work to a high standard without compromising their research, teaching, citizenship, administrative, or other contractual responsibilities.
- The project conflicts with the terms and conditions of other University contracts.
- All relevant project issues have been considered e.g. conflict of interest, competition with existing services, intellectual property, ethical, equipment access, material transfer, data sharing, insurance coverage, health & safety, equality, diversity & inclusion and working time regulations.
- There is sufficient justification, if priced below fEC, and a mechanism to monitor or validate the rationale.

#### 4.2. Intellectual Property (IP) and Publication

Creation of new knowledge is not expected on a consultancy project. By default, all University consultancy projects will employ the University of Surrey's standard consultancy IP conditions in accordance with the Offer of Services Letter:

- 4.2.1 All background IP shall remain the property of the party that contributes it to the project. All foreground IP will be owned by the Client.
- 4.2.2 The University must submit to the Client, in writing, details of any foreground IP which any employee or student or the University intends to publish at least 30 days prior to the date of the proposed submission for publication. The Client may, by giving written notice to the University, prevent the publication of the foreground IP which cannot be protected by patent or other IPR registration. The Client must provide such notice within 15 days after the Client receives details of the proposed publication. If the University does not receive notice within that period then the proposed publication may proceed.
- 4.2.3 Subject to 4.2.2, the Client agrees to grant the university a non-exclusive royalty free licence to use any foreground IP for academic and research purposes and for the

purpose of evaluation, teaching and training, including but not limited to academic publications.

The consultants must familiarize themselves with the University [IP Code](#) and the Consultancy Offer of Services Letter and should contact the Technology Transfer Office as early as possible to discuss any IP related issues.

#### 4.3. Contracting

To speed up the time to complete the contract, the University has a standard Offer of Service Letter with standard terms and conditions.

The Consultancy Manager will apply their judgement, based on the due-diligence, and will discuss the invoicing and payment options with the Client prior to issuing the Offer of Service Letter, to ensure the optimal contracting approach. For example, invoicing arrangements may include a Client Purchase Order, and payment options may include full payment at project commencement or staged payments.

#### 4.4. Costing and Pricing

4.4.1 The minimum cost for consultancy is based on the Full Economic Costing (fEC) model. The fEC model considers the total cost to the University.

4.4.2 The price charged to the client will take into account additional factors such as the market conditions, industry sector, client type, level of expertise, type of consultancy, and where relevant will include a contingency. The Consultancy Manager will provide advice to the Lead Consultant and Support Consultant(s) on the price.

4.4.3 In exceptional cases, where a consultancy project is priced below fEC, there must be a robust written justification to demonstrate the wider value and benefits of undertaking the project. Additional approvals will be required by the Associate Dean of Research and Innovation (ADRI) or Pro-Vice-Chancellor and Executive Dean (PVCED).

4.4.4 Consultancy is a commercial service and the University must charge UK VAT when delivered to a UK registered organisation. In some circumstances, VAT may also be charged if the client is based outside of the UK.

4.4.5 Consultancy costs will be broken down into:

- Directly incurred staff costs e.g. temporary or unitemps staff.
- Directly incurred non-staff costs e.g. travel & subsistence, consumables, management & legal fees.
- Directly allocated costs e.g. permanent staff costs (PI/Col) based on the salary grade, estates costs, infrastructure technician costs, research facilities costs.
- Indirect costs e.g. overheads.

#### 4.5. Income Distribution

The above costing categories are used to align with research projects captured in Worktribe, however, unlike research projects, and to simplify the income distribution, the income for consultancy will be distributed as shown by table 3 below.

Where the directly incurred costs exceed the approved project budget, these costs will be offset from the directly allocated staff income.

Where the directly incurred costs are below the approved project budget, these costs will be distributed to the School.

**Table 3 – Consultancy Income Distribution**

Consultancy Income Distribution	
Income to Directly Allocated Staff	50% directly allocated staff cost (at price to funder), this can be requested as an IRK. If the consultancy is outside of workload allocation this can be requested as an IRK or a personal payment. The personal payment will be subject to the normal deduction of income tax, employee's and employer's National Insurance Contribution.
Income to School	50% directly allocated staff costs (at price to funder). 100% all other directly allocated costs. 100% indirect costs.

