

## External Professional Activity Policy

REC is asked to **approve** the recommendations in the report

### Executive Summary

After substantial consultation and revision, we would like to present the revised External Professional Activity policy. The substantive changes are to the management of EPA with the new workload model and a clearer statement of potential benefits and incentives. With the Knowledge Exchange Framework (KEF), there will be both more reporting requirements and also more opportunities for revenue-generating work of this kind. SOAS staff currently undertake a volume of this kind of activity privately, but may not be aware that there are benefits to the institution of bringing it through SOAS - and that our capacity for supporting this work, gaining higher rates and making the most of its benefits, has improved. This paper is therefore part of a broader strategy for expanding our entrepreneurial activities and generating more income for SOAS as well as for contributing to a strong KEF return.

**Sponsor:** Andrea Cornwall, Maurizio Gioli, Alex Lewis

**Report author:** Andrea Cornwall

### Recommendations & Next Steps

REC is asked to approve this paper. It will then go to AB.

### Financial Impact

Positive - if people would be willing to put more EPA through SOAS. Positive impact on our HEIF.

### Risks

Lack of engagement and enforcement.

### Equality implications

None.

# **SOAS Policy on External Professional Activity**

## **1. Background**

Knowledge Exchange is increasingly important for SOAS. External Professional Activity (EPA) as part of a broader Knowledge Exchange portfolio can be as good for SOAS as it is for the individuals who undertake it.

EPA has a number of benefits. It can lead to the development of close relationships with non-academic research users, relationships that can help to inform, shape and enhance research outputs. Such work can make a significant contribution to policy and practice, adding to our REF impact and environment profile and research reputation. Large external projects can potentially generate surpluses that can be ploughed back into academic priorities, and all projects contribute to the generation of additional core funding from government under a formula that delivers HEIF (Higher Education Impact Fund) funding.

There are also a number of benefits for individuals, including personal income generation or ring-fenced income to their research incentive account, as well as career development opportunities and access to research opportunities, data, facilities or expertise outside SOAS.

If not managed well, however, EPA also carries risks. It can undermine SOAS' reputation, where SOAS staff take on consultancy or other external jobs and do not deliver or are exposed in public for the work they do for other institutions. It can diminish individuals' capacity to do the everyday work of the institution for which they are primarily employed, if it becomes prolonged, exhausting or extensive in nature. By making available to other institutions the very specialisms for which SOAS is unique, it can also undermine our attractiveness to students. Taking on consultancies without appropriate insurance or institutional support can place individuals in situations of professional and personal risk if anything goes wrong.

Without some kind of mechanism to assess the potential risks associated with consultancies or other similar forms of external professional activity, SOAS' reputation can be placed in jeopardy.

## **2. Purpose and Scope**

The purpose of this policy is to set out the terms for the pursuit of EPA at SOAS and addresses issues such as the management of individual and institutional risk, remuneration and revenue, and approvals. The scope of this policy is all of those employed by SOAS on a full-time contract, and those on part-time contracts who would like to pursue opportunities for EPA through SOAS.

### **3. Definitions**

External professional activity (EPA) is defined here as remunerated activity that involves a member of SOAS working for another organisation. This policy covers provision of expert advice, analysis, and interpretation, to include commissioned research, giving expert advice based on specialist knowledge and engaging in the provision of specialist training, including summer school and briefing work for SOAS as well as for external organisations, such as other universities here or abroad, specialist outfits, or government departments. Excluded from the scope of this policy is such work as could be considered integral to scholarly activity and associated dissemination of research. This includes, for example:

- External examining
- Serving as an editor for an academic journal
- Giving a talk or lecture for an honorarium
- Advances or royalties from the publication of academic books or articles
- Reviewing manuscripts
- Broadcasting and media appearances

### **4. Entitlement to do External Professional Activity**

All SOAS academics, irrespective of type of contract, are entitled to do up to 30 days of EPA (or the pro rata equivalent) per year. They can either do this on privately, on their own account, or through the institution. All SOAS professional services staff, irrespective of type of contract, are entitled to do up to 10 days of EPA (or the pro rata equivalent) per year. All EPA must be authorised and approved by the staff member's line manager. Doing extensive private consultancy whilst being paid a full-time salary by the university is in breach of contract and as such presents risks to the individual of misconduct and dismissal.

