A guide to some of the key practical steps you need to take as you venture into the world of private practice.

Dr Colin Clerkin
Preface

I began to put this guide together in 2001, shortly after I decided that I was going to explore the world of private practice as a clinical psychologist. This was an area that I had actively avoided in my career up to that point, for a variety of reasons. However, I came to realise that private work offers new challenges and very real benefits to the individual who is willing go for it. As I started to investigate what would be involved, however, it became clear that there was no single source for the range of information I needed to help me make informed decisions about this type of work or assist me in actually pursuing this route. I was hunting around, picking up things as I went along.

As the information piled up, it just made sense to me that I organise it a little, and that has, over the years, developed into this guide, my one-day workshop on Private Practice, my FREE e-newsletter “Building a Successful Private Practice” and my online interactive coaching course, “First Steps ...”. You see, I have been busy on your behalf!

I don’t claim that this is a complete guide to private practice, but I hope that the information here will help you as you take your first steps into this new arena.

As you will see, there is a UK- and therapist-bias to much of the guide, simply because that is what I do and where I am based! However, I believe there is plenty of discipline-neutral information here that applies to any therapist, coach or helping professional looking at the option of working privately.

This is the tenth edition of this guide, and I have tried to ensure that the information is up-to-date (as of January 2017), but obviously, things change over time and so some details may not be exactly right. May I apologise in advance for any such errors, and ask you, dear reader, to please let me know of any mistakes you spot so that I can correct these for future editions. Indeed, I’d welcome any feedback, so your thoughts and comments are always welcome. Email me on: colin@clerkinpsychology.co.uk.

All hyperlinks throughout the booklet should take you directly to the relevant website, but I have also included the full web addresses for links in the text where I can. At the end of the booklet, I have included a checklist that I hope you might find helpful in ensuring that you have “done” all the important bits that I recommend for setting yourself up successfully in private practice.

If you’d like to access further tips and guidance, do please visit my coaching website, Mirror Coaching, where you can sign up on our mailing list to receive my regular free e-newsletter “Building a Successful Private Practice”. If you would like to work with me directly, I offer a range of coaching options, face-to-face or on-line, and of course, there is my on-line, interactive coaching programmes, “First Steps ...”, which walks you through the steps you need to create that private practice you aspire to, and “Business Breakthrough ...” for those of you ready to take things to the next level.

I wish you all the best in your efforts. Do please let me know how you get on.

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Chester
January 2017

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First Considerations

The Tax Man

While your first thought when you began thinking about maybe doing some private work was unlikely to have been “but what about my tax return ...?”, the reality is that the tax man does have a claim on you once you become self-employed, so I thought it would be an idea to address this straight off, so you can have the information you need and then we can just get on with thinking about your practice in subsequent chapters.

So ... if you are going to set up in private practice, one of the first moves you should consider is to contact the Tax Office and let them know. If, like me, you have lived in the “carefree” world of the PAYE employee up to this point, this move can seem a little daunting, as you are entering a whole new financial world, where self-assessment, bookkeeping (and an accountant) will be the name of the game. However, don’t let a little thing like the Tax Man put you off! Believe it or not, the Tax Office is there to help you sort your finances out as you go along. Call them. I did, as I needed some help to fill in my first Self-Assessment Tax Return, and they were very helpful indeed, and have continued to be.

However, I would note that I’m no financial expert/advisor, and so it will be important that you do seek expert guidance with regard to your finances as you develop your business. I have certainly taken advantage of the knowledge and expertise of a Chartered Accountant, and I highly recommend that you consider this in due course, but in the early stages, the tax office staff can help you with all the key things you need to be aware of.

Since I started out, the internet has become an ever-more-useful tool than it was then, and today you can find most of the information leaflets and forms you will need available to download and/or order from the HM Revenue and Customs (https://www.gov.uk/topic/personal-tax/self-assessment) website.

Over the page, I have listed some of the key documents you will need, but a simple search of the HMRC website for phrases like “starting up a business” or “working for yourself” will link you to a wealth of useful information that I strongly recommend you download, read thoroughly and digest.
The first form you will need is **CWF1 (2000)**. This is the **Notification of Self-Employment**, and it’s how you tell the Tax Office of your new business venture. If you are like I was, and planning on starting slowly into this new world of private practice, you will probably also be remaining in employment within the NHS or similar for the moment, so make sure that you tell them this too, as how you pay National Insurance, etc., will be effected.

Form **CA5601** is the application to **pay Class 2 contributions by Direct Debit**. If you are continuing in other paid employment elsewhere, you are likely to be eligible to get a rebate on this (and your Class 4 contributions), as you will probably be making sufficient contributions through your PAYE scheme. Obtain the booklet National Insurance contributions – **Deferring Payment (CA72B)** from your Local Tax Office or from the website to find out more on this. If all that still feels too complicated, speak to an accountant or the Tax Office for guidance.

While you are at it, there are a number of other booklets, leaflets and forms that you might want to consider either downloading or ordering from the Tax Office. Check through the website and download what you need. The “**Thinking of Working for Yourself?”** pdf leaflet (SE1) will give you some idea of forms, etc., that it would be useful to explore, but look out for information on issues like keeping records and completing your tax return.

Registering your self-employed status may also be important for you once you begin to accept referrals, when you may find that some organisations, such as Local Authorities, will only approve payment to you if you have done this.

**VAT**

It is not required that you register for VAT until your **turnover for VAT** taxable goods or services reaches **£83000**, cumulative across **any 12 month period**. However, some businesses register ahead of this turnover, as they find it helps in their dealings with other companies.

As a practitioner psychologist or HCPC-registered professional offering purely therapy services, you will be delighted to learn that therapy is not liable for VAT, so if you focus on therapy, you probably won’t need to register. **But beware: non-HCPC psychotherapists, etc., are NOT exempt.** The ruling states:

Where a registered health professional provides services which are:

- within the profession in which they are registered to practice and
- principally aimed at the **protection, maintenance or restoration of the health** of the person concerned,

the supply (of these services) is exempt (from VAT). (HMRC Reference: Notice 701/57 (July 2014))

Also, if your practice deals with medico-legal matters, family court work, or other aspects of the provision of psychological services that are not primarily related to **protection, maintenance or restoration of the health** of the person, then, if your turnover crosses the threshold, you will be liable to charge and pay VAT.

Please note that once you’ve hit the prescribed turnover figure, you need to advise the VAT man as soon as possible or you could be liable for substantial fines.
Record Keeping
One thing that you should be clear about from the start is the need to keep records of all your financial transactions relating to your new private practice. Get organised now, and collating the information that you or your accountant (and the Tax Office) will need to assess your accounts later will be a doddle.

Again, the HMRC website offers advice on this, but you can just as easily start a box file system where you routinely put all business-related receipts and invoices, so you have them all in one place. Similarly, if you’re spreadsheet-literate, now is the time to look at setting up a simple bookkeeping system (for example in an Excel or Numbers format) that you can use to track your incomings and outgoings.

And remember, now that you are self-employed, you will be able to claim significant rebates against tax for a range of expenditures, from business-related travel to stationary, that new laptop you need now to make sure you’re on top of things, and even telephone, electricity and heating costs in your home (if you use part of it for your business). Keeping all receipts and household bills will make life easier as your self-assessment looms. Find out more from your accountant.

Professional Services
If you haven’t got an accountant, it should be possible to visit a couple of local ones and get a free half hour consultation with them to see if they are right for you. Check Google or the Yellow Pages for accountants in your area offering this service. Or ask a colleague already in practice who they would recommend.

Appointing an accountant is not an essential step for your new business, but when it comes to managing tax returns, identifying all of the benefits that you are entitled to, and what you can and cannot claim against tax, their expertise can prove invaluable and save you a considerable amount over the year (and, in my experience, most certainly a lot more than their fees will be).

The same is true of solicitors - you don’t really need one if you are only intending on working on your own.

But, if you are setting up in practice with a friend or colleague, then you do need to speak to a solicitor about formalising a partnership agreement. I know that might sound like a cold, business-like activity to have to consider (after all, you’re thinking of developing your business together because you are long-standing friends), but I do recommend that you take professional advice on this: if at some point in the future, your circumstances change, having a legal agreement in place can make the transition through change more straightforward.

If you need a solicitor to help you establish a partnership or other business relationship, you can contact the Law Society. Call 020 73205650 or visit their website www.lawsociety.org.uk, for details of business-orientated solicitors in your area, possibly also offering a free half hour introductory consultation.
Business Advice from GOV.UK
I'd also strongly recommend that you check out the GOV.UK website (www.gov.uk), and search for Business Advice and Self-employed links.

