



## **CVS Response to CMA Issues Statement on the Market Investigation into veterinary services for household pets**

### **1 Introduction**

CVS Group (“**CVS**”) has been operating in the veterinary sector for 25 years, always with patient care at its heart. CVS aims to lead the sector in best practice in terms of clinical care, client interaction and staff experience and wellbeing.

There are three high level trends which are fundamental to how the veterinary sector operates today:

1. **The standard of medical care available to household pets is better than it has ever been.** While pet owners retain choice over whether and how to use it, they now have the option of human-standard healthcare for their pets – such treatment was simply not available previously. It is available today because of the significant investments that have been made by groups like CVS in facilities, equipment, research and training.
2. **There has been a surge in demand for veterinary services.** This is driven by both (i) higher levels of pet ownership; and (ii) higher expectations from owners as to what kind of care their pets should receive (for example, clients now demand access to consistent, high-quality care 24/7).
3. **The veterinary profession is facing a recruitment and retention crisis.** Many vets now spend less time in the profession than they spent training to be a vet.

The Issues Statement highlights a number of challenges facing the veterinary sector, all of which have some connection with one or more of these three trends. CVS recognises many of the challenges the CMA outlines because it is grappling with these on a day-to-day basis in its practices. For example, ensuring that clients are given sufficient information to make a meaningful choice about treatment options, without overwhelming them with information – taking into account each client’s individual circumstances is a complex task, but one which CVS believes is of crucial importance. CVS has therefore invested heavily in training and supporting its staff on contextualised care.

CVS welcomes the opportunity to respond to the CMA, in order to share its perspective and experience as part of its ongoing cooperation with the CMA’s investigation. This response provides background on CVS and its vision and purpose (**Section 2**), outlines CVS’ views on the key challenges facing the profession and the steps it is taking to address them (**Section 3**) and gives initial views on the “theories of harm” outlined by the CMA in the Issues Statement (**Section 4**).

### **2 About CVS**

CVS was established in 1999 to operate veterinary practices that were well established within their local community and had a reputation for high quality service. From 2001 CVS diversified into many other aspects of veterinary business, but first opinion small animal practices remain its core business. Today, CVS has approximately 500 practices across the UK and Australia, employing more than 2,000 vets and over 3,000 nurses.

CVS strives to give the best possible clinical care to animals, and its vision is to be the veterinary company people most want to work for. There are four core elements to the group’s purpose, which ultimately drives its commercial strategy:



- (i) **We recommend and provide the best clinical care every time.** CVS colleagues pride themselves on the quality of care and range of treatment options provided to its clients and believes this differentiates CVS in a highly competitive marketplace.
- (ii) **We are a great place to work and have a career.** This is fundamental to achieving CVS' first aim. CVS places a great amount of weight on (and invests considerably in) ensuring it can recruit and retain experienced, talented vets and nurses, so that it can deliver great clinical care.
- (iii) **We provide great facilities and equipment.** This is also critical to enabling CVS' first aim. In FY to June 2024 CVS invested £42 million in its practice facilities and completed 16 practice refurbishments and relocation projects.
- (iv) **We take our responsibilities seriously.** All CVS practices are accredited under the RCVS Practice Standards Scheme (PSS) and CVS are the first veterinary corporate group to publish a clinical governance framework underpinned by contextualised care. For example, in June 2023, CVS practices undertook a new Environmental Sustainability module in the RCVS PSS which provides practices with the tools to reduce their environmental impact in both the clinical and non-clinical areas of practice. This includes minimising anaesthetic gas usage and the development of a written environmental policy, as part of CVS' Energy and Carbon Programme and its broader ESG strategy.

### 3 CVS is addressing key challenges in the veterinary profession

As noted above, the veterinary sector has seen considerable transformation over the past two decades, driven by:

- **the increase in pet ownership, so-called “humanisation” of pets and enhanced life expectancy of pets** – this has resulted in a surge in demand for veterinary services and expectations for the highest quality of care, including around the availability of 24/7 care;
- **significant advancements in the standard of care** – for example, CVS can provide greater levels of care at first-opinion practices as advanced imaging – such as CT – is now readily accessible; dental radiography is becoming standard and laparoscopic neutering is becoming widespread; and
- **increased professionalisation of vet services** – for example, practice sites are changing from terraced house surgeries to high-tech facilities, and preferences of those working in the sector are also evolving (i.e. through the desire for more flexible working patterns, greater work/life balance etc.).

The changes outlined above are occurring at a time when the veterinary profession is facing an ongoing recruitment and retention crisis as well as acute mental health challenges, which threaten the health and wellbeing of pets as well as veterinary professionals. As an industry leader, CVS has taken a number of measures to carve a path towards addressing these challenges to the benefit of patients, veterinary staff, and the broader sector, facilitated in part by CVS' scale and business model.

