

PRIVATE PHYSIOTHERAPY PRACTICE - THE ESSENTIAL GUIDE

Introduction

This eResource is an essential guide to working independently. It sets out what you need to know to negotiate the field of private practice, firstly by working through the various ways of moving into private work and the aspects relating to your professionalism. Then, how to professionally set up your service or business. The aim is to support you in making a success of your private practice work.

FEBRUARY 2021



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What we cover in this resource



This resource covers the essential aspects of professionalism and business practice needed for successful private physiotherapy practice in the UK. It is not exhaustive – we also advise that you take appropriate financial, insurance and legal advice. It is relevant to any physiotherapist or groups of physiotherapists, whether setting up in private practice or taking up private work in any other capacity.

It may also be useful to those developing or redesigning a private practice. It is suitable for both non-members of Physio First and existing members. The decision to set up in private practice requires your commitment to deliver a first-rate service of the highest possible professional standards.

This resource will help you in planning and preparing so that you can successfully enter the world of private practice. The resource is co-produced by the Chartered Society of Physiotherapy and Physio First.



The Chartered Society of Physiotherapy (CSP) is the professional, educational and trade union body for the UK's 57,000 chartered physiotherapists, physiotherapy students and support workers:

www.csp.org.uk



Physio First is the trade association for chartered physiotherapists in private practice and a dynamic professional network of the Chartered Society of Physiotherapy. We have almost 3,000 members across the whole of the UK:

www.physiofirst.org.uk

Are you moving into private practice?



The definition of private practice:

Any physiotherapist who works for themselves, i.e. is self-employed, or who is employed within a private practice or private hospital setting, is working privately.

This is irrespective of scale – for instance, whether you see the occasional private client, provide a clinic or class in addition to your employed role, or work for yourself full time. You could join an existing private practice as a self-employed director, partner, associate physiotherapist, or as a support worker or healthcare support worker who undertakes some delegated physiotherapy tasks.

Personal aptitude

For the physiotherapist used to being employed, private practice is very different to working within a large organisation like the NHS.

Working independently can mean working alone without colleagues or a multi-disciplinary team around you. This brings certain freedoms, but also responsibility, as you take on aspects of practice previously provided by an employer. It's important to be professional, confident and approachable.

Moving into private practice

Many UK physiotherapists now combine working in both the public and private sectors, for example, augmenting their 'day job' income, developing an area of interest in their own time, right through to tendering as a private physiotherapy company for an NHS contract. Support workers may also be self-employed. The CSP does not recommend that you enter private practice immediately following graduation as a physiotherapist.

We recommend that all new graduates undertake a period to consolidate your learning across a range of specialties in a structured environment, which offers continual learning and clinical supervision by experienced physiotherapists.

Ways into private practice

Any physiotherapist may accept private business from people referring themselves to you. Referrals may come from other professionals such as a GP, consultant doctor, physiotherapist or other healthcare professional; a healthcare intermediary company, legal firm (medico legal work), insurance company or private organisation or company on behalf of their employees.

Routes into private practice include the following:

Become a sole trader

A sole trader is a physiotherapist who sets up and owns their own business. They may decide to employ other people, but they are the only owner. A sole trader has unlimited liability. As a sole trader, your business is owned entirely by you, and its growth and functioning are determined by you.

Become an associate physiotherapist

The term associate physiotherapist usually applies to a self-employed chartered physiotherapist who contracts with one or more practice principals (private practice owners) to treat patients at their premises, in return for an hourly rate of pay or a set percentage of the treatment fee. Working as an associate physiotherapist in an established practice can provide a good introduction to the running of a private practice. Practice principals sometimes advertise associate vacancies in Physio First's journal In Touch, in the CSP magazine Frontline, on the Physio First members' LinkedIn forum and on various job opportunity websites.

Start a partnership

Before entering into a partnership, it is advisable to work with the proposed colleague for a period of time so that you can both establish whether you can work together. It is also essential that you engage a solicitor and/or an accountant to draw up a partnership agreement.

Set up a limited company

Some private practitioners, including practitioners who work alone, run their practice as a limited company. This can have some business advantages, but we advise that you take advice from a qualified accountant about this before setting this up. A Limited Company will also require its own professional liability insurance to protect the business from being open to legal action.

You can click [here](#) to view a FAQ from Physio First which explains the difference in insurance requirements for trading as a limited company, partnership and sole trader.

Take employment in a private hospital

It is sometimes possible to be offered work in a private hospital. Unlike other forms of employed work, this can involve negotiation between you as the physiotherapist or support worker and the management of the private hospital with regard to your contracted remuneration, working hours, holidays, pensions and insurance. Advice on these factors is available from the Employee Relations and Union Services at the CSP [here](#).

Buy an existing practice or start a new practice

Purchasing an existing practice could be the start of your journey into private physiotherapy or a way of developing and redesigning your existing business. Whether you have experience of private practice or not, it will be necessary to undertake a very careful assessment of what it is you are proposing to buy. We advise that you arrange a consultation with a solicitor, an accountant and/or bank manager before entering into any binding agreement. Practices for sale are advertised in the CSP's Frontline and in Physio First's journal, In Touch.