This site offers you a huge resource of checklists and training videos to help you through the process.

Federation of Small Businesses
This is another organisation that is there to support the small business owner, with lots of guidance on things like tax, insurance, legal questions, and health and safety. It is a Membership organisation, so there is a fee involved (around £150 - £200 per annum for small enterprises), but membership comes with discounts on a number of associated services, legal support, templates, useful fact sheets, etc. To find out more, visit the Federation of Small Businesses website at www.fsb.org.uk.

Professional and Public Liability Insurance
Even if you have been working in the NHS or a similar public sector organisation for your whole career to date, it is likely that you have at least been advised, at some point in the past, to take out Professional Liability Insurance. Hopefully, you did so, because even the good old NHS is likely only to go so far in covering you should the unthinkable happen and someone decides to sue you. Working privately, the necessity for insurance cover for your clinical work and your practice premises becomes even greater.

For psychologists, the British Psychological Society has made links with three providers: Towergate Professional Risks Insurance Brokers (www.towergateinsurance.co.uk) (0844 346 3307), Howden Insurance (www.howdengroup.com/en) (0845 371 1433) and Oxygen Insurance (www.oxygeninsurance.com) (01274 760460 / 440), all three of whom have all the arrangements in place to provide you with substantial cover for both at quite reasonable premiums.

Other psychotherapists and coaches should check with their overseeing professional bodies for details of the insurers they recommend, though any of the above would be worth contacting. Other options include Policy Bee Insurance (www.policybee.co.uk) (0345 5610320), which offers cover to coaches, psychotherapists and counsellors and speech and language therapists, amongst others.

If you are not already insured, or if you feel that you might wish to increase your cover now you are going private, contact all the companies offering cover for quotes, as cover rates can vary. Ask to be put through to the department that deals with your professional body, and have your professional membership number to hand. The premiums are usually quite reasonable, usually between £100 and £200 for well over a million pounds cover.

If you have set up a Limited Company, be aware that your premiums will be substantially higher than if you are a Sole Trader.
Data Protection
The Data Protection Act 1998 places obligations on organisations that use and store personal information (i.e. your practice). The Act states that those who record and use personal information must be open about how the information is used and must follow the principles of "good information handling" – you can read full details of these principles on the Information Commissioner’s Office (www.ico.org.uk) website; click through on the “For Organisations” link, where you can use the Data Protection Self Assessment Toolkit to check your compliance.

You are required to register with the Information Commissioner’s Office as a Data Controller - a person who (either alone or jointly or in common with other persons) determines the purposes for which and the manner in which any personal data are, or are to be, processed. The Information Commissioner’s Office maintains a register of who processes what information, and this is available to the public, to promote openness in the use of personal information.

There is an annual fee to register with the Information Commissioner’s Office which currently stands at £35 per annum, paid directly to the ICO – full details of what is involved can be found on their website; www.ico.org.uk.

However, be aware: once your business is established, there are companies out there who will contact you, sounding alarm bells about Data Protection, and offering to manage your data protection registration, etc. for you … for a price! This is often well over the £100 or even the £150-mark, and is little more than a scam: you can handle it yourself easily and should never have to pay more than the ICO’s nominal £35 fee each year.

HCPC Registration and Chartered Status for Psychologists
For those psychologists amongst you, the move, in 2009, to Statutory Regulation by the Health Care and Professions Council (HCPC) (www.hcpc-uk.org) has meant that all psychologists wishing to call themselves by what are now protected titles, such as Clinical Psychologist, Health Psychologist, etc., must be registered with the Health Care and Professionals Council (HCPC).

Statutory regulation exists to protect the public against the risk of poor practice. It works by setting agreed standards of practice and competence by registering those who are competent to practise and restricting the use of specified protected titles to those who are registered. Sanctions may be applied to registered psychologists, such as removing them from the register, if their fitness to practice is impaired.

From the private psychologist's perspective, there really is no question about it, in my opinion. Becoming HCPC-Registered reassures clients that you are professionally accountable for your practice and could face the Disciplinary Board of both the BPS and the HCPC – and can be expelled from the Society - if you do not maintain appropriate standards.

Equally important is the fact that other professions, such as our legal colleagues, place great store in the fact that they are dealing with profession colleagues, and therefore are more likely to seek the services of a
HCPC-registered and, if possible, chartered, psychologist over a practitioner who is not. Also, two key sources of information for potential clients or solicitors seeking psychological input are the Directory of Chartered Psychologists and the Register of Chartered Psychologists, so becoming chartered is another important step to pursue. Naturally, you can only be listed and advertise in these directories if you are Chartered.

As a chartered psychologist, you can use the Chartered Psychologist BPS logo on your letterhead and business cards. Contact the BPS (www.bps.org.uk) direct on 0116 254 9568, and they will send you a template of the logo, by post or email that you can then use freely.

As a HCPC-Registered Psychologist, you would be advised to use their HCPC-Registered logo on your stationery also, as this will further reassure the public that you are meet high standards within your practice.

How do you go about registering with the Health Care and Professions Council?

Visit the Health Care and Professions Council website and follow the links to the registration information page. Registration costs £180 for a 2-year registration and is a requirement if you wish to use one of the Practitioner Psychologist Protected Titles.

Other Professions and the HCPC

At present, other professional bodies such as the BABCP and BACP are, I believe, going though a consultation process to determine whether or not becoming associated with the HCPC is a move that will benefit them, their members and their clients. Check with your governing body as to the current state of these negotiations.

Other Professional Associations

Professionals from other disciplines should consider registering with the governing bodies for their primary professional bodies.

Membership of the British Association for Behavioural and Cognitive Psychotherapies (BABCP) (www.babcp.com), for example, costs from £73.50 per annum.

The British Association for Counselling and Psychotherapy (BACP) (www.bacp.co.uk) full membership costs from £162 per annum.

If you practice other therapeutic approaches, such as psychodynamic psychotherapy, ACT or EMDR, then look to register with the main bodies for these approaches.
Similarly, there are a number of Coaching organisations, such as The Association for Coaching (www.associationforcoaching.com), which oversee this area of work, but it must be acknowledged that, at least up to now, regulation of coaching in the UK has still to be ratified.

Membership of professional bodies like those listed will often allow you to be included on their website databases, so prospective clients will not only be able to locate your details, but know that you are a bona fide practitioner. Most professional organisations also have accreditation procedures and supervision requirements that aim to ensure that their members maintain a standard of practice that ensures the protection of the public. As such, your membership is once again a reassurance for your clients.

**Medico-legal**

If you are planning to do medico-legal work, you might want to consider registering your practice with some other Professional Associations that cater for the Expert Witness community. This can serve several very useful roles:

1) It puts your name out there where potential clients will see it.

2) The various associations provide very helpful resources with regard to up-to-date information on legal matters concerning expert work, helplines for members, and training opportunities.

3) As a member, you can use the logo of the association on your stationary. This communicates to other professionals that you have received some recognition within the “industry”.

In some cases, you need references from Solicitors who have seen you in action in court, so it may be something to consider a little later on in your practice.

Two of the main Associations to consider are The Society of Expert Witnesses and the Academy of Experts:

**The Society of Expert Witnesses (SEW)**

The Society of Expert Witnesses (www.sew.org.uk) is run entirely by expert witnesses for expert witnesses and claims to be the only independent body that speaks for the expert witness. Membership entitles you to a free listing on their website, and you receive an occasional newsletter, with information on current developments in the legal world and up-coming training events and conferences. They also offer a mentor system for aspiring expert witnesses. The cost of membership is £122.40 per annum, with a one-off joining fee of £52.20. Contact SEW on 016 3866 8656.

**The Academy of Experts**

This is similar to SEW, though with closer links to the legal community. This organisation requires that you have three referees, preferably solicitors who have instructed you, and request that you submit a copy of a Report that you have produced for the Courts. Full membership is £306.50 for the first year, which includes a one-off “vetting fee”, subsequent annual fees are in the region of £138. Contact the Academy on 020 7430 0333 or www.academy-experts.org.
General Office Issues

Home or Away?

In the early stages of launching your private practice, most practitioners tend to work from home, maybe converting the spare bedroom to an office, or just sorting paperwork on the dining table! Not too glamorous, maybe, but practical. But an early question needs to be addressed: is this how you intend to go on?

