

Protecting the Professionals



Howden Know How

Top tips for Psychological Therapists working in private practice

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As a sole practitioner one of the keys to running a successful and risk free practice is to remember one simple truth – you are running a business! This means that you will need to consider and implement required procedures and practices of which you may well have little or no experience – income tax, health and safety, employment law and insurance, to name but a few. In addition you will have to create awareness of and interest in your business – possibly through marketing and advertising. Implementing good business practices at the start of your self employed career will mean that you are more likely to remain in control – if you ignore them you will end up “fire-fighting” and your business could suffer both in terms of your income and your exposure to risk.

There are a number of books available to give helpful advice on running a business. One of the more recent and appropriate books is **“Setting up and Maintaining an Effective Private Practice”**, by Philippa Weitz, available from Karnac Books. This is a practical workbook to guide you through the entire process of setting up and managing a private practice. www.karnacbooks.com/product.php?PID=22714.

1. **Registering your business.** It is easy to slide into running a practice by seeing a few client/patients “on the side”. **TIP:** *from the outset you should register your business. (See Weitz chapter 2 for the different kinds of businesses you can start). In practical terms, at least to begin with, you are likely to opt to be a “sole-trader”. To register yourself as self-employed (even if you have a PAYE job elsewhere at the same time) you need to fill in a form with HM Revenue and Customs. You can do this on-line at: www.hmrc.gov.uk/startup/index.htm.*
2. **Conflicts of interest:** As a practitioner running a business you will need to look at the possible conflicts of interest between care and business needs. This might include how you manage payments by clients, staffing and confidentiality, accounting and confidentiality. Psychological Therapists often feel quite awkward about these business issues – it is helpful to decide in advance how you will deal with them. Codes of Ethics and Ethical Frameworks issued by your professional bodies will often give guidelines on clear contracting. **TIP:** *One simple idea is to work out your “Terms and Conditions”, print them out, frame them and have them on your wall and/or as handouts so that clients understand the boundaries and what is required of them from the outset. See example Weitz p.84).*
3. **Carrying out multiple roles – can you manage?** When you run your own practice (business), you usually fulfil all the roles from cleaner, sales and marketing department, credit control through to Managing Director - roles that would be carried out by different professionals in a larger organisation. If you do not have the specialist skills within a particular area then think about contracting out that part of your business. For example if you are baffled by accounts don't simply throw all the receipts under the bed and worry about them later but buy in the services of a bookkeeper before it gets too serious. **TIP:** *The best way to get a good bookkeeper is to ask around; it is so much better to have someone that comes with a good recommendation. You will probably only need their services for a couple of hours a month.*
4. **Do a short business start-up course:** Psychological Therapy practitioners, even those who are excellent psychological therapists, may have much less experience of starting up and running a small business. **TIP:** *Do not be afraid to go on a business start-up course through a business enterprise centre. These are usually available in all major towns. To search on www.google.co.uk type in “Business Enterprise Centre” and your local area. Usually these courses are very cheap and provide on-going support to you whilst you start your business. It also gives you a network of other people just starting out who will be doing the course with you. Remember to keep the invoice to put through your accounts!*
5. **Banking:** Keep your personal and business banking and money separate. If you open a business bank account you will probably be eligible for free banking for between 12 months and 18 months. Banks also have lots of useful materials to help you set up your business – they have realised that helping you set up your business successfully means that they will have a long-term successful client – so it is in their interest to help you. Once you are no longer eligible for free business banking ensure that you have a business account that you can manage on line – these are usually cheaper to run and will help you keep your charges right down. **TIP:** *Shop around your local banks before you decide which one to go with – work out which one best fits your needs and working framework. **TIP:** Whilst banks are an excellent source of advice to small business, they may also try to sell you*

associated products such as insurance. As a psychological therapist you need very specialist professional liability insurance (such as that available from Howden Professionals). A simple public liability insurance is not adequate. (see Insurance, below)

6. **Money:** It is important for you to keep a good record of your income and expenditure from the beginning.
 - a. Income: **TIP:** To keep a record of the money you earn simply buy a duplicate invoice book and give an invoice/receipt to your client each time they pay you. Sorting out the money at the beginning of the session will avoid it being forgotten or getting muddled with issues at the end of a session, which may be psychologically difficult or embarrassing. You do not have to put the client's name on the invoice: to comply with confidentiality you can code these. Remember your accountant or/and bookkeeper will see all your financial records. Also see tip 11
 - b. Expenses: **TIP:** You will be amazed what you can claim as an expense against your business. Of course it must be a legitimate business expense, but the expenses are set against the income; you will pay tax on the profit, not on the income. Keep all receipts for everything that you can think of: training, conferences, CPD, books, supervision, therapy, lighting, heating, telephones. If you work from home you will need to discuss with your accountant the proportion of your bills that you can off-set against the business.
7. **Marketing and advertising:** When you are preparing to start your new practice you will need to think hard about how you are going to attract clients. Think about a "house style" for your stationery and consulting room, and even what you wear as all this will give a message about your image as a professional therapist.
TIP: Look in the local Yellow Pages (or www.yell.com) under 'Psychotherapists' or 'Counsellors'. See how others advertise themselves locally; look at their leaflets, business cards and at their websites to give you ideas about creating your own but be careful not to plagiarise or copy their ideas. If you can offer something different or additional to say this may just catch the interest of someone seeking help. Ask yourself "Why should a prospective client choose me rather than psychotherapist B?" and use your answers as the basis for your marketing.
8. **Health and Safety and the Working Environment:** Health and safety legislation applies to everyone who is responsible for the safety of others. See the health and safety executive website www.hse.gov.uk You must provide an environment for the therapy which is safe and free from potential hazards. You should also ensure that your clients are made to feel safe and secure and, as far as possible, isolated from the distractions of everyday life, particularly if you are working from home. Try to avoid having them wait outside (particularly after dark) but also be aware of others they may encounter if they are invited in before you are ready to see them.

