

VETS MARKET INVESTIGATION

Summary of roundtable discussion held in Swansea on 31 July 2024

Introduction

1. The following is a summary of points raised in a discussion with veterinary surgeons and other stakeholders in Wales. The discussion was held at the Mercure hotel in Swansea on 31 July 2024.
2. In advance of the roundtable discussion, the Chair of the Inquiry Group outlined the key stages in the investigation, the evidence we were collecting, the key issues under consideration and the categories of remedies that might be appropriate, should the Inquiry Group find one or more adverse effects on competition (AEC).
3. The roundtable discussion focused on the following issues:
 - Key challenges faced by independent vets
 - The costs faced by vet practices and the impact of rising costs
 - Veterinary medicines, including the cascade
 - The regulation of veterinary services, and how it might be improved
 - Contextualised care

The key challenges faced by independent vets

4. One attendee said that it was difficult to compete against the large corporate groups as an independently owned vet practice because the corporate groups have greater buying power and therefore lower costs. Another attendee stated that the large corporate groups offered higher salaries and greater additional benefits (such as maternity pay or paid holiday) to their employees. This contributor explained that it was expensive for independent vets to match these offers and that sometimes this made it difficult for them to recruit or

retain staff. One attendee said that there wasn't necessarily a better work-life balance when working for an independent vet practice.

5. One attendee indicated that independent vets might have a stronger connection to a local area than a practice owned by a large corporate group. One attendee stated that corporate vets should make their ownership clear to customers.

Costs of running a vet practice

6. Most attendees said that staff costs had been increasing and now represented a larger share of total costs than they used to, in part reflecting the staff shortages in the veterinary profession. One attendee told us that costs had risen generally and that, whilst they were trying to avoid it, they had needed to raise prices. One attendee said that clients with insurance were more insulated from price rises than those without, whereas some other clients had reduced the level of vet care they purchased.
7. One attendee said that vets sometimes felt underappreciated despite the service they offer – for example very swift test results, 24-hour care and a wide range of treatments. It was argued that pet owners did not always appreciate the costs involved in providing vet services, in part because human health care is available for free on the NHS.

Medicines and the cascade

8. Some attendees noted that they could only buy medicines from three wholesalers. There was a discussion about the cascade (which covers the rules governing when a human version of a medicine may be prescribed by a vet for a household pet). One attendee expressed frustration at the higher cost of medicines that are licenced for animals compared to the human medicine. Some attendees said that there were advantages to having a medicine which had been licenced for animals – for example that it could be withdrawn if animals had a bad reaction – and that there was value in knowing that it had been specifically tested on companion animals.

Regulation

9. The attendees discussed ways in which the RCVS might be reformed, for example having the ability to regulate veterinary practices rather than individuals, having the council membership decided by voting, and separating out the representation of vets from the regulation of vets.

10. There was a discussion as to whether, because vets were accountable to RCVS as individuals but the vet businesses were not, an employer could put pressure on vets to act in certain ways (eg to cut corners or do things outside their skill set) without recourse. Some attendees acknowledged that an employer would always be in a position of power over employees.

Contextualised care

11. The vets said that the idea of taking into account the circumstances of the animal and owner was not a new consideration, albeit the term 'contextualised care' was a recent discussion topic. One attendee stated that veterinary students were taught to offer the 'gold standard' care, but that this approach was inevitably adjusted once faced with real-life patients and clients. One attendee said that it was important to present clients with a clear recommendation, and not simply a range of options. One attendee said that it was important not to make assumptions about what the client would prefer.
12. One attendee said that the CMA needed to consider client responsibility as part of its investigation, including that some pet owners might buy an animal without considering how much it could cost to care for that pet, and without considering potential health issues associated with certain breeds. One attendee said that there was no body which took ownership for educating the public about veterinary care and pet ownership.

Appendix: List of organisations represented at the discussion

[✂
✂]