Working from home has its obvious advantages: the commute is relatively stress-free, child-care can usually be worked around your hours quite easily, and the costs are low. But you do need to be disciplined when you work from home, and ensure that you don’t allow home-based distractions to get in the way of your productivity. It can also be harder to “leave work” at the end of the day, as you may find yourself drifting back to “the office” for an hour or two when you really should be unwinding at the end of the day (self-care is vital for the self-employed, don’t neglect it!).

Furthermore, if you intend to see clients at your home office, you do need to think about the impact this might have on both you and them. Will you have a dedicated room in which to see them? With a separate entrance? Or will they be expected to traipse through your lounge while the kids are fighting over the remote and the ironing is backing up in the corner?

Even if you have made arrangements to ensure that this doesn’t happen, have you looked into whether this arrangement will have any effect on your home insurance (is it a home or a place of work) and mortgage? Generally, having a simple home office in itself is not going to impact your mortgage or insurance cover, but dependent on what usage you are making of your home, you may encounter difficulties, including perhaps being required to make a Local Authority planning application for change of use if you are developing a busy therapy practice from there!

So seek advice early on! Your home insurance provider will be able to tell you in a quick phone call if what you are planning will require additional premiums, while your mortgage provider similarly will have guidance as to what, if any, impact your business plans might have on your mortgage.

The alternative, of course, is to look at finding an office away from your home for your practice. I’ll address this in more detail later on, but clearly there are cost implications to take into account and it will be important that you do some research to see which is likely to be your best option. A combination of the two may work well, with you working at home of the administration side of your business, while seeing clients at an outside office, but the point here is that you will need to do some serious thinking about what arrangement is going to be best suited for you and your practice.

Telephones

If it looks like you are going to be working from home, it is certainly worth considering having a second phone line installed, with a new number, which can be dedicated to your business. And you might want to get a mobile phone that, again, you use exclusively for your private work.

This arrangement has the added advantage that when the “business” phone rings, you know that you will be dealing with a client or a referrer before you pick up and so can respond appropriately and professionally.
There will also almost certainly be tax implications with this arrangement too, so keep detailed records of installation costs, monthly rentals, and call charges.

**Arranging a PO Box**

If you are just starting out in private practice, it is likely that you are not setting up a separate, full-time office straightaway, but will be working from your home and perhaps going out to see clients. Obviously, correspondence will play a big part in your practice – but do you want to broadcast your home address to everyone, including, perhaps, clients with mental health problems, or against whom you may be providing an unfavourable report? If not, you may wish to consider setting up a PO Box Number with the Royal Mail.

This service allows you to have mail delivered to your local Royal Mail sorting office for collection by you, or, for an additional fee, delivered on to your home address. It allows you to keep your private business one-step removed from home, and should deflect most unwanted attention.

However, you should be aware that (and most people are very surprised to learn that), should someone contact the Royal Mail and ask for the full address linked to your PO Box, the Royal Mail are required to give them this information! The only situation where they will consider a request from you not to give out these details is where a letter from the Police accompanies your request.

Renting a PO Box costs £252.00 (incl. VAT) per year for the basic service. If you want additional services, for example, home delivery, this costs more: £312.00 per year (incl. VAT).

You can get all the details on the application form from your local sorting office or on-line at [http://www.royalmail.com/parcel-despatch-low/uk-delivery/po-box](http://www.royalmail.com/parcel-despatch-low/uk-delivery/po-box) or by contacting PO Box Applications, Royal Mail, PO Box 740, Barnsley, S73 0ZJ. Tel: 08457 950950.

**Office Stationery**

To project a professional image, you need professionally-produced stationery. Modern software may allow you to produce well-designed letter-heads and business cards, but these are still often let down by the quality of even a good laser printer.

I strongly recommend that you consider having your business stationery professionally produced. A professional printer will have a graphic artist available to help you with designs too, and, once you are happy, will produce top quality stationery that will tell your clients and referrers that you mean business.

And remember, as a registered member of your professional body, you should be able to include this fact in your stationery or website. So, for example, as a chartered psychologist, you can use a special Chartered Psychologist BPS logo on your letterhead and business cards. Contact the BPS direct on 0116 254 9568, and they will send you a template of the logo, by post or email that you can then use freely.

Initially, you may only need to look at having some Business Cards and Letter-headed paper produced, but as your business becomes more profitable, you could consider Compliment Slips, Invoices, Service Brochures or Envelopes with your return address pre-printed on them.
And always select the best paper that you can afford. First impressions count, and your stationery will often be your client or referrer’s first point of contact with you.

A couple of hundred business cards will cost somewhere in the region of £30.00 – £50.00 (including VAT), with letter-headed paper running up to around £200 for 500 to 1000 sheets. There may also be a one-off fee for artwork, but as long as you keep the design, you won’t encounter this charge again with your next order.

Some on-line services, such as www.vistaprint.co.uk and www.moo.com, will allow you to design and print business cards and stationery using their on-screen design facilities, and the results can be very impressive. However, while their initial offers do look very good value, be aware that as you go through the design and ordering process, additional costs can be incurred as you add elements to the final creation and the final costs may well be similar to, or more than, you’d pay if you approached a local printer, with whom you could actually develop an on-going useful business relationship.

Computers

Your computer is likely to be one of your most important business tools as you develop your business. It is also likely to be one of your largest initial business outgoings when you get started, so think about what it is you want from it. Remember, this is a legitimate business expense and so the cost of your machine (and other office equipment/software expenditure) will be tax deductible, so invest wisely and keep the receipts!

Do you need a reliable desktop that quietly sits at home or in your office or a (large hard drive) laptop that will go everywhere with you for convenience sake and yet keep you connected? Do you need a webcam for video conferencing or speaking with clients via Skype or a similar service? Do you have good antivirus protection, fast broadband, password-protected folders or hidden drives for security sake, and a reliable, off-site or cloud automatic backup system in place?

All of these considerations are important and none should be overlooked. Your clients’ details are likely to be contained on this machine somewhere, along with your reports, your notes, possibly your diary and all of your business transactions. What sort of damage might it do to your business if your computer was lost or stolen, or your Hard Drive corrupted somehow and you DIDN’T have a recent back-up somewhere secure?

As you get your practice established, you do need to bear in mind the security of your data (see the Information Commissioner section of this ebook) and while you’re doing this, it makes sense to ensure that you put all the secure back-up necessary in place from the start. Is a Cloud-based solution secure enough for the sensitive data you need to store? Or do you need another hardware-based solution?

If you’re not sure, it makes sense to take technical advice on this, so do a little research and find a good IT service local to you with whom you can develop a good working relationship. They should be able to advise you on security, help you deal with technical blips when they happen (like when that report just seemed to ‘disappear’ from your hard drive just as you were ready to print it off) and provide secure, and at least daily, off-site back-up of your key files. It may cost a little, but trust me, you’ll be glad that you invested in it, probably sooner than you’d have expected.
Financial Matters

Bank Accounts
You are now in your own business, so you need to make sure that you keep careful track of all your incomings and outgoings. One obvious first step is to set up a bank account specifically for your private practice. Most banks are quite happy for customers to hold more than one current account with them, so drop in and have a chat to get things moving. At this stage, it is unlikely that you need to open a formal business account, i.e. an account with somewhat different conditions applied to it, such as business rates, charges etc., unless you are going into partnership and setting up a full-time practice, in which case a business account will be required and legal and accountancy advice is recommended.

For an individual starting out part-time, an extra personal bank account should suffice, at least in your early stages of development. If you can pay some capital into it to start with, then all the better, as you will incur some expenses before you begin earning, and these need to be covered.

From this point on, however, I would recommend that all your private earnings and expenditure should be directed through this account. This way, at the end of the year, when accounts need to be made up and the taxman pacified, all of the necessary financial information should be neatly tied just to this one account.

If you can set up a savings account associated with this current account, you will make paying your tax bill a little easier too. Transfer a percentage of each payment you receive into this savings account, so that the funds are there when the Inland Revenue bill drops though your letterbox. I’d recommend somewhere between 20 - 25% of each payment should suffice (but do seek professional financial advice on this). If you get to the end of the year with an excess after the tax bill has been paid, good for you, it’s then yours to do with as you please (if you are a sole trader). And at least you are ahead of the game, rather than trying to find a potentially large lump sum to keep the taxman happy!