#### 4.5.1 IRK Budget Eligible Spend

It is important to note that IRK budgets are still University funds and must be used for genuine University business expenses to further research and knowledge exchange activities. Any equipment purchased will become the property of the University, and all spend must be in accordance with University policies including the Travel & Expenses Procedure, Procurement Procedure and IT Equipment Provision for Staff Procedure. Examples of uses of the IRK include pump priming for research and innovation, building knowledge exchange capabilities and relationships, running workshops, attendance at conferences, publication costs and costs associated with unfunded research. Table 4 below sets out eligible expenditure for the IRK budget.

**Table 4. IRK Budget Eligible Spend**

	Eligible Spend	Needs specific approval	Ineligible Spend
Staff Costs	Temporary staff through Unitemps	Contracted staff e.g. Research Assistants will need approval through SurreyRecruit and should be clearly marked as IRK-funded.	Permanent staff
Non-Staff Costs	Non-staff costs such as travel, expenses and consumables that are in line with the University <a href="#">Travel &amp; Expenses Procedure</a>	Stipends or fee reductions for PhD students. This needs approval by the HoS and the Research Finance Studentships Manager.	Any item not in line with the University <a href="#">Travel &amp; Expenses Procedure</a>
IT Equipment	IT equipment under £10k (net) that are in line with the <a href="#">IT Equipment Provision for Staff</a>	A single item or group of items that cost £10k (net) or over must be approved by the HoS and in line with the current Capital Planning Committee process.	Any IT equipment not purchased through IT or not in line with the <a href="#">IT Equipment Provision for Staff</a>
Other Equipment	Other equipment under £10k (net) that are in line with the <a href="#">Research Equipment and Infrastructure Capital Expenditure Policy</a>	Other equipment – single item or group of items that cost £10k (net) or over. This must be approved by the HoS and in line with the current Capital Planning Committee process.	Any other equipment not in line with the <a href="#">Research Equipment and Infrastructure Capital Expenditure Policy</a>

The budget will need to cover the VAT cost of any purchases, and all on-costs (e.g. National Insurance and pension costs) in relation to Research Assistants (RAs) and other staff, and any ongoing costs relating to equipment purchased such as maintenance or the cost of a suitable installation.

4.5.2 The IRK Budgets are University funds and are only available to directly allocated staff who have a contract of employment with the University. It is not possible to take personal payment from unused IRK funds. The funds will cease to be available if the member of staff retires or leaves the University, including staff who retain Emeritus status after retirement. Staff members will not be permitted to take any remaining IRK budget as a personal payment upon leaving the University; any remaining budgets will automatically be released to the University. IRK budgets cannot be transferred to another individual.

4.5.3 The University reserves the right to withdraw the IRK budget if spend does not comply with table 4.

#### 4.6. Appeals

The Lead Consultant may submit in writing to the Head of Innovation & Impact, additional information to challenge the issue(s) for denying approval with a request for a meeting.