Comparison of employed and self-employed terms and conditions:

NHS employed	Employed in private practice	Self-employed, private practice
National salary scales with defined pay bands	Potential for variable and uncertain income, dependent on employment contract	Variable and/or uncertain income, but not limited
National insurance and income tax deducted from pay (PAYE scheme)	National insurance and income tax likely to be deducted from pay	Submit annual tax return. Solely responsible for tax and national insurance
Pension scheme	Pension scheme provided to eligible staff by employer	Allocate and provide own pension
Paid holiday	Will vary depending on contractual agreement	Unpaid holiday. May need to also pay and arrange for a locum
Paid sick leave	Will vary depending on contractual agreement	Unpaid sick leave. Must arrange for cover for patients
NHS indemnity cover	Employer responsible for employee's negligence	Accountable for own negligence

In whatever capacity you work in private practice, your employment status and terms and conditions must be made clear by your contract.

Understanding physiotherapy practice: Cornerstones of physiotherapy practice

It is important that you understand the legal, regulatory and professional frameworks that guide the safe management of patients, the safety of the wider public, and everyone who works in the practice environment for which you are responsible.

We can think about these frameworks under four headings;

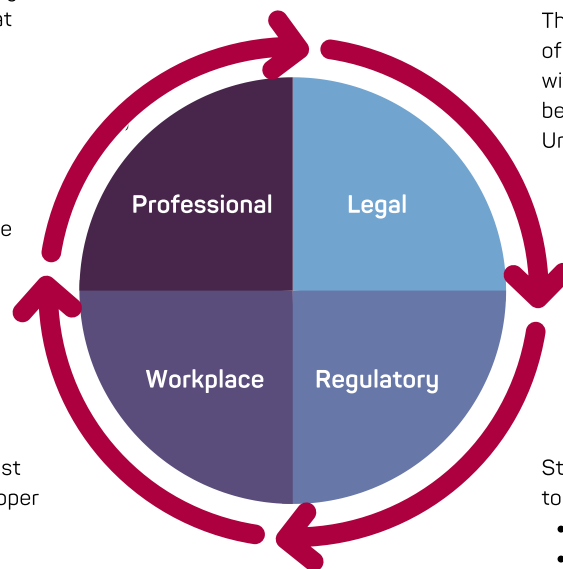
- Legal
- Regulatory
- Workplace
- Professional

A professional body defines the body of knowledge and skills relevant to that profession, for example through:

- Royal charter
- Quality assurance standards
- Code of behaviour and values
- Expectations of practice
- Information papers and guidance

The designated owner/manager must ensure the workplace is a fit and proper place to provide for its activities.

Employees/contractors may have their own obligations in how they deliver services.



The law sets out the boundaries of what must, or must not be done within society. It may vary between the four countries of the United Kingdom.

Statutory regulators have powers to enforce the law, for example:

- HCPC (individual practice)
- CQC (health organisations)
- ICO (information and data)
- ASA (advertising)
- Others

Legal

The law of the land overarches everything we do, so you always start considering the frameworks at the legal quadrant and reflect on the underpinning legislation for the 'thing' you are considering. The law sets the boundaries for what can and cannot be done within society.

Regulatory

The HCPC considers the national legal, regulatory and policy landscape and publishes guidance accordingly. Regulators have powers to impose fines or penalties or restrict your ability to practice. Regulation and its associated framework are borne out of the legal framework for a country. It develops a more specialist focus on controlling particular parts of the law. The HCPC controls who can practise with a given protected title, and what standards that person must uphold to remain registered. This is why it is fundamentally important to know and apply HCPC requirements.

Workplace

The workplace framework considers legal and regulatory obligations, and develops guidance, advice and rules which are set out in contracts, job descriptions, policies and procedures and such like.

Professional

The CSP as an integrated trade union, professional and educational body, considers the law and regulatory requirements and interprets the impact of these for the profession in a range of advice, guidance and other services. At times the CSP will lobby and influence the development of law or secondary legislation and regulation based on its knowledge of the profession.

The CSP's advice and guidance is designed to:

- Apply the law and regulatory requirements to specific physiotherapy scenarios to enable members to understand their responsibilities.
- Where there is a range of ways to apply the law or regulatory requirements, the CSP will set out a framework to support individuals and organisations to reach appropriate decisions for their circumstances.

Regulatory and professional requirements



Regulation: The Health and Care Professions Council

'Physiotherapist' and 'physical therapist' are protected titles, regulated by the [Health and Care Professions Council \(HCPC\)](#). To work as a physiotherapist in the UK, you must be registered with the HCPC and comply with the HCPC Standards.

Your HCPC registration provides evidence to external bodies of you being appropriately regulated. For instance, in terms of local authority licensing for private practices and during commissioning processes.

Insurance

Registered physiotherapists are required to have appropriate indemnity for their work see www.hcpc-uk.co.uk.

Professional Liability Insurance (PLI) is provided for eligible members of the Chartered Society of Physiotherapy (CSP) subject to policy terms and conditions, to cover your individual work. However, if you deliver services through a limited company/partnership, employ people and/or are involved in activities outside the scope of physiotherapy practice, you may require additional insurance.