If this all sounds too organised and squeaky clean, ask yourself how you intend to meet that tax bill at the end of the year? If you’ve been freely dipping into your business account here and there across the year without making a provision for tax, you really will be in for a shock when the tax bill appears. This first bill asks for the tax due over the previous year, your first year self-employed, as determined by your self assessment return, as well as a “payment on account” based on half of what they calculate you might expect to pay the following year. This can add up to a significant sum, and if you’ve not prepared for it, it can be a shock!

It would also be very useful if you were able to set up your bank account before you send in the various forms to notify HMRC of your self-employed status, particularly Form CA5601, the application to pay Class 2 National Insurance contributions by Direct Debit. By supplying the tax office with the details of your new account from the start, you ensure that all of your important financial transactions are conducted through this particular account from day one.
Personal Insurance
When you start working for yourself, you lose the safety net that being employed offers you by way of protection against illness, etc. As an employee, you are entitled to things like sick leave, maternity leave or compassionate leave. Even if you find yourself out of action for several months, you will still usually continue to be paid, though the amount may reduce over time if you are on long-term sick leave.

Working for yourself, you don’t have the benefit of this luxury, so you need to think about what you are going to do about it right from the start.

Private health insurance can look expensive when you first explore it, but if it means that you can take time to recover from an illness without the stress of having to get back to work to earn the money to cover your mortgage or care for your family, it could well be the best investment you find yourself making in the early days of your private practice.

Shop around - there are numerous companies out there willing to cover you - and find the best deals for you. You may choose a policy that allows you to defer claims for a few months, so that if you’re sick, you can’t claim until you’ve been off for, say, three months. This may save you something on your premiums, but you need to be sure that you have sufficient funds to carry you over the deferment period.

Pensions
As with health cover, as a self-employed person, you are now responsible for your own longer-term care after you retire. You would be best advised to speak to a financial advisor to get advice on how best to ensure that you make the right provision for your future. Remember, the more you can put away now, the better your pension is likely to be in the future, so if you can, stretch yourself a little on this.

Putting a regular sum away is clearly best, but it is also possible to pay lump sums in to your pension to top it up as you go along. Bear this in mind as you get towards the end of your financial year. If you’ve made a good profit, it may be a good idea to invest some of this in your pension – it not only helps to secure your retirement, but your pension investment can reduce your tax bill too.

If you have established a Limited Company, as well as you paying into a personal pension, your company can pay into a pension for you also, and this can have significant tax benefits for you and the company. Speak to your accountant to see if this is something he would advise.
Think about your charges …

Right, you have started your business, you are ready to go, and the first potential client calls to see if you might be able to help them ...

While their first concern will often be just that: “can you help me?”, their second will almost certainly be: what is it going to cost? If you haven’t thought this through beforehand, you will struggle with this question. It is vital that you’ve given this some very serious thought before you face the question, because there’s nothing worse (for you) than spluttering out a half-cocked answer to a client who is looking to work with a competent, professional therapist or coach!

It seems that this is often a difficult question for therapists, in particular, to deal with. It requires us to value ourselves and our service, which we mostly do, but we also struggle often to connect that value with an actual cash figure! But if you sound unsure when discussing costs with a potential client, it may effect their confidence in you. So, how do you arrive at your charging rate?

It is important to bear in mind a number of factors: your training – length and breadth; your overheads – room rental, admin costs, mileage (if doing home visits) etc.; what the market will allow (do your homework and find out what your competition is charging); and … what you want to earn out of the venture for yourself!

Are you being realistic in your costings? Are you charging too much, or, as is often the case with therapists, too little?

Value what you do, but bear in mind that if you set a fee that is too high, you’ll not be over-worked exactly, so set your fee at a rate that ensures you make some money, but don’t price yourself out of the game! If you are a world-renowned expert in a narrow specialist field, it’s maybe fair to charge a high fee that reflects this, but if you are stepping into private practice fresh from a training course, never having seen a client “in the wild” before, your fees should reflect this too. As your practice grows, you will see what the demand is, and can maybe shift your costs upward accordingly, but, as I’ve said, be realistic.

Once you have decided on your fee, you must then be confident in asking for that rate, rather than apologising for being expensive. I suggest that you practice saying it, out loud, possibly to yourself in a mirror, so you can become comfortable with it. Stating your fee confidently is important as it is often your client’s first impression of you as a professional, and being defensive or apologetic about what you charge may well not instil the client with confidence in you as the person they want to help them.

Remember, you are a highly trained professional, with skills that are in demand and valuable, so value your skills and price yourself realistically.

When to ask for your fee

So, you’ve told the client your fee and they still want to come and see you! What now? When should you ask for your fee? This is entirely up to you, but if you are like many people in the talking professions, this is an obstacle still to be overcome.
If you are treating someone on behalf of an insurance company or similar, or contracting into a company to offer services to staff there, it’s easier, as you simply invoice them according to the terms agreed, so you can see the client free of the pressure to talk money with them. But of course, not all your clients will be from these sources.

As with the issue of how to set your fees, I suggest that you decide your practice on payment from the start and stick to this. When you confirm your appointment with your client, add a paragraph to the appointment letter or email clarifying the payment amount and terms (including if there is likely to be a charge for late cancellations).

Some therapists have the client pay them at the beginning of the session, so as to avoid that awkward moment at the end as they are leaving. Others (and the majority, I believe) take payment at the end of the session. It’s (just) a case of saying “that’s £X please. How would you like to pay?”

It’s an entirely personal choice of course, but to make it a little easier for you, I’d ask you to think about this from the client’s perspective: they have come to see you, they know there’s a fee involved, and they expect to be asked to pay it.

Do you remember the last time you had a plumber around, or someone to fix the washing machine? How did the payment conversation go? Were you surprised to be asked for a fee? Of course not, and this is no different. You are providing a service, and people expect to pay for a service, so make it easy for them by making it clear what you expect of them.

Be confident in how you ask and they will as likely as not produce their credit card (if you take these), a pre-written cheque or the appropriate sum in crisp new bank notes, and you can breathe again, at least until the next client!
Setting up in Private Practice

Finding Clients

For the new-to-practice therapist, finding clients is usually the hardest part as you set up. I would strongly recommend that you make your plans known to anyone in your contacts list who might be in a position to help, including professional colleagues and acquaintances or specialist service providers who work with the client groups you are interested in. Let them know you are available to take on work and ask them if they would consider passing referrals your way.

Word of mouth is an important source for any business, but in the talking professions, where often the client is vulnerable and maybe cautious of going to see just “anyone”, if they have you recommended to them by someone who knows your work from previous associations, they are more likely to call you than a name on the internet.

Many therapists starting out ask me about contacting GPs in their area, and clearly, they are an obvious group to target for talking therapists, but I believe you need to do more than simply dropping them a flier to promote your new service.

It may take some time, but I believe that you need to build a relationship with relevant businesses, GPs or other likely referral sources in your area, so that when they encounter a potential referral, your name will be the one they are most likely to pass on to the client. Send GPs and agencies your details, by all means, but follow this up with a call to the practice manager or case manager to introduce yourself. If possible, get invited to visit their premises so you can explain what services you have to offer and how you can help them help their clients or patients. Put together a 30-minute presentation on something they are likely to encounter in their day to day practices themselves, like anxiety or OCD for GPs or stress management for managers, and offer to present this as a freebie. If you can solve one of their problems, for example, the need to keep up-to-date with developments in a given area, you will register on their radar. It may not lead to a flood of referrals straight away, but if you maintain the contact, these are going to come.

Private Health Providers

If you intend to offer a therapeutic service, it is also worth considering seeking recognition by at least one of the big private health providers, like BUPA or AXA PPP Healthcare. This used to be a fairly simple process, though it seems to have become more difficult of late, but if you can register with them, that might just make quite a difference to your practice.

Recognition by BUPA, AXA PPP Healthcare, or whoever, means that they will approve payment for treatment you provide to their members up to a certain amount, depending on the individual member’s insurance plan. And, if a client knows that someone else is paying, they are more likely to come to you than another therapist who is not registered with their insurer! This might sound a little mercenary, perhaps, but you must remember that we are talking about your livelihood here, and anything that will assist you in attracting clients to your practice can only be a good thing.

BUPA

To be recognised by BUPA, contact the Provider Recognition Team by calling BUPA on 0845 755 3333 and ask them to send you the BUPA Recognition Application Form (non-Consultant) or download the
application from their website: **BUPA** (www.bupa.co.uk/healthcare-providers) This is a form that requests some personal details, a little about your experience and proof of your professional registration.

