

ONE WAY TO EXPLORE YOUR FEE

(for therapists and similar)

A) How many hours do you want to give to your private practice each week? _____

B) How many weeks holiday do you wish to have each year? _____

C) How many weeks do you need to allow for health, family, other issues? _____
Look at previous years – in employment, study or homemaking – time needed for sickness, appointments, child sickness and family care issues for a guide. Err on the generous side as you could face more difficulties this year.

D) Consider that clients too may have such problems, and holidays which do not match with our time away, and there may also be gaps when we have empty slots _____

52 weeks in one year. Subtract B, C, and D as you have filled in above. Then you can experiment with what different hourly rates really mean.

REALITY CHECK

If I want to work 20 hours a week in private practice, then I need to halve (A) above. This is the number of hours I could reasonably expect to have available for client work.

The other half is what you can expect to spend working on your practice. It will include time on admin, note-keeping, phone calls/emails, book-keeping, CPD, learning about these things, shopping for resources, researching, supervision (inc travel time as that is in the body of your working day), preparation of room (finding a room even), marketing your practice, making contacts, asking questions of peers, attending meetings, and maybe a disproportionate travel time if you start out travelling to work for just one or two clients.

Therefore I can expect to have time for around 10 clients a week

EXAMPLE CALCULATION

If I allow for six weeks holiday (B) and another six weeks for other absences (C and D) that calculates down to an equivalent of 40 full weeks work, and is also easy to do sums with as an example :)

We can now experiment with working out what different hourly rates equate to.

If we look at a rate of £40 per face to face hour, and bear in mind that can cover an extra hour of other practice work, so 10 client hours brings in £16,000 per year to cover 20 hours weekly work.

Bear in mind that an employed person is often paid for EVERY hour of their work, including holidays, when their clients don't turn up, etc, so to make a comparison:

£16,000 divided by 52 weeks a year, divided again by 20 (the real hours on the job) and we are actually receiving a more comparable hourly rate of £15.38

Finally, consider your outgoings: CPD, supervisions, stationery, office rental (or use of home as an office), website, travel and from supervision/workshops and meetings, phone costs, marketing, insurance, national insurance, pension (yes, employed people get them, so should you).

These are deducted from your taxable income – when you earn enough to pay tax that is a benefit, but until that time it affects what goes into your pocket.