### **5. Benefits of Institutional EPA**

Staff are encouraged to channel their external professional work through SOAS. The benefits to a member of staff of putting external professional work through the School include:

- full protection from an indemnity perspective if anything goes wrong in the course of the assignment;
- the opportunity for all administration of the contract to be handled by the School, including negotiation of fees, intellectual property, invoicing and payments
- a fair level of financial reward, based on the nature of the work and reduced exposure to non-payment by the client;
- the opportunity for this financial reward to be paid either (a) as a salary supplement on completion of the work; or (b) to a research incentive account on which the staff member can draw to support their research.
- not having to deal with tax and NI implications of additional income.
- institutional and departmental recognition, for example through promotions and rewards, that the member of staff has contributed to SOAS in this way.

One of the most important benefits is access to the support available through the Enterprise in the set-up and delivery of the assignment. This might include:

- bid preparation and submission including meeting standard quoting requirements such as the provision of health and safety and other statutory policies;
- assistance with, or full responsibility for, negotiating the most favourable rates and for setting up appropriate agreements and procedures (post negotiation);
- business and market intelligence to identify consultancy opportunities;
- quality assurance services;
- support with financial and other administrative matters allowing the member of staff to concentrate on the delivery of the consultancy project;

For larger and more complex contracts involving more than 30 days such work will be factored into the workload of the individual(s) concerned. It will be priced at a minimum of full economic cost and at market rate where possible; any surplus over and above the cost of the individual's time will be paid to the individual directly, or via their research account. This ensures that larger volume work benefits the individual through a reduction in teaching load and could also benefit them financially if a higher fee can be achieved for their time.

Such work would typically involve:

- the use of the name and / or facilities of SOAS;
- contract between the client and SOAS;
- work carried out by members of academic staff acting as employees of the institution;
- the provision by SOAS of indemnity / insurance cover;
- business development and administrative support from the Enterprise Office (EO), including negotiations with the client, invoicing and payments. As high a rate as possible will be charged for such work, given market conditions.

## **6. Financial Arrangements**

For small pieces of consultancy work done on an individual basis, it is up to the individual and Department to decide whether a contract would be accepted at the rate offered, regardless of whether it is above or below FEC. The Enterprise Office will price and negotiate the work at the highest market rate unless otherwise advised. This will permit individuals to work for charitable organisations and UN agencies unable to meet FEC rates. Academic staff who choose to channel their consultancy through SOAS have three options for payment:

- i) research support fund (Z fund): 80% of the fee, net of costs, to be spent on anything that contributes to an individual's research, i.e. conference attendance, research assistance, travel. Of the remaining 20%, 10% will flow to the department, and 10% to a Knowledge Exchange investment fund, to be administered by Knowledge Exchange.

ii) salary supplement: 80% of the fee, net of costs. Of the remaining 20%, 10% will flow to the department, and 10% to a Knowledge Exchange investment fund, to be administered by Knowledge Exchange.

iii) workload: the days of work to be counted against an individual's overall workload costed at their actual daily rate, with surpluses to be paid to the individual in the form of salary supplement or transfer into their Z fund.

Where the volume of work exceeds 30 days, it can be factored into workloads on the basis of option iii), where the difference between daily rate and actual daily charge, net of costs, will revert to the individual. Normally remuneration for EPA that is brought through the institution will be paid through the SOAS payroll once the work (or phase of a contract) has been completed and the client invoiced. Remuneration through payroll will be subject to tax. Consultancy services are subject to VAT.

## **7. Approval**

All EPA must be authorised and approved by the staff member's line manager. The approval process applies to all potential EPA assignments in accordance with the SOAS Main Terms of Conditions of Employment for academics which states: 'All employees are reminded that they should not undertake any paid employment or engagement outside the School, without first seeking written approval from the Head of Service. The School reserves the right to decline any such request' (Clause 27 Paid Employment outside SOAS). In cases where members of staff provide regular external services, for example, advice on immigration to a government department, approval can be granted for the overall service rather than individual projects. Departments/Schools are responsible for monitoring overall engagement in external professional activity, based on annual reporting by Departments.

## **8. Roles and Responsibilities**

The Enterprise team are responsible for overseeing the quality assurance of external professional activity, and ensuring that appropriate standards are maintained. This may entail monitoring external contracts during their operation and engaging with the customer to assess client satisfaction. Client relations are normally managed through the Enterprise Office, with the member(s) of staff undertaking the assignment (the consultant/s) being involved in all communications. The Enterprise Office may in some circumstances take the lead, or simply oversee the consultant's direct relationship with the client. Costing and pricing are undertaken by the enterprise team, who will also take responsibility for contract negotiations and the storage of copies of the signed contract.

Updated January 2020