

Royal Northern College of Music
Knowledge Exchange Policy
Policy & Procedure
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RNCM
ROYAL NORTHERN
COLLEGE of MUSIC

1. Introduction

The Royal Northern College of Music has always attached particular importance to working with external organisations. To support the strategic objectives of the College and to facilitate individual professional development, the College encourages staff to engage in knowledge exchange activities with external organisations related to their field of expertise. The College's 2020-25 strategic plan states that the College will 'commit to sharing our knowledge; developing an ambitious portfolio of targeted and impactful knowledge exchange and consultancy activities of relevance and benefit to those in our local community and to society as a whole'. Such work is an important channel through which the knowledge and expertise residing within, and developed by, the College can be transferred to business, the public and voluntary sectors and the wider community. This policy provides guidelines setting out how the arrangements for such work should be approached.

The potential benefits of knowledge exchange are wide-ranging:

For the College: delivering research impact, raising profile, financial contribution, enhancing reputation.

For Staff: informing research, feeding into teaching practice, raising profile/reputation and contributing to career pathways, potential collaboration, raising awareness, building relationships with partner organisations.

For Students: improved learning experience, potential contacts with businesses, relevance of learning (e.g. case studies).

For Society: contributing to the positive impact of music-making in Greater Manchester and around the world, supporting economic growth and contributing to communities nationally and internationally.

The College recognises the need for all knowledge exchange work to be properly costed and co-ordinated and for an accurate record to be maintained of all such activities. The College has adopted, in common with other UK higher education providers, the principle of Full Economic Costing (FEC) across all of its externally funded work. The underlying principle of all knowledge exchange work with external organisations is that it is charged at Full Economic Cost as a minimum and that work for commercial partners is charged above this level, so that surplus on commercial income helps to underpin the financial sustainability of the College, allowing it to carry out its primary purpose more effectively. The delivery of the policy will be monitored by the Director of Research (in the case of any Research KE).

2. Definitions

There are four categories of commercial knowledge exchange activity covered by this policy:

Consultancy: refers to the provision of expert advice and work, from the College to the external organisation, without the creation of new knowledge.

Commercial Research: is working in partnership with an external organisation in the creation of new knowledge funded by the external organisation. This policy explicitly does not refer to research funded by Research Councils.

Short Courses (including CPD and Executive Education): refers to the provision of training or learning activity by which external individuals maintain and further develop the knowledge and skills required for their profession or personal interest.

Knowledge Transfer Partnerships (KTPs): refers to the Innovate UK scheme (in its current form, and whatever similar or equivalent may follow this). The KTP was established to provide businesses with new skills and the latest academic thinking to deliver a specific strategic innovation project with the support of a suitably qualified graduate, known as an Associate.

3. Consultancy

The offer of a consultancy is recognition that the member of staff concerned is considered an expert in their field. It should add to the stature of the recipient and to the reputation of the College.

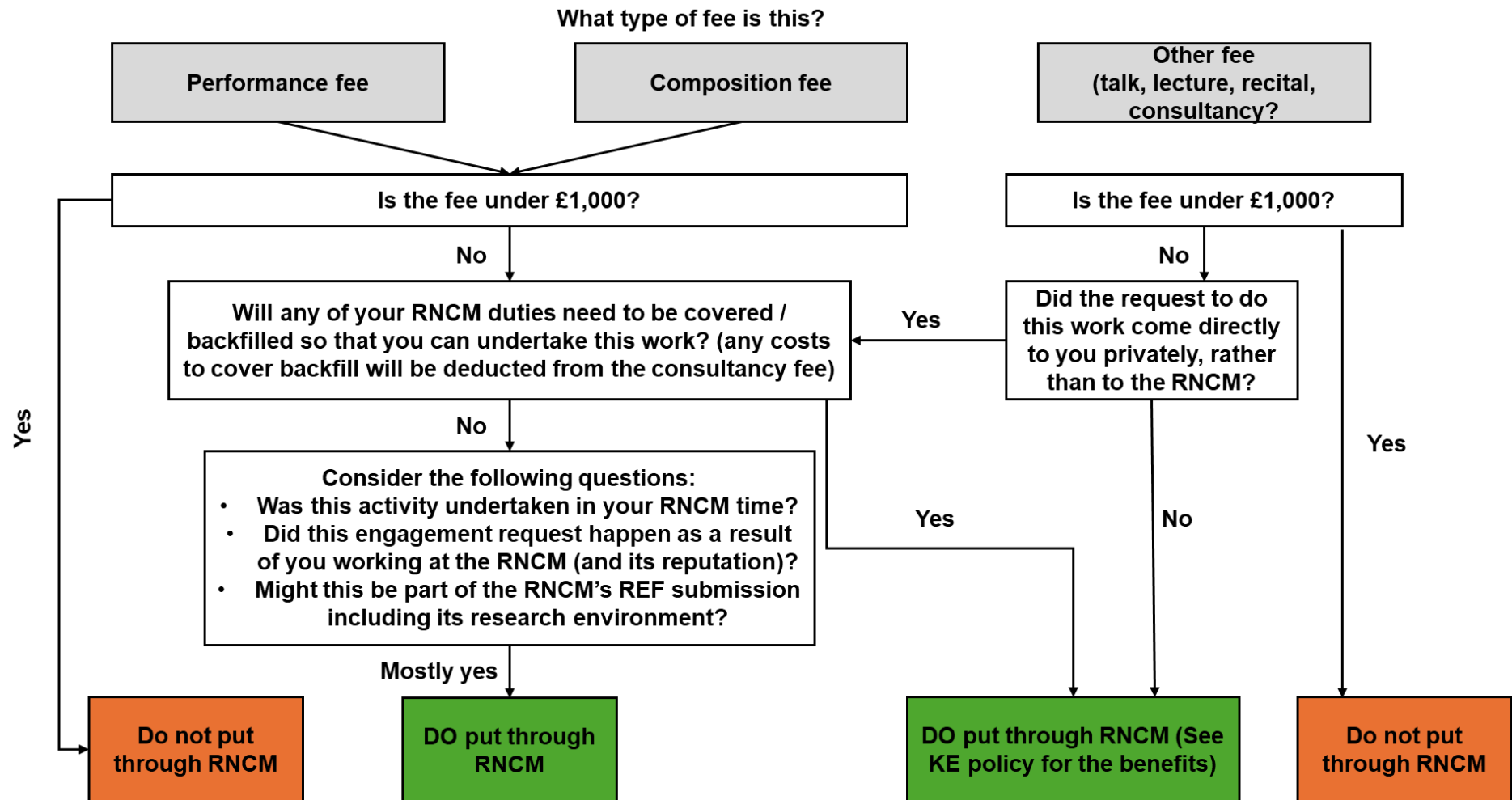
Consultancy is the provision of services to external clients based primarily on skills and expertise. This can include undertaking project-based work, offering specialist opinion, by advising on technical issues or by solving problems. Proposals involving the generation of new knowledge, or development of intellectual property, are more likely to be research, rather than consultancy activities.