Outlined in this section are some of the steps CVS has taken to further clinical excellence (Section 3.1), to support its staff and therefore address the recruitment and retention crisis (Section 3.2), and to support clients (Section 3.3).



### 3.1 Clinical excellence

CVS is committed to providing the best care every time and invests heavily in clinical excellence, both within CVS and through feeding back into the broader profession.

For example, CVS has been involved in developing clinical governance standards which match those adopted in human healthcare, including in the NHS (with appropriate adaptations for veterinary care). CVS designed the first dedicated veterinary clinical governance framework for those involved in animal healthcare in the UK which – unlike previous veterinary approaches to clinical governance – focuses on creating the *environment* in which high standards of clinical care can thrive. This is overseen by (i) an Integrated Care Council – responsible for the review and oversight of the clinical governance framework; and (ii) Clinical Advisory Committees – involving frontline staff in CVS' main areas of activity that will evaluate existing and new knowledge, identify education and training needs; and ensure its high standards continue to evolve to take into account clinical and ethical considerations.<sup>1</sup>

As part of its commitment to driving clinical excellence across the profession, CVS also offers funding of clinical research projects through its Clinical Research Grants programme. Launched in 2021, these grants were a first in the profession and the type of funding is unique in the industry. CVS funds clinical research that benefits animals under veterinary care through developing the clinical knowledge base, and research that supports the wider veterinary profession in providing the best possible care to animals. For example, CVS' health and safety team are funding a research project being undertaken by Dr John Tulloch at the University of Liverpool to explore the cause of veterinary workplace injuries in order to inform actions which can be taken to reduce them.

CVS also has a robust quality improvement programme and is the only veterinary company to publish an annual Quality Improvement Report, which outlines its approach to further enhancing clinical standards, underpinned by evidence-based medicine.<sup>2</sup> In recognition of its efforts to improve the quality of care it provides, CVS was recently awarded two out of three 2024 RCVS Knowledge Awards for Quality Improvement, as well as the Antimicrobial Stewardship Champion award.<sup>3</sup>

### 3.2 Supporting its staff

Working conditions for veterinary professionals were historically very challenging with long hours (including on-calls) and little relief from highly stressful and emotional situations. It is well documented that this has had catastrophic impacts on mental health in the profession and has led to a recruitment and retention crisis which the veterinary profession faces today. This also created a significant commercial challenge for CVS which it has worked hard to address in line with its objective of being a great place to work and have a career through market-leading learning and development opportunities, benefits, and a strong support network for its veterinary professionals.

#### 3.2.1 Learning and development

CVS has developed a market-leading learning, education and development programme for its colleagues to help them progress their careers.

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<sup>1</sup> Further details on our clinical governance framework are available at: <https://www.cvsukltd.co.uk/clinical-excellence/#:~:text=We%20recommend%20and%20provide%20the,is%20disseminated%20throughout%20the%20company>

<sup>2</sup> See the 2023 Quality Improvement Report here: <https://www.cvsukltd.co.uk/globalassets/quality-improvement-report/qi-report-2024.pdf>

<sup>3</sup> See: <https://knowledge.rcvs.org.uk/about-us/news-and-events/news/rcvs-knowledge-award-winners-announced/>



CVS' new graduates receive extensive training under a two-year New Graduate Programme (“**NGP**”). This industry-leading programme is long-standing and provides structured support, starting with a 1-week online induction, followed by a 1-week residential training camp, focusing on equipping CVS' graduate vets with the communications skills they need to fully understand their clients and deliver contextualised care. This is followed by 14 Continuing Professional Development (“**CPD**”) sessions and 6-weekly sessions with peers and mentors to further develop clinical and communication skills. The NGP also provides an opportunity for undertaking electives and for career support.

CVS' student nurse induction programme is also industry leading. Colleagues are trained via MiNurse Academy, CVS' very own e-learning platform exclusively for Registered Veterinary Nurses. This provides a year of CPD and development through online and distance learning. Nurses are also allocated a clinical supervisor to develop their clinical skills.

Training is provided to senior veterinary professionals and a wide range of clinical and non-clinical CPD courses are available. There are resource hubs for vets, nurses, client care staff and practice managers and leaders, alongside hubs for new graduates and support for practices undertaking the RCVS PSS accreditations. Training on communications focuses on ensuring a clear understanding of clients' wishes and provides frameworks to aid shared decision making and unambiguous financial discussions. The support CVS provides also extends to sponsoring further qualifications for vets, such as internship and residency training programmes leading to Specialist European diplomas.