Think too about your own safety; in private practice you may be more vulnerable than if you were working in an organisation or with an agency. The process of the therapy can unleash strong and unexpected emotions; always ensure that you organize your practice to protect yourself, not just when you first meet a client.

TIP: If you are going to be working alone in a building, even at home, keep a mobile phone in your pocket or close at hand (but make sure it doesn't ring, buzz or vibrate during the session causing an unwelcome distraction). Take the seat nearer the door (whilst being careful not to give the impression that you are about to 'do a runner!'). The session will work much better if both you and your client feel that you are in a safe and secure environment.

9. **Professional support and networks:** Working alone in private practice has a number of challenges including professional isolation, having no-one to bounce ideas off and no organisational structure to fit neatly into.
 - a. Professional support: **TIP:** Establish a professional support community for example through joining a local psychotherapists or counsellors peer group. Ensure that you have a good working relationship with your supervisor who should be able to support you in the development of your professional practice as well as help you manage and deal with issues arising from your client caseload.
 - b. Professional referrals network: **TIP:** Establish links with the local psychological therapy services. This will help to build your reputation locally and will also be useful for making and receiving onward referrals.

Working within the limits of your competence and experience: Always read and understand your Code of Ethics or Ethical Framework from your professional association. Be aware of what they say about working within your limits. **TIP:** Always be sure what your motives are for taking on a client and never take on a client just because you need the money! If a client (either new or existing) presents with a problem, or starts to disclose things, which are outside the limits of your competence or experience, recognise it and stop to think. If necessary, discuss with your supervisor and if appropriate, make a referral on to someone with the necessary experience. Never be tempted to work beyond the limits of your competence.

10. **Confidentiality, Record Keeping and Data Protection:** While you will be aware of your duty of confidentiality to the client you should also remember that complete confidentiality can never be guaranteed. There are circumstances where disclosure might have to be made, for example where the safety of a child is at risk. Be sure that your client understands the ultimate limits of the confidentiality and also your policy on record keeping and get their consent (you will usually do this at the contracting stage or have it written into your terms and conditions). **TIP:** If you keep notes on the content of therapy sessions as well as factual information such as dates and times of sessions, be careful to separate fact from opinion and remember that your client is entitled under Data Protection laws to have access to information kept about them, including process notes. Keep all of your records in a secure manner. Also remember that if you store any data electronically you need to register as a data controller with the Information Commissioners Office www.ico.gov
11. **Working from Home:** If you intend to work at or from home, you should be aware that the part of your home used as an 'office or consulting room' may be liable to business rates whilst the remainder of the property will continue to be liable to council tax. For further information contact the Valuation Officer responsible for your area. Details can be found under the 'where to find us' pages on the Valuation Office website www.vo.gov.uk If you live in a flat, or other leasehold property, you should check that the terms of the lease do not prohibit running a business from home. You should also check with your home insurers to ensure that your policy cover is not invalidated if your home is also used for business particularly if you are seeing clients there (see Insurance, below).
12. **Insurance:** It is most important that you have good Professional Liability Insurance (such as that provided by Howden Professionals www.howdenpro.com) This will help you if you find yourself in a situation where a client is unhappy and making allegations that your therapy has caused them harm, if you are faced with a complaint made to your professional body or other regulator, or even if someone is injured on their way into or out of your premises and in many other situations where a liability arises from your professional activities.

If you work from home you will need to inform your household insurers, particularly if you see clients at home. While it is not necessary for your home insurers to provide cover for your liability for injury to business visitors/clients (most don't and that cover should be provided by your Professional Liability insurance), your insurers may be concerned at the risk of loss of or damage to your home and its contents caused by your business visitors and they may apply restrictions, particularly in respect of thefts from your home which do not involve forcible entry. If you do not tell them you have business visitors you could find that your policy is not valid.

If you work from premises other than your home you may need separate therapy room insurance to cover loss of or damage to the contents, remember to include equipment you take to and from the office. If you have any employees (even a part-time bookkeeper but not self-employed contractors) then the law requires you to have Employer's Liability Insurance. This can either be arranged as part of an office/therapy room contents policy or as a stand alone policy alongside your Professional Liability insurance.

Remember: if you manage the risks well they will not manage you!