Regulatory and professional requirements

The extent of insurance required by any private practitioner will depend upon a number of factors and individual circumstances. It is essential that you are properly covered. You are responsible for establishing the [right level of insurance cover](#).

The CSP advises that, in the first instance, you take advice from the [CSP Insurance Broker](#), or another specialist broker regulated by the Financial Conduct Authority. The CSP produces information and [guidance papers](#) on the current PLI insurance scheme, together with various optional insurance covers. This is essential reading for those in, or considering, private practice.

Support workers can take out [Associate Member](#) CSP Membership, which includes PLI cover, which provides cover for them to carry out tasks delegated by a registered health and social care professional.

Data: The Information Commissioner's Office (ICO)

Most self-employed physiotherapists must be registered with the [ICO](#) as they hold and process sensitive data in the form of the patient record, or patient notes. You can check whether you need to do so, using the [ICO'S quick self-assessment test](#).

The General Data Protection Regulation (GDPR) has recently changed some requirements relating to data. As an independent practitioner, it is important you understand these [regulations](#).

Members should consider publishing a privacy notice informing patients how they treat personal information.

Quality: The Care Quality Commission (England), Healthcare Inspectorate Wales, Care Inspectorate (Scotland), Regulation and Quality Improvement Authority (Northern Ireland)

Within the NHS, physiotherapy services are subject to health and care quality regulation as part of the larger organisation's responsibility. Most self-employed physiotherapists and small physiotherapy practices do not currently need to register with the Care Quality Commission and the respective devolved countries equivalent organisations.

This is currently accepted practice because physiotherapists are HCPC regulated. However, if your practice includes other health professionals, who do have to be registered, such as doctors and nurses, or if you have any formal business partnership with them, you may need to register.

In addition, some activities are subject to regulation, and it is possible that some private physiotherapy businesses could be included. For instance, if your service removes tissues, cells or fluid from the body – most likely in the form of taking bloods or using specialised equipment to monitor certain physiological functions.

These practices should contact their respective country's health and social care regulatory organisation for quality, to determine their requirements:

England: www.cqc.org.uk

Scotland: www.gov.scot/Topics/Health/Support-Social-Care/Care-Inspectorate

Wales: www.hiw.org.uk

Northern Ireland: www.rqia.org.uk

The Medicines and Healthcare Products Regulatory Authority (MHRA)

The MHRA is a useful source of information, and you can sign up for email alerts [here](#).

Local authority requirements

Some local authorities require physiotherapists to comply with rules on any changes to premises, fire regulations, parking, etc. New premises must be set up in line with the **Equality Act** and the **Disability Discrimination Act** and the processes for dealing with clinical waste, such as acupuncture sharps.

The Health and Safety at Work Act

The 1974 Act with subsequent additions extended the scope of health and safety legislation to cover all persons at work as well as the general public who may be affected by work activities. As such, a physiotherapist who runs a private practice will be affected by the Act. The regulations are very extensive, and it is advisable to check with your local office of the Health and Safety at Work Executive with regard to responsibilities under the law.

[The Health and Safety Executive](#) provides statutory information on aspects of employment: as well as being a useful source of workplace statistics.



DBS checks

Some commercial intermediaries and other settings require practitioners to have a Data Disclosure & Barring check (previously CRB check).

DBS checks are designed to be conducted through an employer. This is because the check itself may contain unspent convictions that an employer or umbrella body would wish to know about in order to ascertain the suitability of a person to work in a sector where they deal with vulnerable people as in the case of physiotherapy.

An individual cannot carry out a full check on themselves. A self-employed person can get a DBS check in a couple of different ways. You can get a quick check level certificate by applying for it yourself and this will provide full details of any unspent convictions, which you will then need to share with a purchaser of your services.

However, if a self-employed person needs a DBS certificate at the Standard or Enhanced level, for example to be able to work with major insurers, commercial intermediaries or in schools or care homes, they must get an organisation that they work with (or might be working with) to apply for it on their behalf. You might also be a member of a professional body or umbrella organisation that can help.



The CSP cannot work as this umbrella organisation for private practitioners but Physio First does operate a full system that can manage this process for you (more information can be found [here](#)).

Understanding clinical governance

Clinical governance is the system through which organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which clinical excellence will flourish.

The CSP has developed [Quality Assurance Standards](#) (QA standards) to support members to promote and assure quality in clinical practice and ensure the delivery of high quality of physiotherapy services. The QA Standards provide statements of expected levels for service delivery and are set at a level which is reasonable and achievable by a CSP member, or physiotherapy service in the UK.

The QA Standards can be used as a framework for quality assurance in your service. This will provide one method through which actions can be identified for service improvement, and will support members in complying with the legal, moral and ethical obligations placed on them when practising physiotherapy in the UK. Use of the [QA audit tool](#) will provide evidence that physiotherapy service delivery is of a standard quality; and will provide useful information as part of a cyclical quality assurance process.