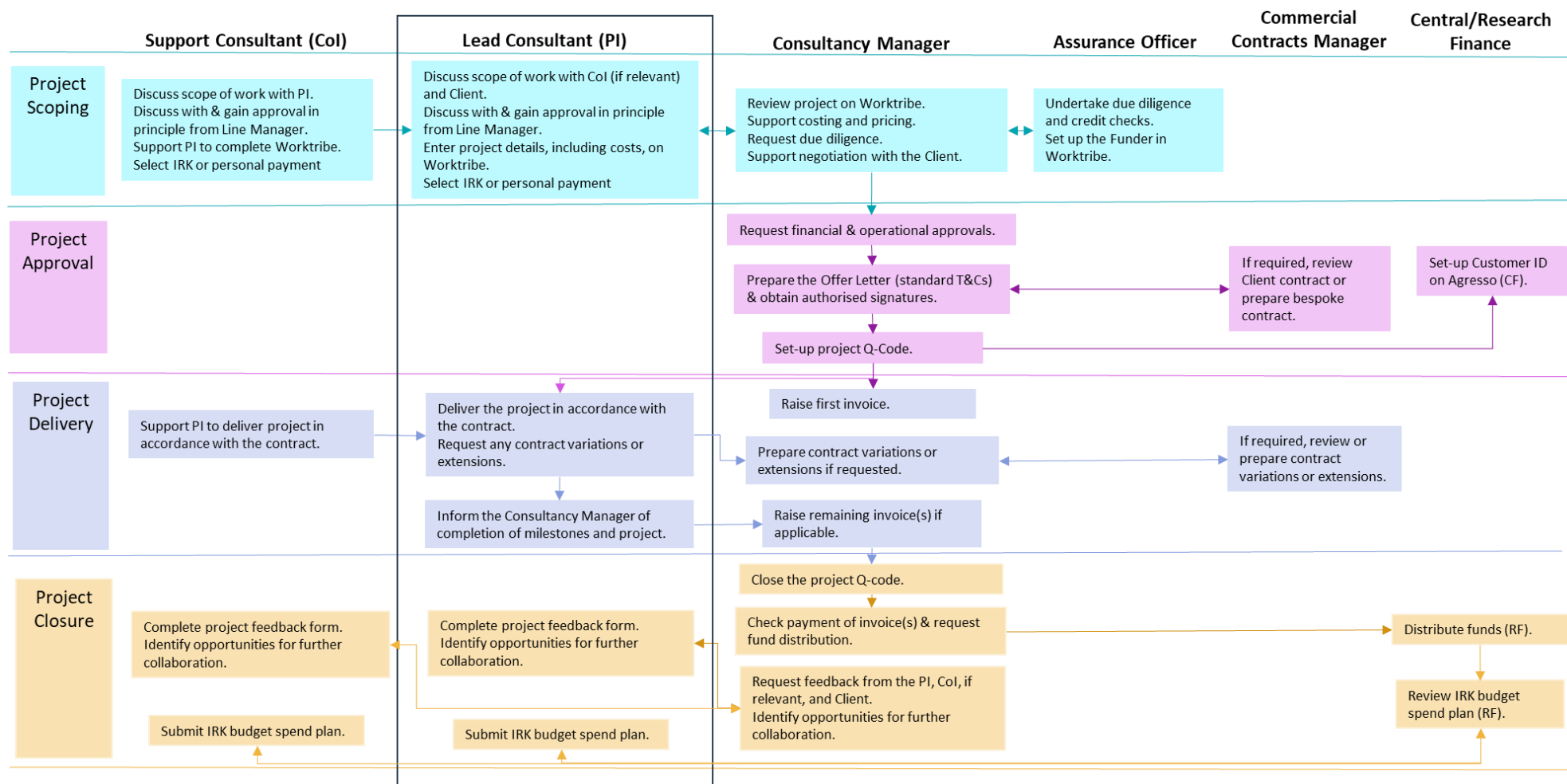
The Head of Innovation & Impact will convene a meeting with the Lead Consultant, the Operational Approver, the Financial Approver, where relevant, the relevant Associate Dean Research & Innovation, and other persons as identified by any core attendee.

The Lead Consultant may escalate the appeal by requesting a meeting with the Executive Dean and or the Director Research, Innovation & Impact. The Executive Dean and/or the Director of Research, Innovation & Impact will review the initial decision, meeting notes, and convene a follow-up meeting with the original attendees if needed.

The Lead Consultant may then escalate the appeal by requesting a meeting with the Pro Vice Chancellor Research & Innovation (PVCRI). The PVCRI will review the initial decision, meeting notes, and convene a follow-up meeting with the original attendees if needed. The PVCRI decision will be final.

