Consultancy Procedure

Document Type	Procedure
Document owner	Head of Legal & Compliance
Approved by	Executive Team
Approval date	30 March 2023
Review date	28 February 2024
Version	1.2
Amendments	Section 2.3 and LSHTM procedure map updated
Related Policies & Procedures	Consultancy Policy Conflict of Interest Policy Information Security Policy

1. SCOPE

1.1 This procedure applies to LSHTM staff conducting consultancy work for external organisations. It does not apply to the commissioning of consultants to conduct work on behalf of LSHTM.

1.2 Section 3 sets out a variation of the procedure for staff employed by the MRC/UVRI and LSHTM Uganda Research Unit (MRCU) who are undertaking consultancy.

1.3 This procedure does not apply to staff employed by MRC Unit The Gambia at LSHTM[1] as the Unit has a separate policy and procedures in place.

[1] MRC Unit The Gambia at LSHTM Consultancy Policy (POL-RES-007) effective 1 Oct 2021

2. LSHTM PROCEDURE

This section details the step by step procedure for processing consultancy via LSHTM. For private consultancies, do not follow the below procedure, refer to section 4.3 of the Consultancy Policy.

2.1 Consultancy opportunity identified

2.1.1 In most cases it is expected that consultancy opportunities will be identified by members of staff through their interaction with potential Clients.

2.1.2 Occasionally, the Technology Transfer Office might be contacted by potential Clients seeking LSHTM's expertise in certain areas and will approach members of staff to explore potential for provision of consultancy.

2.2 Consultancy type

2.2.1 Work must be carried out as LSHTM consultancy if any of the following applies:

- the work is to be conducted during the Consultant's employment hours;
- the work will make use of LSHTM's brand, name, or reputation;
- the Consultant requires LSHTM support with administration and contracting;
- the work is reliant on LSHTM indemnity insurance.

2.2.2 Work can be carried out as private consultancy if none of the above criteria is applicable. For private consultancy, the Consultant must ensure the consultancy adheres to the terms of this policy as set out in section 4.3 of the Consultancy Policy. The remainder of this procedure does not apply.

2.2.3 Where it is unclear whether an activity is consultancy or research, or may be a combination, the Consultant should contact Research_Funding@LSHTM.ac.uk for advice at the earliest opportunity. See Defining Your Award Type for guidance.

2.3 Letter of Intent

2.3.1 The Consultant completes a Letter of Intent (LOI) providing an overview of the work, and demonstrating that it meets the criteria set by this policy.

2.3.2 The Consultant sends the form to their Line Manager for approval.

2.3.3 If the Consultant is funded by projects under a PI who is not their Line Manager and the delivery of work for those projects may be impacted by taking up the consultancy work, the Consultant must secure the agreement of the relevant PI/Budget Holder and confirm that they have done so on the LOI.

2.3.4 The Line Manager is responsible for verifying that the Consultant is free to take up the work as follows:

- no visa/work permit restrictions;
- does not disrupt completion of existing research and teaching duties;
- in line with the recommended 30 days pa maximum during LSHTM contracted hours or a justifiable exception applies;
- does not pose a risk to the health or wellbeing of the consultant;
- does not breach any funder T&Cs e.g. fellowship funding;
- where applicable, the Consultant has secured agreement from other affected Budget Holders to be released to take up the consultancy work.

2.3.5 The Line Manager should raise any concerns or questions with the individual. They may also seek advice from their HR Partner, Head of Department, or Department Manager (or MRCU equivalent) as needed.

2.4 Faculty review

2.4.1 On receipt of the LOI, the Dean of Faculty/Faculty Operating Officer will assess the proposed consultancy work based on the following criteria:

- the work must be consistent with the mission of LSHTM;
- the Client must not present a risk of reputational damage to LSHTM;
- the work must not present a conflict of interest;
- the consultancy achieves a minimum 120% FEC as set by this policy, or that an exception is justified (see section 4.2.4 of the Consultancy Policy);
- that, where proposed, a consultancy can be processed as Centre-related (section 4.4 of the Consultancy Policy).

2.4.2 They may consult the relevant Head of Department or Faculty Management Group as needed in determining whether to approve a consultancy, and/or seek advice from LSHTM professional services teams (e.g. Legal Services, HR Partner).

2.4.3 A clear rationale must be provided by the Dean of Faculty on the LOI for approval of any exceptions or in cases where approval is withheld.