There are many other CSP documents that facilitate the delivery of high quality, evidence-based physiotherapy practice. These include:

- An explanation, definition and overview of [evidence-based practice](#) and its importance to the profession
- A range of [professional guidance](#) papers which will ensure your policies and procedures are of required standard
- [Clinical briefings](#) which give an overview on the latest evidence in specific areas of physiotherapy
- Key evidence from the NIHR for musculoskeletal physiotherapy; [Moving Forward](#)
- Information on [National Evidence Based Guidance](#) such as NICE and SIGN
- [CSP standards for hip fracture rehabilitation](#)

Policies and procedures

Standard Operating Procedures (SOPs) are a way of clearly defining exactly how you will perform a defined process or procedure to ensure consistency and standardisation. This ensures that processes, which need to be completed, are done in the same way every time. They are simply a step-by-step instruction describing exactly how you will carry out routine operations. They should be concise and specific.

There are many procedures that may or may not apply to your clinic depending upon its size, the number of staff and the way you choose to set up your business.

When you are a self-employed physiotherapist, you are responsible for taking on aspects of practice previously provided by the NHS or your private employer. This includes ensuring that you address aspects such as quality and safety that help sustain and improve high standards of patient care. As a self-employed physiotherapist, this may seem like a rather daunting task. However, SOPs need not be complex, but simply, a description of what will be done to ensure clarity, consistency and quality.

Procedures pertaining to the delivery of physiotherapy could include the following, although this list is not exclusive. You may require all or some of these:

- The patient journey through the practice which supports the management of expectations
- Financial arrangements e.g. credit card payments etc.
- Appointment confirmation, reminders and cancellation charges
- Auditing to include the introduction of PROMs and data collection
- Health and safety policies, to include manual handling COSHH and sharps
- Fire evacuation
- Cleaning regimes
- Lone working or chaperone policies
- Risk assessments for clinic working
- Risk assessments for domiciliary working
- Incident and complaints procedures
- Storage of patient records and GDPR

Download a
template of an
accident report
form here

Examples of standard operating procedures

Infection control

You need to consider aspects such as:

- How you will clean and maintain your clinic area
- How you will procure appropriate cleaning and PPE products
- When and with whom you will use PPE (post Covid)
- How you will dispose of clinical waste



Download the
infection control
policy [here](#)

Risk assessment

A risk assessment enables you to demonstrate that you have recognised and addressed any risks in your working environment. You should document this and demonstrate the steps you will take to mitigate risks. Ensure your documentation shows the measures you have taken to mitigate the potential risks to your patients, yourself, and your colleagues. Have a look at the HSE's risk assessment [template](#).

To download the health & safety risk assessment, please click [here](#).

Audit

You should also consider how you are able to demonstrate the quality and effectiveness of your practice. For all chartered physiotherapists, there is a requirement from the HCPC, for your continued professional registration, to collect data and measure outcomes. Again, this does not need to be complicated or laborious, but it will help you make improvements to the service you offer and show that you are striving to maintain and improve the quality of patient experience and outcomes.

You will find more information about service improvement methodologies [here](#). You may choose to ask patients for feedback on how you could improve your service and audit the outcome of your intervention. You can find more information [here](#).

If you chose to join Physio First, you will be able to take part in the Data for Impact scheme and can become a Quality Assured Practitioner, Quality Assured Clinic or both. This will involve collecting data on every patient: in return you will receive 3 individualised reports a year to benchmark yourself against a national average, and have your data analysed by a third party (University of Brighton).



Members of Physio First have the opportunity to be awarded Quality Assured Practitioner status, or Quality Assured Clinic status, a quality kite mark for participants of Data for Impact that meet the standards. See [appendix 1](#) for further details on the scheme.

Business planning

Before starting in private practice, it is important to develop a business plan. It makes good business sense to have other policies in place. Your plan should include:

- Business planning
- GDPR compliance
- Financial planning rent agreements, rates agreement, loans etc
- Insurance to include critical illness and business interruption
- Staff recruitment
- Disciplinary procedures
- Contract templates for self-employed associates
- Use of locums etc.
- Practice management software/electronic health records

Other examples of significant SOPs would be:

- [Business continuity plan](#)
- [Equality & diversity policy](#) - *this is currently being reviewed and updated*

Most people running a business in trade or industry go through some form of training in business management. Physio First has a strategic commercial partnership with Painless Practice who offer members a series of training courses that help you develop your business plan. Click [here](#) for more details.



Setting up your practice



You've now explored how you'll enter private practice. You'll also need a good awareness of your professional responsibilities. What else do you need to consider when setting up your new venture?

Check your existing contract

If you are already in a contract, with the NHS or another organisation, check there is no clause that prevents you from setting up your own business in the same geographical area.

Know your locality

Does your local area already have a private physiotherapy practice? If so, it is essential to understand whether it will sustain another. Competition is healthy and while there is no bar on setting up a practice near another private practitioner, it can be very helpful to avoid any perceived or actual encroachment.