#### 4.7. University Consultancy Process

Diagram 1. University Consultancy Process



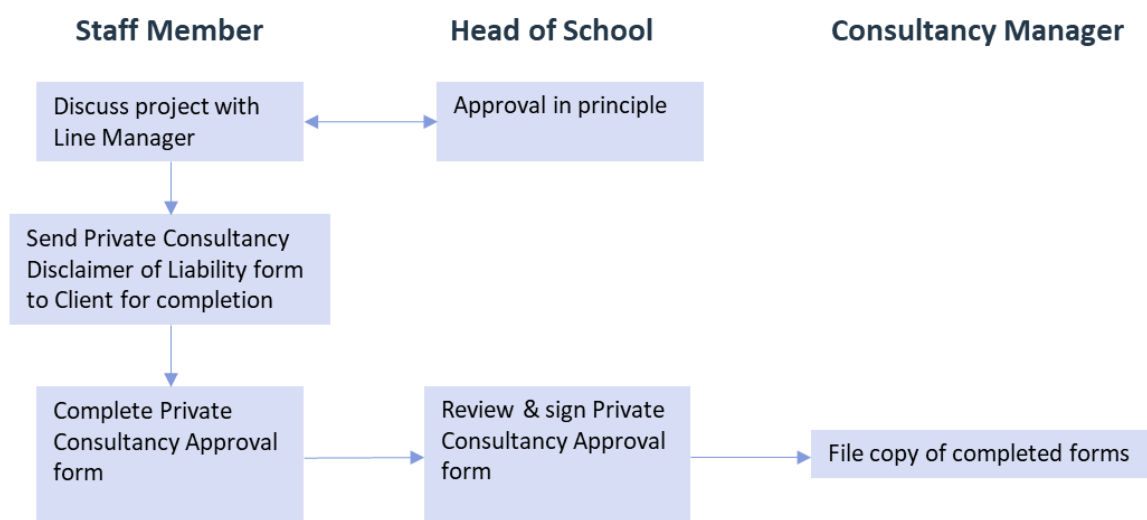
#### 4.8. Private Consultancy Process

Diagram 2 outlines the private consultancy process.

- 4.8.1 The staff member is responsible for ensuring that the client understands that the individual is not acting on behalf of the University and is a private consultant. The client must sign a [Disclaimer of Liability Form](#) to acknowledge the University of Surrey's independence from the private consultancy activity.
- 4.8.2 The staff member is responsible for completing the [Private Consultancy Internal Approval Form](#) and obtaining sign-off from their Head of School or Professional Service.
- 4.8.3 If applicable, the staff member must complete the [Declaration of Interest form](#) in accordance with the [Ethical Conduct Procedure](#)
- 4.8.4 No use will be made of the University resources such as laboratories, meeting rooms, offices, IT equipment or internet access, databases, intellectual property, technical or administrative support.
- 4.8.5 No use will be made of the University crest, logo, email or any materials bearing the University's name, address or identity.
- 4.8.6 Titles linked to a University staff appointment shall not be used in a manner that may mislead clients into believing they represent the University of Surrey.
- 4.8.7 It is the personal responsibility of the staff member to arrange contracts and appropriate insurance, including but not limited to professional liability and indemnity cover. The staff member is responsible for coordinating invoicing and is responsible for any relevant VAT, personal tax and national insurance payments.
- 4.8.8 Provision of private consultancy will occur outside of normal arranged work hours with no effect on performance of staff contractual duties.
- 4.8.9 The University maintains the right to not approve private consultancy in instances that are deemed a conflict of interest or where the individual trades on the University's name, reputation, or resources to win a contract. Failure to complete the documentation and receive requisite approvals prior to initiating private consultancy services may result in disciplinary action.
- 4.8.10 Private consultancy is not incorporated into workload allocation and it is not considered as part of the individual's performance or promotion criteria. The decision on whether a private consultancy project can be included within a REF impact case study will be considered on a case-by-case basis.



Diagram 2. Private Consultancy Process



Private consultancy is work performed entirely in a personal capacity. It is not coordinated through the University.

## 5. Governance Requirements

### 5.1. Implementation: Communication Plan

- 5.1.1 This Procedure will be communicated to all staff, students and external partners, through the University's external website, internal intranet, and periodic direct communications.
- 5.1.2 Supporting documentation, including guidance notes will be developed and updated as required and approved through the relevant channels.
- 5.1.3 All supporting documentation will be reviewed by the Head of Innovation & Impact and the Director Research, Innovation and Impact to ensure alignment with this Procedure.

### 5.2. Implementation: Training Plan

- 5.2.1 This procedure will be provided and explained to all new professional services staff involved in facilitating and managing consultancy activity as part of their induction training. It should also form part of the academic and technician induction.
- 5.2.2 Supporting guidance documentation will be available to all staff in addition to the standard consultancy support and advice to ensure awareness and adherence to this procedure.

### 5.3. Review

- 5.3.1 This procedure will be regularly reviewed by the Director of Research, Innovation and Impact. Minor changes will be reviewed and agreed by the University Research and Innovation Committee (URIC). Major changes will be reviewed through the URIC and submitted to the Executive Board for approval. Reviews will typically be carried out every three years.