If you are a Psychologist, you need to have been Chartered for at least five years and you MUST be HCPC-Registered.

If you are a psychotherapist, you need to be accredited with the BACP, UKCP, BCP or BABCP, and you must have five years experience in practice.

Once your application has been accepted, you will be allocated a BUPA Provider Number, and you are then free to take on BUPA members.

**AXA PPP Healthcare**

With **AXA PPP Healthcare**, you can download an application from their website (www.axapphealthcare.co.uk/healthcare-professionals) or call 01892 772216 and ask to speak to someone about the possibility of registering with them as a provider. Axa have recently introduced a “Recognised Specialist” classification on their system which allows practitioners to register with them as a recognised specialist. This listing highlights that you are “fee approved” on their system and increases the likelihood that their members might approach you rather than someone who is not fee approved (the AXA fee for psychologists now seems to be £100 per session). It should also make invoicing and payment simpler.

**Other providers**

There are a number of other private health care providers out there, so take some time to do a little research and find out how to register with them. Some have case managers who are always on the lookout for practitioners spread around the country, and they may refer clients directly to you.

Some health insurance companies will only allow you to accept referrals from a recognised Consultant Psychiatrist, who must also retain overall supervision for the patient (though BUPA may allow you to accept referral straight from a GP if you are a Chartered Psychologist).

When you gain recognition from a private healthcare provider, you should consider making this fact known to GP practices (and private psychiatrists) in your area. A letter of introduction, outlining your qualifications, target client group, services offered and your all-important Provider Number (for the various providers you’re registered with) should be enough to attract referrals, though you might also want to consider the personal touch again and make appointments with Practice Managers, etc., to introduce yourself in person.

Remember, we are in a people business, and personal contact will go a long way to making the right impression with those key individuals who will be making the choices about where to refer their patients.

**Medico-Legal / Case Management and Rehab Agencies**

Another source of referrals are agencies that act as middle men for solicitors and insurance companies, finding them specialist services around the country to meet their clients’ needs. So, for example, if a solicitor has a client who was in a car accident and now needs assessment or therapy, one of their first ports of call
Setting up in Private Practice

may be one of these agencies to see if they have a suitable therapist in their client’s area. If you are on their database, there is a fair chance you’ll get the call to do the work.

There are numerous such agencies around the country, too many to namecheck them here, but a web search will give you contact details to pursue. Some agencies exist purely to act as middle men, with little or no involvement or interest in what you might do within your clinical practice: they just want someone who can meet the client’s therapy needs. Others are primarily run by therapists for therapists, and they are more likely to want to ensure that your qualifications meet their standards. Some, like The Psychology Service (www.psychologyservice.co.uk), may carry out a brief telephone interview with you to find out about your understanding of CBT ahead of accepting you onto their books.

Others, like PsychologyDirect (www.psychologydirect.co.uk), maintain a database of psychologists and, when a client contacts them for therapy, they connect the client and psychologist.

Many agencies will have a limit to what they are willing to pay you, the therapist, and it may well be less than you had considered your preferred fee, so you now need to ask yourself whether or not you are willing to take a smaller fee with the prospect of more regular work, or you are going to stick to your original fee and hope the phone rings. I’m not saying that you should take less, but it may be a practical decision that gets you started and your name out there, and so may be a good commercial decision in the longer-term.

However, be realistic. If they are offering a significantly lower figure that you have calculated you need to charge to be able to meet your overheads and make some money at the same time, then you may be better off looking elsewhere for your referrals.

Find out more about these companies by searching for medico-legal therapy services or employee assistance programmes (EAP) on the Internet. A little research will help you identify several whom you should then contact to discuss registering with.

Directories
In addition to case management or rehab agencies, you should consider promoting your practice through relevant online directories. These are often set up to allow potential clients to search for a professional therapist or coach in their area who has the expertise to meet their particular need.

First stop should be your professional bodies’ member directory, especially if this allows you to promote the various services that you will offer and permits potential clients to search for you by area. Listing in this directory should be included in your membership fees.

Next, do a Google search for something like “psychotherapist (or coach) in YOUR TOWN” (or a similar search using terms that apply to the service you offer). Obviously, there will be some direct hits for websites of businesses in that area offering that service, but you should also see a variety of directory listings that have been flagged by the search terms. I recommend that you check out these directories and see what is involved in getting a listing on their site. They are clearly already coming high up in Google searches, so if you are listed with them, then your details should show from similar searches.
Many of these directories actually offer free listings, as they generate their income from the ads that appear within their pages, so they can prove to be invaluable referral sources for your business. And when you have a website of your own, including these details in these directories will help raise your Google profile too, as cross- or back-links (links between websites) help the Google web-bots recognise your site as a legitimate, relevant page for their searchers.

Clearly, free listings are most cost efficient for you, but do also consider the types of businesses advertising within the directories you are considering. I’ll discuss generic business directories covering everything from animal care to zumba classes, such as Yell or Thompson-online in a later section, but for now, I want to concentrate on therapy or coaching specific directories.

Listings in generic therapy directories which include everything from hopi ear candle therapists to tarot readings by way of psychotherapists and coaches have their place, certainly, but do satisfy yourself that by advertising within these directories, you are projecting the professional image that you want for your service. If you are happy that a given directory environment does allow you (a) to be found and (b) be seen as a professional service, then take out a listing with them. It will also help increase your visibility on Google. But if you have any concerns that you’ll get lost in the mix of alternative, complementary treatments, maybe its best to look elsewhere.

Free listings in directories that relate particularly to your professional services are more likely to be of interest and to be the place where potential clients start their searches. So track down those directories that meet your particular needs. I’ve come across several directories that launched in recent years that look promising. Have a look and see if they suit you (presented in no particular order, though I will note that I am listed in a couple, and, self-interest declaration alert, several have agreed to promote my coaching programme):

- **UKtherapyhub** (www.uktherapyhub.co.uk) is a free listings directory run by **PrivatePracticeHub** (www.privatepracticehub.co.uk) which is a superb all-round resource for anyone in private practice.

- **TherapyWeb** (www.therapyweb.co.uk) offers paid and free listings for a wide range of talking professionals (therapists AND coaches), and its “Problems” section contains lots of well-written, useful information for clients to help them understand the nature of their difficulties;

- **Psychfinder** (www.psychfinder.co.uk), for psychologists only, I’m afraid, but if that’s you, worth a look.

Some sites do make a charge for listings, sometimes an annual membership ([Life Coach Directory](http://www.lifecoach-directory.org.uk)) and some (e.g. [http://www.rscpp.co.uk](http://www.rscpp.co.uk)), charge a percentage of your first two sessions’ rate, as a fee for finding you the client in the first place. While that may suit you as you build and promote your practice, again, the important measure has got to be whether or not you are going to be able to cover your costs, so think carefully about where you invest financially in your advertising.

(Please note, I do not formally endorse any of the named agencies or directories listed within this ebook, nor have any of them paid to be mentioned in this ebook. I’m just listing a few of the companies I’ve encountered over the years - it will be important that you do the necessary checks on them and their terms and conditions to ensure that you are happy to be instructed or promoted by them according to those terms).
Other Steps to Consider

Think about venues

If you intend to offer medico-legal assessment only, it is quite feasible to operate without needing your own premises. You can see clients in their own homes, or it may sometimes be prudent to arrange to see them in their solicitor’s offices. Also, if you have standardised questionnaires that you require the client to complete, they can be invited to do so at their solicitors, which can go some way to ensuring that they are completed in the first place!

If, however, you intend to offer therapy, you will need to think about where you will do this. Obviously, one option is to offer home visits to the client. However, apart from the obvious safety issues, only offering home visits has time and travel implications that you need to factor into your costings too.

In fact, it is often more useful therapeutically to have the client come to a neutral venue to begin to address their problems.

Some therapists have the facilities to offer therapy from their own homes, but this has implications for your family as well as your mortgage provider, home insurance and the taxman (as discussed previously). So, often, the ideal solution is a separate therapy space. However, finding one is sometimes quite a challenge.

You are unlikely to be in a position to take out a full-time lease on an office when you start off, as you need to build up your practice, so renting a room on a sessional basis is often best. This type of arrangement allows you to book space in an existing therapy venue, often on an hourly basis, as you build up your client list. If you can, look for an arrangement that includes some administration support if possible, or at least a telephone answering service that will pass messages to you from callers.