Communication with other professionals in the vicinity at the outset can often open opportunities. It's also useful to do your research. What other businesses, social service and NHS provision, residential homes, and sports facilities are in the area? Do you understand the age, wealth and density of the population in your chosen location? What are the population needs? This level of understanding will determine the type of clinical work available. It is helpful to be aware of the demographic of your chosen area. Physio First members can find out more about their area by contacting their Physio First community representative.

What are your start-up and running costs?

These fall into two main categories:

1. Capital expenditure

Usually this is money spent on assets intended for use on a continuing basis in the practice activities, for example:

- Major equipment purchases
- Car
- Leasehold or freehold premises

You should also allow for the reduction in value of items such as equipment, car and leaseholds (depreciation) which will have to be replaced out of income or further capital injections, and that freehold premises have to be maintained.

2. Running costs (daily practice expenses) which may vary and depend on the size of the practice premises, numbers of staff, etc.

You will also need to consider how you intend to fund:

- Fixed costs, e.g. rent, utilities and broadband
- Consumable supplies such as couch roll, tape and acupuncture needles
- Admin, legal, financial and IT support
- Council regulations, e.g. change of use, licences (for acupuncture), waste disposal e.g. sharps, etc
- Practice and/or building insurance
- Public liability, professional indemnity insurance



Where will you operate? The structure of your premises

Your premises should enhance your professional image. There should be sufficient space to allow the practice to run efficiently and preferably allow for possible expansion. Planning permission may be required for a change of use to any building, and you will need to register with your local council if you are providing acupuncture, injection therapy, etc as part of your scope of practice.

Accessibility

Think carefully about accessibility when choosing your premises. Patients requiring treatment may have disabilities, and therefore consideration must be given to:

- Regular public transport serving the area
- Parking facilities in the immediate vicinity
- Stairs and steps with rails (ramps may be required for wheelchairs)
- Access through doorways
- Access to toilet facilities
- Adequate fire exits

For more information, you can review the [Equality Act 2010](#) which sets out the responsibilities and requirements of the business owner with regard to accessibility.

Security of tenure

This is a legal phrase that is used to describe one's right to occupy the space. It is an important consideration that can be overlooked. One common example is where a private clinic is established in a GP surgery or leisure centre and agreed on the strength of a handshake or an exchange of letter or email.

The right that the physiotherapist has to occupy the room (or rooms) designated to them may emerge as a 'licence to occupy' which is the lowest form of security of tenure available. It offers little or no protection against eviction. In this example, where ownership or the priorities of the owner changes, the practitioner may find themselves evicted with no right of redress, even after years of running a clinic from that location.

Security of tenure is also a powerful consideration for anyone contemplating purchasing a clinic. Additionally, a business address is a valuable element of goodwill when it comes to selling a practice. A practice based at home is much more difficult to sell.

Planning permission

Premises can be rented, leased or purchased. If setting up in practice involves a material change in use of the premises, or requires structural alterations then planning permission must be sought under the Town and Country Planning Act 1976. Physiotherapy practice premises are usually listed under 'surgery premises' and can require as many as three car parking spaces per treatment room under planning guidelines.

Professional doorplates and signage may require the landlord's or the council's permission. Where the property is leasehold or rented, tenants' improvements may revert to the landlord, or the building may need to be returned to the original state if altered. So, before starting up in practice you should contact your local council planning office. Also, a local fire officer should be invited to inspect the premises and advise on the necessary fire precautions.

Domiciliary service

You may decide that a domiciliary service, where you visit patients in their own home, is more suited to the type of practice you wish to run. There are some important considerations to bear in mind. Travel time and car depreciation expenses need to be built in to your treatment fees, and you may be working alone so should be aware of personal safety issues. Additionally, portability of any equipment and the ergonomic stresses of adapting to a patient's home situation may be onerous on your personal health. You are advised to put in place risk assessments to help you with these potential issues.

Purchasing your equipment

There are some basic requirements in equipping a private practice:

Medical equipment: Equipment can be bought, acquired on hire purchase, or leased. Some of the larger equipment manufacturers may be willing to let prospective purchasers try out new items on a short trial basis. This is particularly useful when contemplating one of the more expensive items of equipment. Equipment need not be new, but care must be taken to ensure that any second-hand or reconditioned equipment is electrically sound and in good mechanical order with a full-service history. Equipment for sale can be found in the classified ads in the Frontline (CSP) and In Touch (Physio First) journals.

Non-medical equipment: Treatment rooms and patient areas should give an immediate impression that is both professional and functional.

Consumables: Consider where you will store bulk items – such as paper rolls, tape, etc.

Clothing/uniform: What you wear is a personal choice, but it must look professional and be hygienic.

General maintenance: All equipment must be maintained in good working order by having a regular maintenance and service agreement. It is essential to have a recognised service engineer to check equipment and treatment rooms before starting a practice. The need for efficiently functioning equipment is obvious, but it is also important in relation to the patient's safety and your liability under the Health and Safety at Work Act, the requirements of which must be fulfilled at all times, e.g. fire precautions, non-slip flooring, etc.

Physio First members can access exclusive discounts on services and equipment from strategic commercial partners. To see a full list of Physio First's commercial partners click [here](#).