#### 5.4. Legislative Context and Higher Education Sector Guidance or Requirements

- 5.4.1 University consultancy activity is reported to the Higher Education Statistics Agency (HESA) via the annual Higher Education - Business and Community Interaction Survey (HE-BCI). The data records the number and value of contracts that HE providers have with SMEs, other (non-SME) commercial businesses, and non-commercial organisations, to deliver consultancy.
- 5.4.2 Consultancy activity is included within the Higher Education Innovation Funding (HEIF) formula. HEIF provides funding to universities to support knowledge exchange activities. The purpose of HEIF is to improve the contribution of higher education to the economy and society.

#### 5.5. Sustainability

- 5.5.1 This procedure has minimal environmental impact, impact on energy consumption and carbon emissions.

### 6. Stakeholder Engagement and Equality Impact Assessment

6.1 An Equality Impact Assessment was completed on 17/03/2025 and is held by the Authorised Co-ordinator.

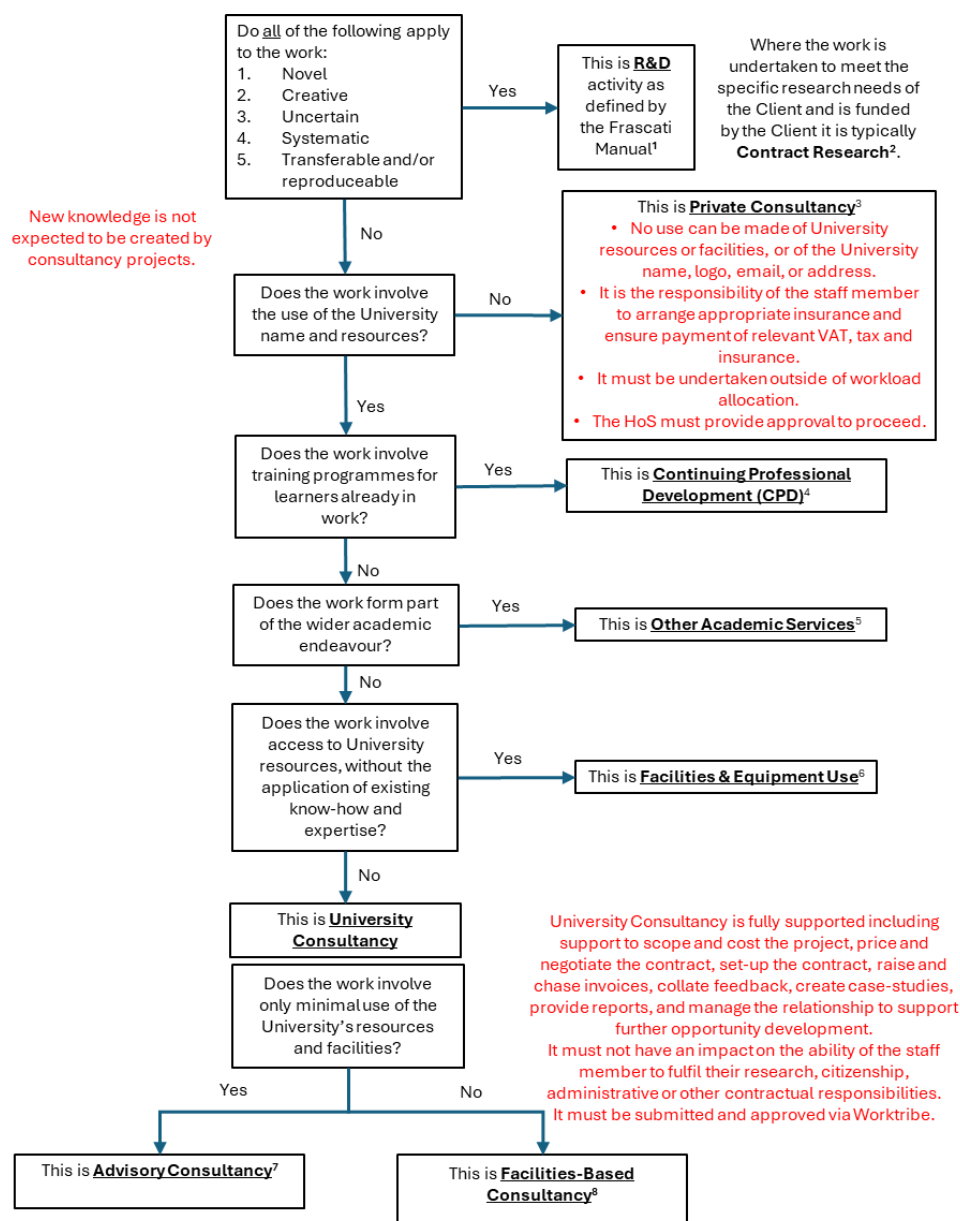
6.2 Stakeholder Consultation was completed, as follows:

Stakeholder	Nature of Engagement	Request EB Approval (Y/N)	Date	Name of Contact
Assurance	Draft v0.3 review		14/02/25	Phil Lidiard
HR	Draft v0.3 review		19/02/25	Sarah Leggett Lois Moor
Finance	Draft v0.3 review		24/02/25	Nicola Parsons Simon Peacock Matt Hockedy Claire Turner Emma Reynolds Karen Hearty
FRIMS	Draft v0.3 review		14/02/25 14/02/25	Rachel Hargreaves Ivelina Yonova Adam Trish
Institute Directors	Draft v0.3 review		17/02/25 25/02/25	Nathalie Hinds Andrew Rogoyski
Academics Users	Draft v0.3 review		10/02/25 12/02/25 14/02/25	Derk-Jan Dijk Michael Short Melissa Hamilton
Business Engagement	Draft v0.3 review		06/02/25 12/02/25 10/02/25	Caroline Fleming Michael Kohn Dan Bance
Governance	Draft v0.4 review		12/03/25	Sarah Litchfield Gurkirit Gill
H&S	Draft v0.4 review		21/03/25	Matt Purcell
Sustainability	Draft v0.4 review		12/03/25	Martin Wiles
Research Leadership Group	Draft v0.4 review		04/03/25	All RLG members

URIC	Draft v0.4 review	Endorsed	12/03/25	All URIC attendees
Faculty Executive Board Members	Draft v0.4 review		12/03/25 12/03/25	All FEB members Glenn Parry Deborah Dunn-Walters
Heads of Schools	Final v1.0 for approval		02/06/25	All Heads of Schools

## 7. Annexes – Flow Charts

## 7.1. Is it consultancy? Work type decision-making flow chart



<sup>1</sup> **R&D** is defined by the Frascati Manual as creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge. R&D activities must satisfy 5 core criteria (see diagram above), which must be met, at least in principle, every time an R&D activity is undertaken (refer to section 3.3.1).

<sup>2</sup> **Contract Research** is defined by HESA as work undertaken by the University to meet the specific research needs of an external partner (refer to section 3.3.2).

<sup>3</sup> **Private Consultancy** cannot include the use of the University name or resources, such as laboratories, meeting rooms, offices, IT equipment or internet access, databases, IP, or admin support. The contract, including the legal fee, is agreed between the individual and the Client without University support. The individual is responsible for arranging appropriate insurance, including but not limited to professional liability and indemnity cover. The individual coordinates invoicing and retains payment and is responsible for any relevant VAT, personal tax, and national insurance payments. Private consultancy is not incorporated into the workload allocation model (refer to section 4.8).

<sup>4</sup> **CPD** is defined by HESA as training programmes for learners already in work who are undertaking the course for purposes of professional development/up-skilling/workforce development (refer to section 3.3.4).