Be clear what it is that you want to project about your service when considering possible premises. As you research local venues, you will encounter a range of options, from swish, medicalised services, with uniformed reception staff, examination couches and wash basins in every room (with rents to match) through to the converted garage of a Reiki practitioner who will let you use it when they are not, and all things in between!

Think about the service you are offering. Is it suited to a medicalised room, with couch and curtain bisecting the space? (I’d argue, probably not). Would you and/or your client feel uncomfortable having a session with a dentist’s drill buzzing next door (an acquaintance has shared this experience with me)? Is the lingering aroma of scented candles, from the Indian Head massage therapist who was in the room just before you, relaxing for your client or does it give the wrong message? I can’t answer that for you. All I can advise is that you research your options and select your therapy space based on what you want it to say about you and your services to your clients. If you have to choose between cost and professionalism, if at all possible, stretch yourself a little to afford ‘professionalism”, as this message will pay dividends over time.

Most venues will have a range of charges, depending on how you propose to use the room you take on. Location will also influence the cost, as easy access for clients will make the venue more attractive. Some allow bookings on an as-needed, hourly-rate basis, while others may want you to commit to a sessional block booking for a half- or full-day, often committing to this for several months at a time.
Longer-term bookings will often break down to lower hourly charges, but be clear about what you are getting for your money and whether or not you can realistically book enough clients in to comfortably cover the costs and still have something left for you!

Check Google for details of existing therapy services in your area and enquire as to whether they might rent you some space, but always make a point of going along to view the space before you commit to using it.

Another option is to look at renting space in a serviced office or business centre, or from a company that provides rooms for business meetings on a sessional or hourly basis.

Serviced offices and business centres (most mid-sized towns will have some within reach) have the benefit of having staffed reception cover, message-taking and post-handling services (you may also get to use their address on your stationery), cleaners and often parking included in the costs of the space taken. Your clients also may report feeling more comfortable coming to a business centre as opposed to a ‘therapy’ centre, as it can have a more anonymous feel about it. You may have to take a room full-time, but the added extras can make that cost bearable. It also means that you have your own space within that centre, where you can set up your office to suit your needs and be able to leave it behind at the end of the day (as opposed to working from home and potentially working into your supposed free time).

Business meeting rooms, such as those provided nationwide by companies like Regus (www.regus.co.uk), are just what they say they are: rooms where business meetings happen! Regus (who offer a range of room solutions, including the serviced office option) let you book a room at any of their many venues around the country on an as-needed basis, for as little as an hour at a time. Their rates are generally calculated according to how many people will be present in the room (so family work might not be financially viable in this setting), and vary also from town to town, depending on the popularity of the location, but as a starting point for your practice, they could be just what you need to be able to present your service as the professional service you aspire to.

There are a number of other companies offering similar services, so again, a little research will give you a good idea of what provision is available for you in your locality.

Safety Matters

One thing that every individual practitioner in private practice needs to be aware of is their own personal safety. For therapists, this may be more important than for coaches, as they are more likely to encounter clients who are distressed over the course of their engagement with them, but whatever your profession, it is important to be aware of the potential risks of meeting with strangers in insecure settings.

Many therapy professionals will be aware of risk management practices from their training or previous employment, and the same considerations need to apply within your private practice.

If you are meeting a new client for the first time, what background knowledge do you have on them? Is there anything in their reported presentation that should cause you concern? If so, what steps are you planning to take to ensure problems are less likely to arise? If you have little information, are you planning to meet with them in a setting that is secure? Will there be other people around (office staff, other therapists)? If you are undertaking a home visit, have you notified a colleague or significant other of where you are going? Have you agreed to call them when you are done and safely on your way back?
These points are raised here not to raise your anxieties about working on your own in private practice, but to remind you to stay alert to potential dangers, and also that by taking simple steps, you can ensure that you and others stay safe. In 25 or so years of practice as a therapist, I have worked with distressed people, angry people and some downright strange people, but I have never felt threatened and there is no reason to expect that you will either ... but do please just take some sensible precautions so you can keep it that way!

**Managing Difficult Clients**

In line with our own safety, obviously we need to be aware of our client’s safety. Again, this will apply more to therapists than it might to coaches, but even coaches will occasionally encounter upset and distressed clients who probably need therapy rather than coaching at that point in time, and it might be helpful to have thought about what it is you need to do to manage this dilemma.

It is important to firstly acknowledge that you are single individual, not a large organisation with the benefit of teams of people to support troubled clients. You, on your own, can only do so much, and if you accept this and act responsibly, that is the most any client can ask of you.

In our therapeutic training and practice, we learn how to cope with distressed clients, and we need to put all that training and experience to work at times, when clients are excessively distressed. If they remain so as the session draws to a close, you need to consider what steps you and they can take to manage things afterwards.

In your initial session, you will have gathered key contact information for next-of-kin, GPs, medical consultants, etc., as relevant, and now may be the time for you to connect with them, if you haven’t already. Certainly seek the client’s permission to speak to family members or partners who can offer on-the-spot support while they calm down, but even if this is not forthcoming, if the seriousness of the situation merits it, you need to act to protect your client.

If they are suicidal or in danger otherwise, you need to take steps to protect them. In these instances, you can legitimately break therapist confidentiality (and you should have clarified this to them at your initial contact with them) to speak with their GP and other health or social care professionals who will perhaps be better placed to put other safeguards, such as hospital admission or support in moving to another secure environment like a hostel, into place. Explain to your client what steps you will be taking, reassure them that you are acting to support them and make the calls and/or write the letters.

If they are not in imminent danger, but you are concerned about how they will cope in the period until your next session with them, make sure they are advised on how they can contact you between sessions, but also provide them with details of other statutory services they can call upon for help if they can’t reach you, such as Social Services Crisis Teams (you can find you local services details on-line). If they are already under the care of a consultant psychiatrist, subsistence misuse team, or other provider, remind them of their contact details (and alert these services to their vulnerability) and even give them the number for the local Samaritans service.

Taking these steps shows your client you are working on their behalf and are doing what you can to take care of them. You can’t do everything, but by doing what you can to bring key services on-board for them, you have fulfilled your responsibilities to your client: you can’t be expected to do more that that, now can you?
Apart from distressed clients, you may also encounter clients who are challenging in other ways. For example, you may find yourself challenged by a client who decides that they have not found your work with them fulfilled their expectations for whatever reasons, and they wish either not to pay you or choose to complain about you to your statutory governing body.

Being clear with your clients from the outset about what your understanding of your role is and what your expectations of them will be is key here, as is having a contract with them that spells this out and that they have agreed to at your first session with them. This contract will spell out key points such as what service you are offering to them; what they should expect in the case of cancellations or non-attendance; how much sessions cost and how (and when) they are expected to pay. It will also be important that you keep careful notes of your sessions, should they dispute what work was done and why.

In the case of a complaint, it is important that you guide the client in how to go about this, even if you feel upset that they have chosen to go down this route. Certainly, if you can, have a discussion with them ahead of their taking this action to see if there is something that can be done to perhaps clarify any misunderstanding that may have contributed to this development. But if this does not resolve things, your governing body will have procedures that now need to be followed, and you should engage with this process fully. You may also, at this stage, want to speak to your insurer and access the legal advice they include in your cover to ensure that you manage your response appropriately and safely for both your and your client’s benefit.

If you behave in a professional and thoughtful manner within your practice, you should not have anything to worry about.
**Promoting your business**

This is one of the main challenges for the new business. You need to get your name out there if you want work to come in, but where are the best places to promote yourself?

Given the fact that more and more people turn to the Internet as their first source of information (I’ve read some reports that suggest that 80% of people looking for local services search on-line first), the obvious place to start promoting your services has got to be through **Google**. Google is much more than just a search engine: their business services offer some amazing possibilities for businesses, several of which are free.

Firstly, I recommend that you go to [www.google.com](http://www.google.com) and do a search for **Google My Business**. Here you are allowed to create a listing for your business where you can include details like your address and phone number, a link to your website, key information about the services you offer, even your logo or photos connected to your business, such as your premises … and all for free!