Finance

Raising finance: setting up a private practice involves a capital outlay to cover the costs of acquiring the premises, equipment, accessories, a car, office furniture, etc. The expenditure will vary according to individual circumstances; there are several sources of finance to cover this initial outlay:



1. Savings - your personal money can be invested in the business

2. Bank loan or current account facility - The actual interest rate charged is usually governed by the current Bank of England base rate, which can vary considerably. When rates are high it can throw a strain on your ability to keep within the agreed borrowing facility. The financial stability and standing of your practice may also materially affect the interest rate payable.

3. Finance companies - Most finance companies offer a variety of schemes for obtaining equipment. Often a small initial deposit is required, the balance being repayable over three to five years. Due to the variety of schemes available for purchase or leasing, it is advisable to consult an accountant.

In addition to the initial outlay, you will have regular day-to-day expenditure as part of the business. Although this is normally met from income, there will be shortfalls from time-to-time and almost certainly during the period of first starting up the practice until your appointments diary is full. To overcome this difficulty, you should consider arranging an overdraft facility with your bank. You will need a well-prepared cashflow forecast showing a month-by-month breakdown of your estimated income and expenditure to negotiate this service.

Creating a budget

Having established your financial commitments, the next step is to produce budgets to cover both capital and revenue costs. A business plan is an essential tool to all self-employed professionals. It will also give the bank confidence that you are a serious business owner. The bank will certainly want to see these if you seek to borrow money; it will also demonstrate the potential viability of your practice.

Capital budget

First, you should list the cost of your capital outlay: premises, fittings, equipment, etc. This will show whether you can cover these costs yourself or whether you need to borrow.

Annual budget

Secondly, list your expected annual expenditure, as shown in the business plan, basing your assumption of income on what you are likely, rather than what you hope to receive. Bear in mind the delay involved in being paid for work undertaken when dealing with Private Medical Insurers (PMIs) or commercial intermediaries, as this will affect your cashflow.

Setting your treatment fee

This is down to the individual physiotherapist and is something of an art but given that it is the basis for your annual income, it is very important to consider. The CSP does not set business fees. The judgement comes from not charging too much to price yourself out of the market or charging too little to undervalue your service.

Consider:

- What do your competitors charge?
- How many appointments a day are you planning to do?
- What is your break-even point before tax and after tax?
- You might consider not printing your fees in your publicity material until you have proved its adequacy. However, you must make patients aware of your fee structure before you commence treatment.



Insurance costs

Professional liability insurance

Payment of the full annual subscription to the CSP automatically provides cover for professional liability, i.e. in cases where a patient receives injury arising from, or during treatment. See the full section on Insurance, on page 11.

Public liability insurance

Cover for patients is included in the CSP annual policy. You are advised to take advice from a professional insurance broker for any required top up. Cover for non-patients should be arranged by the individual practitioner, usually as an extension to the buildings policy, or as part of a package of surgeries cover.

If you are looking for advice or quotes on insurance, we recommend contacting James Hallam (previously Graybrook Hallam), the CSP insurance broker, directly [here](#).

Insurance of contents and professional premises

If your premises are part of your home, cover can be obtained under your usual householder's policy. However, the insurance company must be informed that part of your house is used for commercial purposes, and that a certain part of your house will have to be accessible to the public. If domiciliary visits are to be undertaken it is necessary to negotiate additional cover for items of equipment such as ultrasound, portable plinths, etc which will be removed from the insured premises and be at risk in transit, as well as at third party locations.

Motor insurance

It is advisable to check with insurers and licensing authorities that both insurance and licences are adequate for business use.

Personal health insurance

As your income as a private practitioner is dependent on continued good health it is only prudent to consider some form of personal accident and sickness insurance, and possibly critical illness cover. Ask your insurance broker for details of various schemes and a personal quotation. The cost of such precautions should be built into your cash flow projections.



Managing your accounts

Due to the various taxation and accounting complications, we advise that you consult a chartered or certified accountant, and an independent financial advisor before setting up in private practice.

Pension

Physiotherapists in private practice should take out an individual pension plan. You may allocate part of your earnings for retirement annuities or death benefit and obtain tax relief on that provision. Your insurance adviser will be able to suggest the most competitive and attractive contract. You might want to consider flexibility in the plans to reflect fluctuations in income.

Taxation

The private practitioner should register as self-employed or employed via your limited company with HMRC and be liable for tax through the self-assessment system if fully self-employed, partly self-employed, or if a portion of work is carried out in the employment of an outside body, e.g. the NHS. A limited company could be subject to Corporation Tax also.

Taxation calculations

Taxation income is assessed on annual profits and payments made annually by 31 January on income earned in the previous tax year. Expenses incurred wholly and exclusively for the purposes of the practitioner's profession can be set against profits. Such expenses may include:

- Premises including heat, light, council tax
- Laundry and cleaning
- Car and travelling expenses
- General administrative costs such as postage, phone and computer costs, stationery, practice consumables
- Staff costs and expenses, e.g. secretarial
- Professional charges – accountant and solicitors
- Professional subscriptions
- Cost of post-registration courses
- Medical journals, books, etc
- Hire purchase of equipment
- Repairs and renewals of equipment
- Advertising
- Insurance
- Capital items, fixtures, fittings

Professional advice on personal taxation, timing of the accounts year, etc. is essential to ensure proper advantage is taken of the permissible benefits under the tax laws.