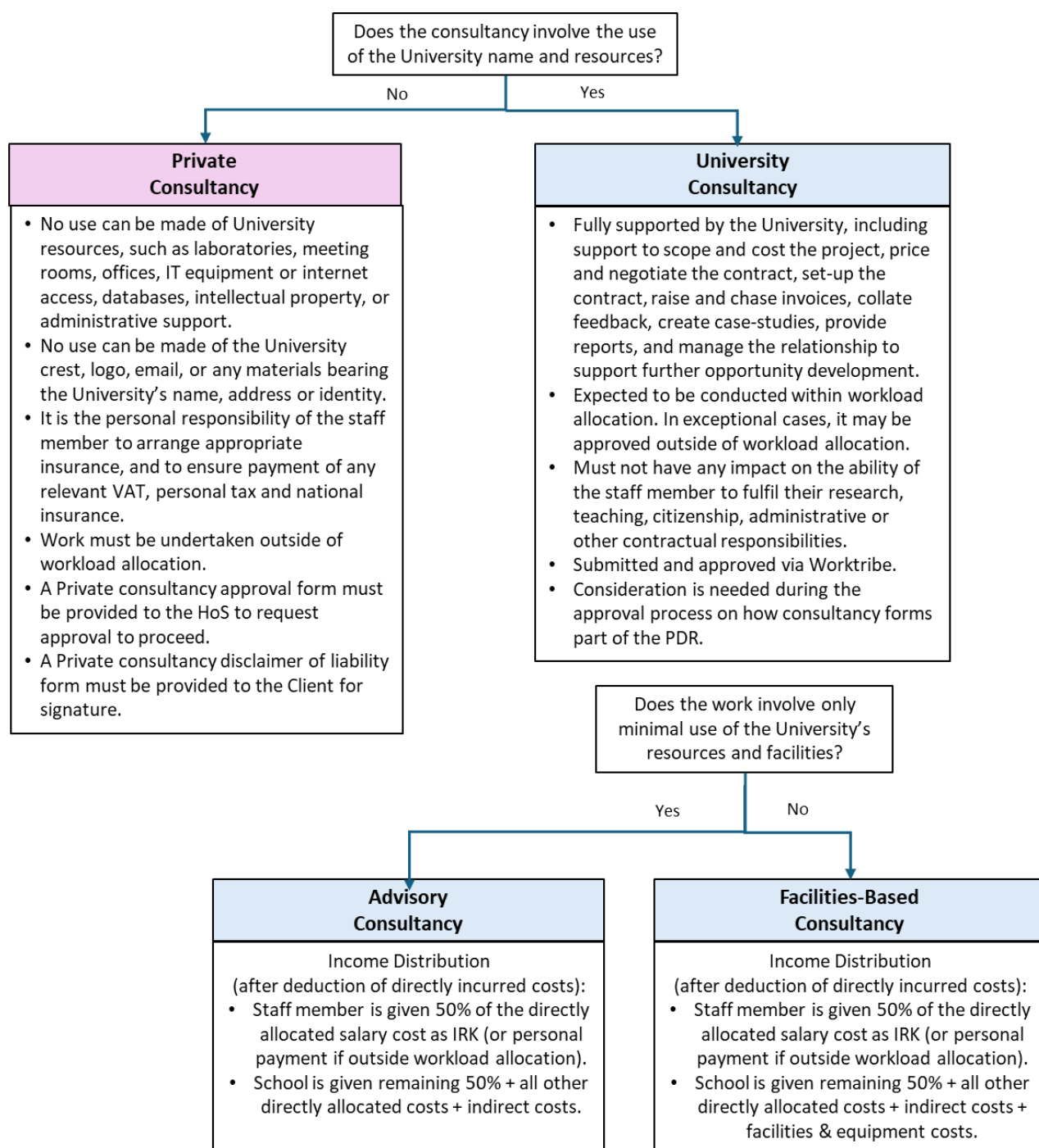
<sup>5</sup> **Other Academic Services** are those which form part of the wider academic endeavour, including, but not limited to teaching, authoring, reviewing or editing of academic textbooks or journal articles, acting as a member on a committee, honorariums, media appearances, and external examining (refer to section 3.3.5).

<sup>6</sup> **Facilities & Equipment Use** is defined by HESA as the use of a higher education provider's specialist facilities and equipment by an external party with the purpose of supporting their business. The use of the equipment and facilities will not require the application of existing know-how and expertise (refer to section 3.3.3).

<sup>7</sup> **Advisory Consultancy** is the application of existing knowledge and expertise from staff to provide advice and guidance to an external organisation, with minimal use of the University's resources and facilities, e.g. use only of the office facilities and excluding the use of any lab equipment or facilities (refer to section 3.1).

<sup>8</sup> **Facilities-Based Consultancy** is the provision of analysis, measurement and testing, which utilises the University's resources, equipment and facilities, and draws upon and applies the existing knowledge and expertise, to an external organization (refer to section 3.1).

## 7.2. Private Consultancy vs University Consultancy flow chart



IRK budgets are University funds and must be used for genuine University business expenses to further research and knowledge exchange activities. Examples of uses of the IRK include pump priming for research and innovation, building knowledge exchange capabilities and relationships, running workshops, attendance at conferences, publication costs and costs associated with unfunded research.

### Benefits of undertaking University Consultancy

- Stepping stone to deeper collaboration and partnership building
- Generation of follow-on research and knowledge exchange activities
- Application of expertise in a real-world setting
- Enhancement of research and teaching activities
- Supports impact generation
- Enables profile building and enhancement of reputation