If people then search for a service such as yours in your area, your details may well show up near the top of the search alongside a map pinpointing your location. It is very simple to set up (you first need to create a Google account and a Google+ profile if you’ve not got one, but these are free too), so you really have no excuse not to create this listing, now, do you? This is what my listing looks like:

If you have a website for your business (see below for more thoughts on this, especially if you’ve not got one yet), the next thing worth a look is **Google AdWords**. This is a service through the Google search engine again, where you create a small advert promoting your services. Associated with this ad, you then select a set of words that relate to your business (key words). You set an amount that you are willing to pay for these keywords to appear in searches. When a user searches Google's search engine, ads featuring the relevant key words then appear as "sponsored links" on the right-hand side of the screen, or even above the main search results. If you have set a realistic keyword rate, your ad may just be one of those that appear in these searches. The beauty of this system is that you don’t pay anything to Google until someone actually clicks through on your advert, so it can be quite a cost effective way of advertising and getting a listing on that important first page of a potential client’s web search. Visit [https://www.google.co.uk/adwords/](https://www.google.co.uk/adwords/) to learn more.

It can feel a bit overwhelming when you first start exploring Google AdWords, but it is certainly worth investing some time in this as the costs are pretty reasonable, and the return on investment can be substantial. Imagine, if you acquire a new client for perhaps a £0.65 click through on your ad and that client attends 5, 6 or even more sessions, would you consider that it might have been worth a little of your time learning how to maximise this service?
I would add a word of caution though, and that is that you do need to monitor your Adwords account and the costs associated with each keyword (and its return on investment - ROI) on a regular basis (weekly if you can), as otherwise there is a risk that your advertising costs here could get out of hand fairly quickly. However, basic rate management and editing of your keyword listings according to which ones are paying best for you can make all the difference.

Other advertising options

Advertising in the Yellow Pages is another option. It is possible to arrange a free single line listing in one book (choose the best one for your area). This offers you a presence within the section that best applies to your service (e.g. psychology, psychotherapy, or coaching) but it does put you in amongst all the other listings in that category. If you want to stand out, you may want to consider taking an enhanced listing, or a small box ad. However, before you do this, check the costs, and be clear that you can afford it. The Yellow Pages can be costly as the size of your ad increases, and I’m not convinced, from my own experience with them, that they are as cost effective as they would like you to think. Nevertheless, they are a recognised resource for the public when it comes to their looking for a given service, and some level of presence may be worth considering.

Alongside the Yellow Pages, or possibly a better alternative, you might want to consider Yell.com (www.yell.com) which is their sister service, but has its own sales teams, and other foibles. Again, you can acquire a free listing in Yell.com, but if you want to come out high in the search results, you need to pay. However, given the number of people who resort to the web to search for services now, Yell.com may be a better option compared to the paper version.

Other web-based generic services directories may be worth looking at too, especially if they have a site that specifically covers your area, either geographical or professional. Have a look at sites like www.thebestof.co.uk or www.thomsonlocal.com to get an idea of what benefits listings with these might offer.

Speaking engagements

Another source for promoting your services is to get out there and tell people about them. Identify businesses or groups who you think might be likely consumers of your services, then contact them and offer to go and speak to them either about what you offer or on a topic that you know will be of interest to them (for example, managing stress, or simple behavioural management for parents). This allows you to have direct interaction with potential clients or referrers, and when they next need a service like yours, your name should be the first one on their lips.
Setting up in Private Practice

**Word of mouth**

The best advertising you can wish for will come from the word of mouth promotion of satisfied clients. By doing your best work with your clients, and offering them as complete a service as you can, you create a walking, talking billboard for your practice, so don’t be afraid to ask clients for recommendations – yes, even from therapy clients - but only where you are confident that they understand that this is not a requirement!

**Networking**

Business networking comes in various shapes and sizes, and it possible to spend large amount of time going to meetings which really have little or no relevance to you and your services. Business networking generally involves small business owners coming together to attend a talk on some business topic (if you wanted to, I guess you could be the featured speaker - see above) and then afterwards spending time meeting each other and swapping business cards. If you’re offering a therapy service, apart from raising your profile fairly generally with local people, the prospect of getting direct referrals from these meetings is low (unless it’s a network meeting for case managers!). Coaches may be more likely to connect with individuals who would be interested in coaching.

An alternative would be to seek out like-minded professionals and arrange to meet with them from time to time to share ideas about business development and promote your specialist interests. This is more likely to lead to cross-referral opportunities and will have the benefit of helping you feel less isolated in your practice, knowing that there are others out there doing similar things to you.

**Websites**

Developing your own website, which can list extensive information about you, the services you offer, etc., is an essential business requirement these days. If you can include useful downloads for clients, a blog, or maybe a question and answer service, visitors will find this of value in helping them understand what you offer and whether you are right for them.

While creating a website yourself can be very rewarding, if you enjoy that sort of activity, it is very time-consuming, so it may be worth looking at getting someone to do this for you. Obviously, this costs, but a professional website can be the difference between someone calling you or the next site they visit. However, you need also to be aware that there will be on-going annual hosting costs, and possibly up-dating charges, so shop around and get some advice on what’s available.

It may be possible, as a new start-up business, to get some support for costs such as web design from a local business development agency, such as Gov UK. (Indeed, this organisation is a good all-round source of guidance on setting up your business generally. Visit [www.gov.uk](http://www.gov.uk) to see what’s on offer.)

If you don’t have contacts yourself who can undertake web design for you, there are a couple of options. Obviously, you can Google ‘web designers’ and take a step back while 50,000,000 results are presented to you, but a more efficient approach may be to look at the sites of similar businesses you are aware of and identify what companies have been involved in developing their sites. You can usually find this at the bottom of the web page, but if it’s not there, why not give the business a call and ask them if they’d recommend their designer to you. if yes, you get the contact details; if no, you’ve saved yourself some grief perhaps!
Another option is to use a site such as People Per Hour (www.peopleperhour.com). This is a site where freelancers offer their services (you can find all sorts of services here, from bookkeepers to graphic designers, and more). You register with the site and upload a description of the work that you want people to tender for (e.g. create a website for a therapist/coach), with a rough idea of the amount you are looking to spend, then sit back and watch the tenders roll in. As long as you are being realistic in your funding (check through the site to see what people are paying and/or charging for similar work to get an idea on this), you should expect a minimum of 10 tenders, which will include samples of the designers’s work and an idea of what they can offer and when (usually fairly quickly).

Once you’ve settled on the one that you want to work with (and make sure you’ve negotiated things like number of revisions, what happens about updates, who controls the site, whether you or they manage the domain name, etc), you lodge the fee with PeoplePerHour in an escrow account and your designer goes off to do the work. Once it's complete and you are happy with it, you tell PeoplePerHour and they release the fee to the designer, less a small commission (which the designer has agreed with them beforehand). It’s a great system, very easy to use and you’ll be impressed with what you can achieve (and how quickly) using its experts.

Once you’re on-line, work with your web team (probably a service your designer will offer support with) to promote the site, so that it will appear high in the listings for searches relevant to your services on engines such as Google, AOL, etc.

Search Engine Optimisation (SEO) is important in ensuring that your web presence works for you rather than simply as “a brochure” clients come to after they have first contacted you by another means. Your web designer should guide you in this, but be aware that some companies charge quite large amounts for this service, and, in my opinion, this is not always justified. You can help improve your search engine listings by doing things like developing reciprocal links with other related sites or writing relevant articles for sites such as www.ezinearticles.com, where you can promote your site with links back to it.

Establishing your web presence by being seen on numerous sites can be a very effective way of driving traffic to your site, so look for professional sites that you like and engage with them where possible to expand your on-line potential. Develop a professional presence on sites such as LinkedIn and Twitter, and look at what you might be able to do with a business fan page on Facebook.

Another key activity is to join in with forum discussions relevant to your area of expertise. Share your thoughts and support on these forum pages so that people begin to look for your opinion or views. Gain name recognition in this way, and always include your web address in your email signature to make it easy for people to respond to you.

Develop a blog and promote free services you can offer through your website, such as information leaflets (simple PDF files you’ve written and posted to your website, that can easily be downloaded by potential clients). Draw people to your site, whether they are looking for your services immediately or perhaps might want to engage with you in the future. The way you present on-line will make you, your services and your site memorable, and the more reasons you can give people to keep coming back to it, the better.
Registering with psychological test suppliers
If you are a psychologist and plan to use standardised tests, I would recommend that you call the test suppliers and get yourself registered so you can access test materials easily when you are ready to purchase them. You will need some as you develop your service. Contact details are available from the many catalogues lying around your department or on-line.