National Insurance

If a person is working entirely in private practice, then there is a liability to pay Class 2 and 4 contributions. These contributions allow you to claim benefits such as sickness benefit. Class 4 contributions are effectively an extra tax on any profits between certain limits and are also paid through self-assessment. If you work for an employer, e.g. the NHS, then the remuneration you receive would be subject to Class 1 contributions. If you work both as a self-employed practitioner and as an employee or are a limited company then advice should be obtained from a chartered or certified accountant to avoid overpayments.

Information on current rates for personal allowances, tax and national insurance rates can be found [here](#).

VAT

The supply of professional services by a registered physiotherapist is zero rated for VAT. This means that there is no requirement to register for and charge VAT to patients, even though the turnover of your practice may exceed the registration limit. Equally, you are not able to recover VAT charged on items of expense connected with your practice. This must be taken into account when developing your business plan.

Employing staff

Where a physiotherapist in private practice employs staff, income tax and national insurance contributions will have to be deducted under PAYE arrangements (your accountant will advise you). Members could join the Federation of Small Businesses (FSB) whose advice on the obligations on employers for such matters as unfair dismissal, redundancy pay, trade union membership, contracts of employment, etc is invaluable. Click [here](#) for further information.

Holidays and sickness

It is advisable to arrange locum cover when holidays or sickness causes absence from the practice. This minimises inconvenience to patients and helps maintain continuity of treatment. Extra provision should be made to extend existing insurance arrangements to cover a locum. Locum agencies advertise in the CSP's magazine, Frontline. Arrangements with colleagues who are local to you can also offer flexibility and cover. Care needs to be taken to ensure that any locum is recognised by the various private medical insurers.

Attracting and supporting your patients

How will you acquire new patients and keep your existing patients engaged with you?

Create a marketing plan

Creating a marketing plan will allow you to work out a clear way of reaching your market and identifying what you offer, what makes you different and why patients should choose you. It will allow you to understand the kinds of patients you are targeting, define your brand, get your message right and create a plan you can follow.

Painless Practice offers a range of marketing seminars that help you to promote your practice and acquire and keep new patients.

Physio First members are able to access the seminars at a discounted price. To find out more click [here](#).



Sources of patients

As autonomous practitioners, physiotherapists can accept patients without a referral, i.e. patients can self-refer for treatment.

Where do physiotherapy patients come from?



- GPs, consultants
- Word of mouth
- Health insurers, e.g. BUPA
- Medico legal/commercial intermediaries
- Other professionals – dentists, podiatrists/chiropractors, chiropractors/osteopaths, yoga/Pilates teachers etc
- Business groups
- Contacts, social media and your marketing activity

If you become a member of Physio First and contribute to their Practice Profiling Survey, you will have access to a lot of information that will really help in this area. Comparing your own practice to those of other physiotherapists helps with many aspects of business planning and development.

Online advertising

CSP-registered physiotherapists can be located through the CSP directory Physio2U, on the CSP homepage:

www.csp.org.uk and members of Physio First are automatically listed on the Physio First [Find a Physio directory](#). These services enable members of the public and other health professionals to locate a physiotherapist with a particular clinical speciality in their area.



Private medical insurers

Who are the private medical insurers (PMIs), and how do they impact on your business?

- BUPA
- AXA PPP
- Vitality
- Nuffield

The PMI will normally have a direct contract with their client (the patient) who has chosen to purchase health insurance from them (or who has had it purchased for them). To receive a patient referral from a PMI you will be required to be registered with them and sign up to their terms and conditions. Patients with PMI cover will be required only to attend the practice indicated by their particular company. As with most other insurances, there may be an excess figure that is not covered by the policy and which the patient is required to pay to you themselves. The number of treatments provided may also be subject to restriction. Most insurers request online billing. Some PMIs require physiotherapists to have a minimum of three or five years post-qualifying experience before they will accept them onto their provider lists.

We have created a e-resource which draws heavily from the pragmatic experiences of self-employed Chartered physios who work with PMIs. It tries to shine a light on how this type of work represents both opportunities and challenges.

This interactive e-resource is designed to help address some fundamental questions about working with private medical insurers (PMIs), and explains why Physio First or the CSP cannot intervene on members' behalf. For full information, please see [appendix 2](#).

Commercial intermediaries

A commercial intermediary is a broker that often acts as a third party between the patient and the PMI and puts patients in touch with a practice registered with them for patient referrals. Companies currently offering this service include IPRS, Speed Medical, PhysioMed and Nuffield Fusion. The terms offered by these companies usually restrict the number of treatment sessions included and the fee reimbursed to the physiotherapist. Payment terms can be longer, and the admin required can be onerous. You should consider the potential effect on your cashflow if you bid for this type of business.