2.4.4 Approval by the faculty is subject to the terms of engagement from the Client being acceptable to LSHTM upon legal review and negotiation of the contract.

2.5 Costing and Pricing

2.5.1 The Consultant's administrator costs the consultancy in RCP. Refer to the separate Guidance on Research Costing & Pricing for further information on this process.

2.5.2 If your funder is not available for selection or an appropriate costing template (e.g. 120% FEC) is not available in RCP, contact rcp-support@lshtm.ac.uk.

2.5.3 Costs can include non-staff costs (travel, consumables, equipment) and staff costs (including costs of without duration contract staff time, and administrative staff time for larger consultancies).

2.5.4 Access charges for equipment or facility usage, where they are in place, should be applied at the full rate for consultancy work.

2.5.5 The costing will be exclusive of any applicable output VAT and this will need to be made clear to the Client on presentation of the budget and in the contract. Once the costs are confirmed with the Consultant, the administrator submits the costing for approval into RCP workflow.

2.5.6 The workflow for consultancy is the same as for a research grant however the Research Operations Funding Team will conduct only a light touch review.

2.5.7 Responsibility for ensuring the cost and price aligns with this policy resides with the faculty approvers.

2.5.8 Non-faculty staff should submit a budget and overview of the consultancy activity to the Chief Operating Officer (COO) for approval via their Head of Service. If approved and the work is commissioned by the client then an RCP award costing would be needed to set the project up on Agresso.

2.6 Contracting and negotiation

2.6.1 The Consultant's project administrator completes the Request a Legal Service form in ServiceDesk and submits this to Legal Services.

2.6.2 If the Client has supplied a draft agreement this should be attached to the ServiceDesk request.

2.6.3 Otherwise, Legal Services will prepare a draft agreement following receipt of all relevant information from the Consultant/administrator.

2.6.4 The Consultant's project administrator will share the approved budget with Legal Services. The budget is exclusive of VAT which must be referenced in the contract.

2.6.5 As consultancy is provision of a service to a third party it is not subject to the same rules regarding costing and disclosure of pricing. As standard a full budget breakdown will not be shared with the Client. Only a total figure, and, if necessary, a high-level breakdown will be included.

2.6.6 Legal Services will liaise directly with the Client through the negotiation to completion. They will update the Consultant/administrator throughout.

2.6.7 Legal Services will act to progress the contract at least every five days to ensure prompt completion.

2.6.8 It is expected that all agreements should be concluded within 30 days of receipt of an agreement and any relevant supplementary information by Legal Services, subject to the Client's responsiveness and flexibility in reaching mutually agreeable terms, which are out of Legal Services' control.

2.6.9 If the Client insists on their own contract template, turnaround times for completion can be longer as they may not be consistent with LSHTM's preferred terms and may therefore require more negotiation.

2.6.10 The fully signed contract will be shared with the Consultant, their administrator and the relevant Department Manager.

2.7 Account setup

2.7.1 The Consultant's project administrator should complete the in RCP. This will be reviewed and approved by the Pre-Award Team.

2.7.2 RGIO will be notified on submission of the award costing in RCP and will confirm details of ethics requirements in the system.

2.7.3 The Legal Officer responsible will submit the fully executed agreement and RCP project ID via email to projectrequests@lshtm.ac.uk requesting setup of a new consultancy project account.

2.7.4 Research Finance will setup a consultancy project account once the above steps are completed.

2.8 Invoicing

2.8.1 Research Finance will process any invoices for income.

2.9 Managing non-staff expenditure

2.9.1 All expenditure must be incurred in line with LSHTM Financial Regulations.

2.9.2 The Consultant's project administrator will process expenditure in line with LSHTM's standard processes for expenses, purchase orders, outgoing subcontracts, and others as relevant. Guidance on these can be found in the Project Administration Portal.

2.10 Managing staff costs

2.10.1 At inception, the Consultant's project administrator will process necessary Payroll Variation Forms (PVFs) or Recruitment Forms for any fixed term staff funded by the consultancy. Guidance on both can be found in the Project Administration Portal.

2.10.2 Research Finance will process any without duration staff time as a directly allocated staff cost.

2.11 Managing indirect costs, estates, consultancy management fee

2.11.1 Research Finance will process any indirect and estates costs to the relevant faculty income account.

2.11.2 Research Finance will transfer the consultancy management fee to ADLG003010, confirming the relevant amount with the Project Administrator as needed.