### **3.2.2 Colleague benefits and policies**

CVS has one of the most extensive ranges of benefits for colleagues on the market and strives to implement forward-thinking policies for its colleagues. For example:

- CVS was first to offer enhanced maternity pay to support colleagues in starting a family and then returning to work.
- CVS' new fertility policy will provide all colleagues with up to five days' paid leave to attend fertility investigations, receive and recover from fertility treatment, or support their partner during treatment.
- CVS' new exceptional health-related events policy will extend sick pay for up to eight weeks' full pay for colleagues. It will be available on a discretionary basis to all colleagues affected by a serious illness or diagnosed with a health condition that requires hospitalisation, major surgery and treatment, and will also apply to major surgery as part of a gender transition – which is believed to be a veterinary industry first.

### **3.2.3 Wellbeing and pastoral care**

CVS has a network of Pastoral Support Vets, mentors and wellbeing champions that help its colleagues to look after their mental health, their career and to do their best work. CVS has over 500 Wellbeing Champions who are all formally trained and certified to administer first aid for mental health and can offer help to someone developing a mental health problem, experiencing a worsening of an existing mental illness or a mental health crisis. CVS' Graduate Pastoral Support Vets also offer dedicated support to its new graduates.

In addition, CVS places great importance on line-manager conversations and has introduced Check-Ins to ensure all colleagues are getting the time and engagement needed from their manager. As well as providing feedback on performance and identifying development opportunities, these regular check-ins are designed to support colleagues' wellbeing.

### **3.3 Providing the best services and facilities to our clients**

CVS is passionate about ensuring its clients have access to the best services and facilities. CVS invested £42 million in its financial year to June 2024 on improving clinical facilities, equipment and IT. Investment in equipment in CVS primary care practices ensures clients have rapid access to the latest diagnostic and therapeutic technology across a number of dedicated discipline areas (demonstrated, for example, through the radiation therapy facility which allows CVS to provide advanced cancer care).

CVS has also been pioneering innovative methods to enhance service provision, such as its VetOracle services, which give practices remote access to globally renowned specialist opinions from the comfort of their own site including free access to telemedicine specialists. CVS' group structure also allows it to provide clients with specialist care and support – for example, as a result of its scale, CVS has been able to launch sign access to deaf clients in all its practices using SignVideo.

CVS has also recently developed a new minimum CVS practice facility standard in the UK. This standard has specifically been created by CVS' veterinary surgeons, nurses, practice managers, receptionists and patient care assistants, designed around colleagues and the way they work. The standard sets a baseline for CVS practices across a number of areas, from the layout of clinical and consult spaces to the provision of colleague facilities and reception and waiting areas for clients.

Further, to address the increasing demand for veterinary care, CVS has been able to build new small animal first opinion vet practices in areas with high pet ownership which are underserved by vets. In the last eighteen months, CVS has built two new practices and relocated 12 practices to new sites. CVS also built the new £13.5 million state-of-the-art Bristol Veterinary Specialists referrals hospital in the South West. Through its business model and scale, CVS enables its vets to offer an increased range of services for the benefit of pet owners, while creating a welcome and comfortable environment for its colleagues to work in.

## **4 Initial observations on the CMA's "theories of harm" as set out in the Issues Statement**

The CMA's Issues Statement highlights a number of potential "theories of harm" based on the CMA's work to date. As noted above, many of the theories of harm are, in CVS' view, direct consequences of some of the significant shifts in the veterinary sector over the last 20 years, and in some cases pick up on intrinsic challenges that can be mitigated but not entirely avoided. CVS outlines below some of the steps it is taking to engage with these challenges.

### **4.1 Facilitating effective engagement by clients in choosing the right treatment option for them**

- Communicating treatment options to a client is one of the most significant challenges veterinary professionals face in their day-to-day practice and managing this challenge well is a core professional skill which needs to be developed. As with other forms of professional expertise, there is an intrinsic tension between providing detailed information and a range of choices and the risk of overwhelming clients who do not have specialist clinical knowledge. This is compounded by the fact that having a sick or injured pet can be an emotionally challenging time, and that clients will have varying levels of ability or willingness to pay for the clinically optimal treatment. CVS has invested significantly in education and training to assist its veterinary professionals with developing and maintaining this skill.

- CVS has sought to bring clarity to its “contextualised care” approach by being the first company to define the meaning of “contextualised care” within its clinical governance framework. This promotes a patient and owner-centred approach to clinical care which takes into account the complex interaction of *all* costs when recommending a treatment (recognising that cost includes but is not limited to social, cultural, accessible, emotional, environmental, ethical and financial aspects) and therefore facilitates client choice.
- As noted above, CVS offers extensive training to various levels of staff across the group on the topic of providing contextualised care and communicating proposed treatment plans and costs. To ensure customers are informed of financial costs as a part of their choice in selecting an appropriate treatment, except in rare emergency cases, all of its clients will receive a written estimate of any care plan. CVS is also launching a simple guide for clinicians to clarify the approach to how contextualised care is provided in practice in consultation rooms (the “*What Matters to You*” Guide).
- Through the variety of practices and facilities CVS continues to invest in, as well as its integrated service model, CVS is able to offer a broad range of care options for clients. These options include basic as well as more advanced treatments which the owner may choose from and (as outlined in CVS’ clinical governance framework) individualised care plans are prioritised when recommendations are made.