Continuing Professional Development (CPD) and Supervision
Whether you are a coach or a therapist, it is imperative that you keep up-to-date with developments within your profession. Regular CPD, whether this is to do with new approaches to therapy with a specific client group or expanding your knowledge of executive coaching techniques, is vital for your business, for your own development as a professional and for your clients, as they benefit from working with someone who applies the best, most recent thinking to tackle their issues. Regular CPD is also generally seen as a requirement by most professional bodies as evidence that their members are staying current in their practice, which is a further key reason to ensure that you do not neglect this.

As your own boss, you can pick and choose what CPD you pursue, so if you have an interest in a particular client group or technique (especially where this is seen as relevant for your professional body’s membership requirements), you can go and get that training to bring on your skills. The downside, unfortunately, is that you are also responsible for the fees involved! And, of course, while you are off training, you cannot be doing your day job, so you are not earning.

So, bearing this in mind, I hope it is obvious to you that it is important that you are selective in what you choose to seek training in and keep an eye on your training budget, as it can be very tempting to go along to another ‘interesting workshop’. But remember also that training is a legitimate business expense, so you can claim these costs against tax.

Similarly, supervision is a business expense and can be claimed as such against tax. But apart from that, supervision is also an extremely important aspect of your professional development and safe practice. It is important that you identify someone who can offer you supervision appropriate to your professional needs as a therapist or coach and establish regular sessions with them as soon as you can. Working with a supervisor can ensure safe practice for you and your clients, and, especially for the solo professional, can serve as a means of maintaining contact with like-minded experienced professionals who can support your development and go some way to reducing that sense of isolation that often accompanies independent practice. And, of course, it is often, again, a requirement of your professional registration that you have on-going supervision to be allowed to practice within your area of expertise.

Notify your line manager
Finally, while I am not sure that this is a requirement (check with your Human Resources department), I feel that, if you are employed within the NHS or a similar organisation but looking to develop your practice in your spare time or part-time, it is a professional courtesy that you should inform your Line Manager of that fact. While some managers may object in principal, if you are doing the work in your own time, there should be no problem. Indeed, you might find that they can give you some pointers or even serve as a source of referrals. Many Heads of Departments (and their secretaries) get calls from solicitors and clients looking for someone
to take on a case privately. If you have let them know of your availability, they will more than likely pass the referral your way, if only to get it off their desk!

You may have to complete a Declaration of Interest form that informs your Trust that you work outside the NHS also, but this is usually just a formality and is unlikely to interfere with your practice in either sphere.

You should also consider exploring, with your Line Manager or your Human Resources department, the question of unpaid leave. For example, if you are required to attend court for a private case, using up annual leave from you ‘day job’ might not be necessary if you can take unpaid leave for the day. After all, you are getting paid for attending, so you should not be out of pocket. Get some reasonable agreement about this with your Line Manager, as you want to ensure that this is not having a detrimental effect on your NHS commitments.

One other consideration here that therapists have raised with me previously is whether or not you are going to offer therapy to clients within your NHS catchment area. If you do, some might argue that you are contributing to a two-tier level of service, where those who can afford it can get treatment from you quicker, while individuals on your NHS waiting list ... wait! This is a matter for individuals to work through for themselves. On the one hand, by only accepting private referrals from outside your NHS catchment area, you maintain some geographical boundaries that ensure that this accusation cannot be levied at you. However, on the other, if there are clients within your NHS catchment area who do not wish to be referred to an NHS service for their treatment and who are willing to pay for treatment, they are going to pay someone, so why should it not be you? You are in your own business, after all, and have to generate income to make it a viable proposition in the longer term. I don’t purport to advise you one way or the other on this matter. The decision is yours.

Your Next Steps ...

If you have worked through all (or most) of the ideas presented within this ebook, you are well on your way to developing your own independent practice: you’ll have a good idea of what it is you are setting out to achieve, for whom and where you’ll be practicing. You’ll have put measures in place to cover your liabilities and plan for the longer-term, and you’ll have begun the process of networking and making lasting contacts who will hopefully be positively engaged with your business for years to come.

As this all comes together, what other thoughts occur to you about what you’ve achieved so far and where you want to take your business to next? If you have particular concerns or questions, or you’d like the opportunity to build on what you’ve already done with my support, feel free to get in touch to discuss what might be possible. Or simply drop me an email - colin@clerkinpsychology.co.uk, - to let me know about your successes, I’d love to hear from you. And thanks for allowing me to be a part of your journey so far ...
Further Reading

Lynn Grodzki (2000). *Building Your Ideal Private Practice: A guide for therapists and other healing professionals*, Norton and Company. This is an American book, and it reads like one! A little heavy on the Personal Development/Business Guru vibe, but if you can get through that, it has some useful ideas about putting yourself across professionally, and thinking through your move into private work. Not for everyone.

Gladeana McMahon, Stephen Palmer & Christina Wilding (2005) *The Essential Skills for Setting Up a Counselling and Psychotherapy Practice* Acknowledging the fact that being a good therapist may not, in itself, be sufficient to be successful in self-employment, this book looks at the need for sound business skills, professional development, self-knowledge and motivation to be successful.

Richard T. Kasperecyz and Ronald D. Francis (2001) *Private Practice Psychology: A Handbook*. BPS Books. I found this a few years ago, and in all honesty, it adds up to a slightly more wide-ranging version of the ideas I've outlined in my booklet, with some useful extra information, e.g., on marketing your business. There is a little padding and a few missed opportunities but it still makes interesting reading.

Gill Warren (2010) *Set Up a Therapy Business: A Step-by-step Guide* A relatively recent addition to the field: Discover the secrets of how other therapists have been successful in their businesses, as you are led by the hand through the intricacies of setting up a therapy business.

Michael Gerber (1994) *E-myth Revisited: Why Most Small Businesses Don't Work and What to Do About It*, HarperCollins. This is one of my favourite business books. The title refers to the author's belief that entrepreneurs - typically brimming with good but distracting ideas - make poor businesspeople, but that where the business person can encapsulate the three key elements of a successful business - the technician, the manager and the entrepreneur - in one person, success is much more achievable. Thought-provoking.

Checklist - Have You Covered Everything?

☐ The Tax Man

☐ Professional Liability and Personal Health Insurance

☐ Pensions

☐ Professional Memberships

☐ Clarify your Charges

☐ Bank Accounts

☐ Private Health Care Provider Recognition

☐ Venues - Home or Away?

☐ Promote your Business

☐ Business Telephone Lines/Mobiles

☐ Stationery.

☐ PO Box or Business Mailing Address

☐ Psychological Tests – Register with suppliers.

☐ Notify of your Line Manager, Unpaid Leave, etc.

☐ Develop a Web Presence

☐ CPS / Supervision

☐ Sign up for my FREE Build Your Private Practice Newsletter: http://www.mirrorcoaching.co.uk/practice-building.html

☐ Check out my online Practice Development Coaching Programmes: First Steps to Your Own Private Practice Business Breakthrough
About the Author

Dr Colin Clerkin is a HCPC-Registered Clinical Psychologist (Chartered), an Associate Fellow of the British Psychological Society and a small business coach. He holds a Bachelor’s degree in psychology and a Doctorate in Clinical Psychology from the University of Wales, Bangor.

Colin spent 14 years in the National Health Service (NHS) in the UK before branching out on his own full-time in 2004 and establishing a thriving private practice in the historic city of Chester, in the North West of England.

Before psychology, Colin spent five years in the advertising industry in Dublin but realised it wasn’t the career choice for him.

He then travelled around North America for two years, where, amongst other things, he spent time hiking in Yosemite and bar-tending in Manhattan. His bar-tending experiences re-ignited his interest in people (well, they were New Yorkers!), and so he moved to Wales to study psychology, where he gained an understanding of what works in helping people make the key changes in their behaviour that can impact positively on their lives.

After gaining his doctorate, Colin established himself as a popular member of the psychology community across North Wales, developing his skills and expertise working with a wide range of client groups, keeping his knowledge current through regular attendance at conferences and training courses. He has also been involved in teaching and running workshops (including the popular workshop “getting started in private practice for therapists” workshop), sharing his knowledge with fellow professionals and client groups alike.

Today, his practice covers individual therapy, managing a group of Associates providing services into NHS teams, supervision, coaching (under the auspices of his Mirror Coaching business), and running training workshops. In 2007, he opened the Consulting Rooms, a therapy space for fellow therapists in the Chester area, to support their developing practices.

If you would like the opportunity to work with Colin to develop the ideas contained in this E-Book further so that you can progress your practice more quickly and effectively, don't hesitate to email him directly via colin@clerkinpsychology.co.uk.
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