Consultancy work can be undertaken in one of two ways: as a College consultancy or as a private consultancy. Note that, in private consultancy, the individual takes responsibility for all of this work, including any contracts and payment of relevant taxes, and will not have access to RNCM documentation, templates, resources or administrative support.

3.1 College Consultancy

College consultancy is where the College contracts with an external client to provide the consulting services of a member of College staff. Use of College facilities will normally be permitted providing this are fully costed and paid for by the client and the use is limited (i.e. not consuming an unreasonable amount of time or taking priority over any teaching or other commitments). Such contracts benefit from the full support of the College's finance and knowledge exchange staff who can manage the administration, contractual and financial elements. These College contracts are covered by the College's professional indemnity insurance. All payments to staff as a result of undertaking consultancy activity are made via the College payroll. The College administers the tax issues (VAT, income tax and National Insurance) relating to the consultancy contract.

Consultancy fees for performances, compositions, or other work:



Notes;

- It is not usually the case that fees for external examining work and PhD examining would go through RNCM

The RNCM normally costs according to the FEC principle (directly incurred, directly allocated, indirect and estates costs) and allocates the full cost of the project accordingly. Commercial consultancy will attract additional oncosts. The staff member receives 80% of the surplus that remains after all directly incurred and/or directly allocated costs have been covered with the remaining 20% covering RNCM estates and facilities (including human resource) costs.

All consultancy contracts should be discussed and agreed with line managers before the consultancy arrangements are confirmed.

Payment to the individual will be made on receipt of a pay claim form, and only once payment from the client has been received and all other related costs have been met payment will be made through the payroll after deduction of PAYE and National Insurance. The consultancy will form part of the member of staff's workload.

Benefits of choosing to put income through the RNCM include the following:

- The RNCM will manage the financial aspects of the consultancy (e.g., invoicing, tax and VAT issues, debt collection)
- Staff will benefit from the RNCM's professional indemnity insurance
- The RNCM will put the contract in place for the work
- Staff will be able to use RNCM template (e.g., letterhead), systems and resources as part of the consultancy work

3.2 Private Consultancy

Private consultancy is consultancy in which the member of staff does not act as a representative of the College, does not use College time, branding or resources. The College does not seek to limit or control such work as long as it does not impinge adversely on the staff member's contractual duties or pose reputational risk to the institution. Private consultancy is not covered by the College's professional indemnity insurance, and the College will not accept liability if the external client seeks any redress. An employee intending to undertake private consultancy or other outside work must make it clear to the client, at the outset of discussions, that the proposed work would be undertaken by them in a private capacity.

	College Consultancy	Private Consultancy
Access to College facilities including office/studio space, letterhead, email and telephone	Yes	No
Support from the RNCM professional services including a contract, fee negotiation and invoicing	Yes	No
Professional liability insurance	Yes	No
Use of income	Income may be paid through PAYE and used for personal benefit.	Income may be paid directly into private accounts and must be declared to HMRC by the staff member, as appropriate.