Health care professional referrals

If your patient has been referred to you by another health professional, you should liaise with the original referrer as appropriate. ([See CSP concurrent and subsequent treatment paper](#)).

Overview of what CSP and Physio First offer to independent practitioners



	CSP	Physio First
<u>Professional support</u>		
Professional advice e.g. advice line	✓	✓
Research evidence e.g. briefings and guidance	✓	
Clinical information/updates	✓	✓
Peer-reviewed journal	✓	✓ (Not peer reviewed)
Leadership training	✓	
PLI	✓	
Member communication channels	ICSP/mentorship / SoMe / VLE / corporate support	Website / Member online forum / SoMe / Bulletins / Journal
<u>Governance support</u>		
Templates for policies and procedures	✓	✓
General guidance on writing all P&P	✓	✓
<u>Business support</u>		
Commercial decision making e.g. supplies		✓
HR guidance		✓
Health & safety guidance		✓
Business support training		✓
Financial advice e.g. budget setting		✓
<u>Legal support</u>		
Personal injury advice - free session for each member	✓	
Legal disputes / debt recovery		✓
Contract Law		✓
Premises issues		✓
<u>Workplace support</u>		
HCPC fitness to practice	✓	
Workplace disciplinary issues (if employed)	✓	

The benefits of Physio First membership

Physio First membership will support you to:



Demonstrate quality through independent analysis of your patient outcome data



Continuously develop personally, professionally and commercially



Share and receive practical advice with a community of like-minded independent physiotherapists



Remain current with the most up-to-date marketplace information



Be part of a collective that shapes the independent physiotherapy marketplace



Access the support of trusted partner organisations

Become part of this community where all of the challenges of being in private practice are shared.

Representation

Physio First represents the interests of self-employed independent practitioners within the marketplace, identifying threats and then fighting (within the law) moves that would undermine members.

We look after the interests of independent practitioners in the cross-sector quality in private MSK working group. Physio First supports members through the provision of commercial and/or legal advice and provides the education and tools to tackle business problems themselves.

While the majority of members are MSK clinicians, this business and legal support is pertinent to independent practitioners in any specialty.

Education targeted at independent practice

Physio Firsts education programme helps members improve their patients' clinical outcomes within the self-employed independent practice setting. It does this through articles in its quarterly journal, In Touch, written by authors who understand this priority. It also produces other courses and webinars arranged regionally by a team of volunteer community representatives who are the touch points for members to form local and online communities.

Communication and peer-to-peer support

Physio First has a trusted, private member-only forum where all independent practice issues are shared and solved in an open and transparent way. Its office team at Minerva House (Physio First head office) runs an enquiry line for independent-practice business and legal support that is backed up by their legally qualified strategic and business lead.

Physio First has regular facilitated chats to help guide people towards the setting up of a practice and where members and non-members can share their experiences, successes, and pitfalls.

What are the Physio First Quality Assurance schemes?

Physio First, in conjunction with the University of Brighton, have created robust ways of measuring the quality of private physiotherapy practice. They use an online standardised data collection system, alongside validated patient reported outcomes. Quality Assured Practitioner and Quality Assured Clinic status gives you, your patients and the general public peace of mind. Demonstrating that you are Physio First Quality Assured Practitioners promotes trust and gives confidence.



Quality Assured Practitioner (QAP)

A Physio First Quality Assured Practitioner (QAP) is a private physiotherapist who has demonstrated the quality of their treatment and patient outcomes. They are a member of Physio First who has input sufficient data through our Data for Impact collection tool. Their data meets the criteria defined by Physio First and the University of Brighton to become a QAP.



Quality Assured Clinic (QAC)

A Quality Assured Clinic (QAC) is a private physiotherapy practice that is achieving quality standards across the whole clinic. The Quality Assured Clinic's musculoskeletal (MSK) team are all Physio First members and are inputting sufficient patient outcome data using the Data for Impact (Dfi) tool. Both QACs and QAPs will have met the same baseline criteria defined by Physio First in collaboration with the University of Brighton and are collecting validated PROMs (Patient Recorded Outcome Measures).

The benefits of the QAC status are:

- Being able to demonstrate and promote your practice on the basis that all of your MSK physios are providing an evidence-based quality service
- Benchmarking your clinic's services nationally
- Learning how to improve your patient outcomes
- Understanding your patient demographics to allow for better target marketing
- Promote your MSK practice as a Quality Assured Clinic
- It costs nothing to take part, you just need to be a Physio First member or part time subscriber (more information on this is available [here](#))

Why do we need a quality scheme for private physiotherapy?

There is a wide variation in clinical care and outcomes in private physiotherapy and until now, no common benchmarks of quality. Patients and the healthcare marketplace demand authenticity and proof, while private physiotherapists wish to demonstrate the effectiveness of their treatment. We are now able to demonstrate the quality of treatment through the independent analyses of standardised data collection through our Data for Impact scheme that leads to Physio First QAP and QAC validation. See [appendix 1](#) for more information.

Quality Assured Practitioner (QAP) and Quality Assured Clinic (QAC) allow private physiotherapists and clinics to demonstrate the quality of their treatment.

Where can you find more information?



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