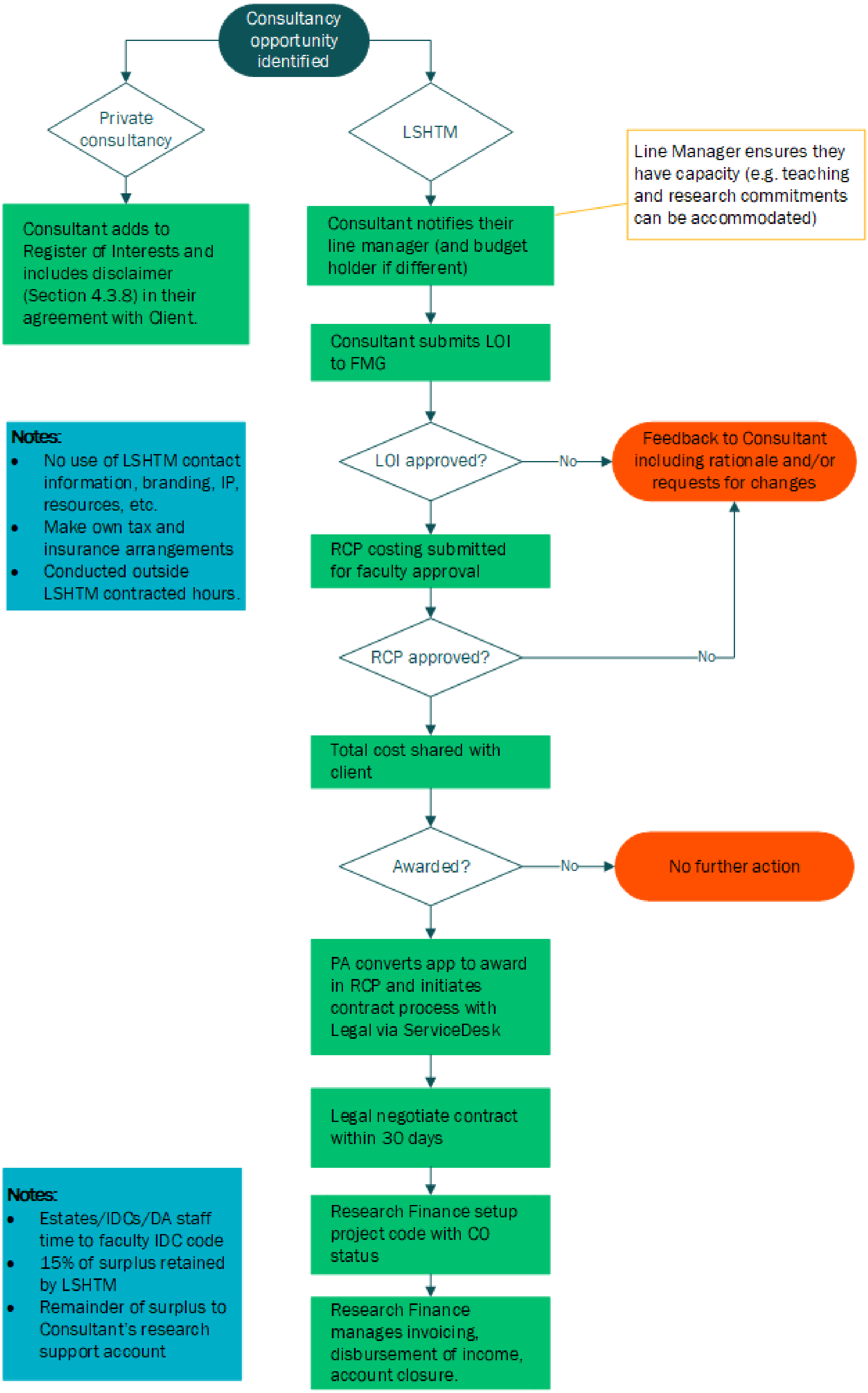
2.12 Managing the surplus and any underspend

2.12.1 The Consultant's project administrator should notify their Research Finance Officer of the relevant account codes and amounts to be transferred for any surplus or underspend. The RFO will transfer the funds at the end of the project.

2.13 Account closure

2.13.1 Research Finance will close the account in line with their usual processes.

2.14 Flow chart of LSHTM consultancy procedure



3. MRCU PROCEDURE

This section sets out the details of processing consultancy via MRCU where these differ to LSHTM's procedure due to local systems and structures.