College consultancies will be allowed only when the following requirements are met:

- The Head of Enterprise (Academic) and Research and Enterprise Manager have taken into account a financial appraisal, the availability of appropriate resources to deliver in a timely way, and its fit with the College's strategic objectives for knowledge exchange and income generation.
- The Research and Enterprise Manager has received confirmation that the staff member's Line Manager is aware of, and satisfied with, full details of the work and the benefit which the Department and the staff member will derive from the consultancy, and the Line Manager has given his or her approval, as required by College procedure.
- Consultancy must not involve activities that may bring the College into disrepute, that conflict with the interests of the College, or that breach College policy.

Consultancy activity carried out using College facilities, resources or name must be carried out under an institutionally authorised contract.

3.3 Financials

Staff are encouraged to look towards industry, commerce and other outside agencies, in addition to the Research Councils and charities, as potential collaborators but are reminded of the importance that all such work is properly priced. The College has established a Policy regarding costing and pricing of Consultancy activities so that it is conducted on a fee for service basis and the fee is based on the College's FEC model. FEC is an amount which, if recovered, would recover the total cost (direct or indirect) including an adequate recurring investment in infrastructure. It does not include a profit above the cost of an activity. The price charged to the client however, should include additional factors which reflect the market rate whenever a market will bear this. The price charged to the client will therefore depend on a number of factors including:

- The extent of the client's needs
- Urgency of the client's requirement
- Level of expertise involved
- Time involved on the project
- Availability of competitive alternative Consultancy
- Availability of public domain knowledge
- Extent of relevance to the member of staff, their School or equivalent
- Expectation of knock-on benefits
- Historic relationship

Consultancy support is provided through knowledge exchange, finance and research staff. Legal agreements for approved activity will be set up by the Knowledge Exchange Manager. It is important that all consultancy activity is recorded through College systems to maximise the potential impact on College profile and the potential for additional income (notably through the Higher Education Innovation Fund).

4. Commercial Research

A commercial research project is a research activity that should be discussed between the member of Staff, the Head of Enterprise (Academic) and the Research and Enterprise Manager, who will authorise the project as required by College with final approval from the Director of Research. The project documentation should also be discussed with relevant members of the Finance team to ensure that the costings, pricing and the contract drafting are satisfactory. All costs for commercial research work must be calculated and recorded

via the Research and Finance Departments, using the same internal support mechanisms as for costing of research proposals to UKRI and other funders.

Distribution of surplus income will be the rate of 80% Individual, 20% College. Payment to the individual will be made once payment from the client has been received and all other related costs have been met; this will be made through the payroll after deduction of PAYE and National Insurance.

5. Short Courses

New short courses, developed specifically for groups of learners and requiring the production of new course material and staff resource, require the approval of the Executive Committee. If the course is accredited by another partner organisation, additional approval might be required by the partner organisation.

All costs for short course activity must be calculated, recorded and approved via the Finance Department. Pricing of short course activity must be benchmarked and take into account the target customers, the College brand value and reputation, and current market competitor pricing. FTE staff will be paid to teach on short courses only if the hours are additional to their contracted workload; with short-course teaching that is part of their workload reflected in the workload planner. PTHP staff will be paid to deliver courses as they are for their other teaching.

Intellectual Property: the College will retain rights over all teaching materials developed for short courses, including the right to use the materials with other learner groups.

In no circumstances can any surplus income received from short courses be taken as personal payment in addition to salary by staff.

6. Knowledge Transfer Partnerships

Knowledge Transfer Partnerships (KTP) are a long established Innovate UK scheme for Knowledge Transfer. The KTP was established to provide businesses with new skills and the latest academic thinking to deliver a specific strategic innovation project with the support of a suitably qualified graduate, known as an Associate. Benefits for College staff include:

- Applying knowledge and expertise to real-world problems.
- Generating valuable research income.
- Identifying new research themes and contributing to the Research Excellence Framework (REF)
- Leading a rewarding and ongoing collaboration with innovative companies requiring research-based expertise to succeed.
- Publishing high quality journals and conference papers.

The average annual knowledge transfer partnership budget is £90k (SMEs contribute 33%, large companies contribute 50%) with the grant being awarded to the College. Innovate UK awards the grant and supports the application process. Firstly, the application should be approved internally by the Director of Research and the Director of Finance to ensure that the costings, and the College staff member capacity to fulfil their role, is permitted. KTP budgets are costed at FEC.

In no circumstances can any surplus income received from KTPs be taken as personal payments in addition to salary by staff.

7. Financial Appraisal

All significant commercial knowledge exchange proposals (normally considered to be over £5,000) will be financially appraised before being approved in line with the College's financial regulations. This appraisal process will take into account the College's costing procedures, as well as consideration of market conditions, entry into new markets, and fit with knowledge exchange plans. Pricing will be set to maximise return in the market. The price will cover all direct costs associated with a specific project.

8. Professional Indemnity, Insurance and Taxation

The College will offer professional indemnity and insurance to a member of staff undertaking commercial knowledge exchange work for external organisations, provided that prior written approval for the work has been granted by the Director of Finance and the Director of Research and that the agreement or contract to undertake the work is between the College and the external organisation.

ROYAL NORTHERN COLLEGE OF MUSIC

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Approvals

This document requires the following approvals.

Name/Committee	Date	Version
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