#### **4.2 Facilitating effective engagement by clients in choosing the best practice for them**

- CVS has recently adopted uniform branding across practices online under the brand “The Vet Collection”, to facilitate pet owners’ awareness of practices which are owned by CVS.

#### **4.3 Promoting customer choice and awareness in related veterinary services (including crematoria)**

- CVS does not offer *any* incentives for its vets or vet nurses for (i) referrals to other CVS group services; or (ii) on the services they personally deliver.
- As noted above, contextualised care is at the heart of CVS’ approach and its veterinary staff listen to and respect animal owner’s perspectives before recommending a referral to a related veterinary service, such as a specialist centre or diagnostic service.
- Across its specialist referral centres, out-of-hours, laboratory and crematoria services, clients are offered the same level of service at the same price point, regardless of whether or not they are an existing client of CVS.
- The period following the death of a pet is a difficult and sensitive time for pet owners. CVS’ trained bereavement counsellors contact clients in the days after a pet’s euthanasia to talk through various options available to them,<sup>4</sup> rather than force a decision (e.g. to proceed with cremation) in a short consultation.

#### **4.4 Improving customer awareness regarding the availability of medicines and prescriptions**

- All of CVS’ practices voluntarily comply with the requirements under the RCVS PSS, meaning that they prominently display a standard format ‘prescription notice’ in their waiting room reminding clients that they may obtain relevant veterinary medicinal products from a

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<sup>4</sup> The various options presented to pet owners include (i) taking away and burying the pet, (ii) using a CVS crematoria or (iii) use a third party crematoria.





CVS practice, or alternatively ask for a prescription and obtain medicines from another veterinary surgeon or pharmacy.

#### **4.5 The regulatory framework**

CVS agrees with the CMA that the existing regulatory framework for the veterinary profession is outdated and no longer fit for purpose and supports the CMA's proposal to update this framework. For example, CVS is fully supportive of career development for Registered Veterinary Nurses and for them to be able to undertake post-qualification training such that they can undertake a wider list of procedures in practice.

CVS notes the existing RCVS Code of Professional Conduct for Veterinary Surgeons ("**RCVS Code of Conduct**"), applying to all of its vets, already imposes ethical obligations and standards around veterinary care, for example – to provide appropriate and adequate care; to provide appropriate information to clients about the practice (including around costs of services and medicines) and to provide independent and impartial advice. However, CVS welcomes the CMA's proposal to consider whether the existing provisions in the RCVS Code of Conduct could be further enhanced to improve outcomes for animals, pet owners and veterinary surgeons. In this regard, CVS refers to the remedy package previously submitted to the CMA (and discussed in Section 5 below) with the aim of building on and enhancing the RCVS Code of Conduct.

Regarding the availability and price of veterinary medicines offered to clients, CVS welcomes the CMA's plans to explore the extent to which current regulations (including those which restrict where vets and consumers can purchase medicines and rules around prescribing medication for use by vets), are resulting in the prices for medicines sold to consumers being higher than they otherwise would be. CVS also supports the CMA's plan to understand the rules around the prescribing cascade in more detail, including (i) the extent to which generic medicines are available for pets; and (ii) the price discrepancy (in some cases) between animal medicines and chemically identical human equivalents.

### **5 Conclusion**

CVS strives to provide the best possible outcomes for its patients, clients and colleagues. As outlined in this response, CVS is already implementing a number of measures to enable pet owners to effectively engage in choices around the most appropriate care for their pet. CVS is also driving the highest clinical standards and outcomes in the industry and leading the profession in all of its interactions with pets and pet owners, while looking after the wellbeing of its colleagues and being a great place to work.

Finally, regarding the CMA's concerns as outlined in the Issues Statement, CVS also refers to the remedy package which was previously put forward to the CMA together with several other large corporate groups. This remedy package included further measures (i.e. in addition to those listed in 4.1 – 4.4 above) to improve communication between vets and pet owners, to increase transparency around pricing and ownership, and ultimately, further strengthen trust in the veterinary profession. CVS continues to believe that these measures have the scope to effectively address a number of areas highlighted by the CMA and bring positive change to the veterinary profession.

CVS welcomes the CMA's continued work on the market investigation to date and looks forward to working with the CMA during the next steps of the process.