3.1 Consultancy opportunity identified and proposal developed

3.1.1 Section 5.1, 5.2 and 5.3 of the LSHTM procedure apply with the exceptions below.

3.1.2 Where it is unclear whether an activity is consultancy or research, or may be a combination, the Consultant should contact the MRCU Research Support Office (RSO) for advice at the earliest opportunity.

3.1.3 The Consultancy Proposal Form is not submitted to the Line Manager, but directly to HR.

3.2 Proposal submission and due diligence checks

3.2.1 Consultant submits Consultancy Proposal Form to HR department (HR@mrcuganda.org).

3.2.2 HR perform due diligence checks to ensure proposal aligns with this policy.

3.2.3 HR share proposal with RSO and Procurement.

3.3 Costing and Pricing

3.3.1 RSO prepares costing in line with this policy with input from Procurement as required given the commercial nature of the work. RSO confirms final price and budget breakdown with the Consultant.

3.4 Review and Approval

3.4.1 The Unit Chief Operating Officer will review the budget and Consultancy Proposal Form to confirm adherence to this policy and due process.

3.4.2 The Unit Director will review in line with the section 5.5.

3.4.3 Approval by the Unit Director is subject to the terms of engagement from the Client being acceptable upon legal review and negotiation of the contract.

3.5 Contracting and negotiation

3.5.1 Procurement completes the consultancy request form in ServiceDesk and submits this to Legal Services at LSHTM.

3.5.2 If the Client has supplied a draft agreement this should be attached to the ServiceDesk request.

3.5.3 Otherwise, Legal Services will prepare a draft agreement following receipt of all relevant information from MRCU (including approved budget).

3.5.4 Legal Services will negotiate the contract to completion with input from MRCU Procurement.

3.5.5 Legal Services will act to progress the contract at least every five days to ensure prompt completion.

3.5.6 It is expected that all agreements should be concluded within 30 days of receipt of an agreement and any relevant supplementary information by Legal Services, subject to the Client's responsiveness and flexibility in reaching mutually agreeable terms, which are out of Legal Services' control.

3.5.7 If the Client insists on their own contract template, turnaround times for completion can be longer as they may not be consistent with LSHTM's preferred terms and may therefore require more negotiation.

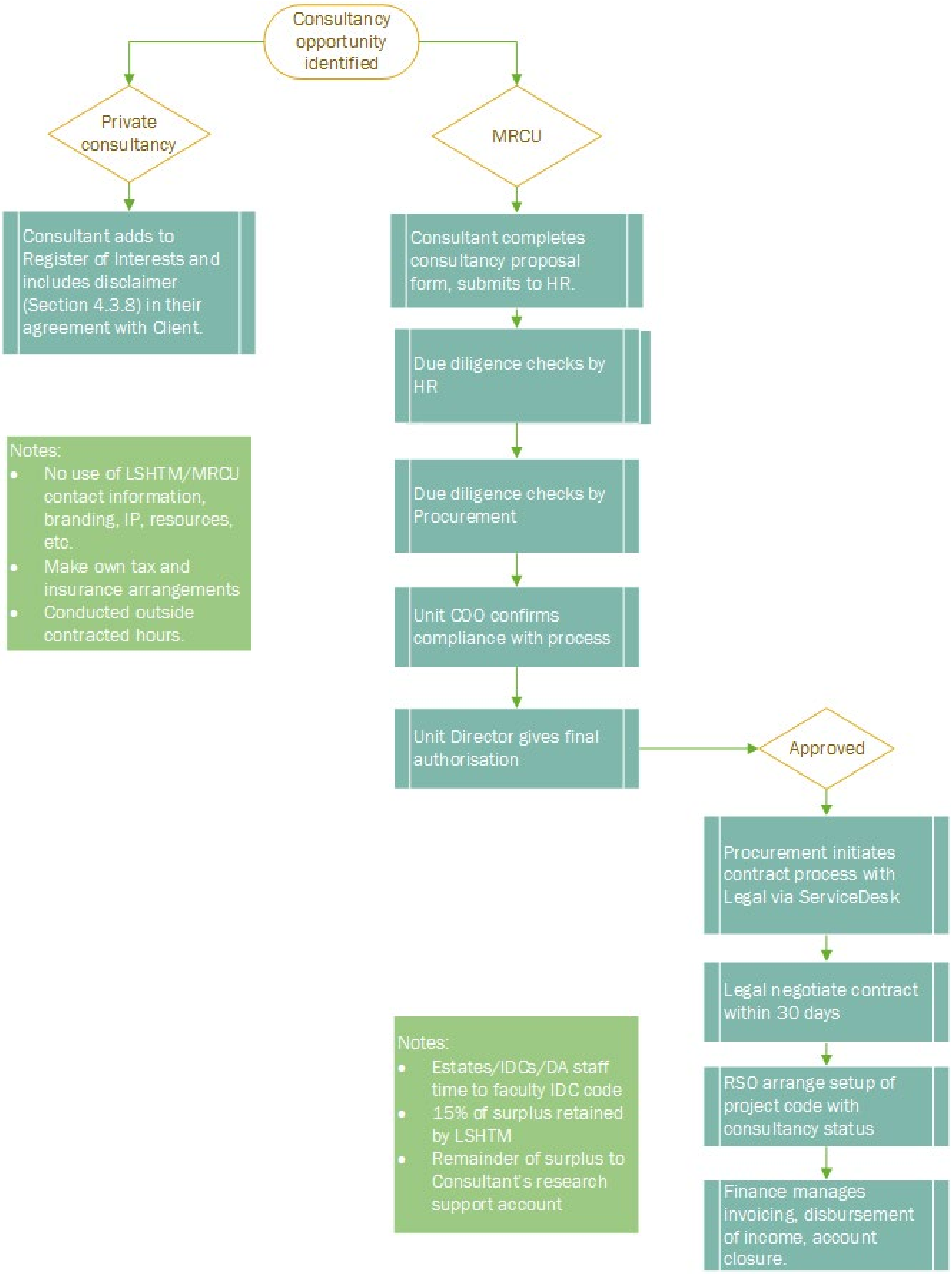
3.5.8 The fully signed contract will be shared with MRCU Procurement for dissemination with relevant stakeholders within MRCU as applicable.

3.6 Account management

3.6.1 The Research Support Office will setup the consultancy budget in line with local processes. RSO will inform MRCU Finance department who will manage invoicing, transfer of funds (e.g. indirect costs and surplus) and ultimately closure of account in line with local practice.

3.6.2 All expenditure must be incurred in line with LSHTM Financial Regulations and will be managed in line with existing local practice.

3.7 Flow chart of MRCU consultancy procedure



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4. APPENDICES

4.1 Appendix 1: Research or Consultancy?

The definitions below are those used by the Higher Education Statistics Authority (HESA), based on the "Frascati Manual" developed by OECD:

Research	Consultancy
Work is defined as "Research" if it conforms to the Frascati definition of research (Frascati Manual 2002) as follows: *Research and experimental development (R&D) comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.* The term 'R&D' covers three types of activity: **Basic research:** experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view. **Applied research:** also original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific practical aim or objective. **Experimental development:** systematic work, drawing on existing knowledge gained from research and/or practical experience, which is directed to producing new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produced or installed.	Consultancy is defined as: 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 institution to the Client (commercial or non-commercial) without the creation of new knowledge. The Frascati Manual lists situations where certain activities are to be excluded from R&D except when carried out solely or primarily for the purposes of an R&D project. These could come into the classification of consultancy and include: • Routine testing and analysis of materials • Components and processes, (e.g. for the maintenance of national standards, as distinct from the development of new analytical techniques) • feasibility studies (where it is not an integral part of an overall research • project) • routine software development • general purpose data collection

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4.2 Appendix 2:

Example calculation of consultancy price and treatment of income when undertaken via LSHTM.

Category	**Amount**	**Treatment**
Non-staff costs (e.g. travel, consumables, other expenses)	£6,000	Processed via standard expenses and procurement processes
Fixed term staff costs	£20,000	Processed via PVF to directly fund salary
Without duration staff costs	£5,000	Processed by Research Finance as DA recharge
Estates & Indirect Costs	£19,000	Processed by Research Finance as IDC cost
Total Cost (100% FEC)	***£50,000***	
Surplus (min. 20%)	£10,000	15% Management Fee credited to LSHTM consultancy account (£1,500) Remainder credited to Consultant's nominated research support account (£8,500)
Total Price (120% FEC)	**£60,000**	