

REMEDIES

Vets Market Investigation Working Paper

01 May 2025

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The Competition and Markets Authority has excluded from this published version of the final report information which the inquiry group considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [✂]. Some numbers have been replaced by a range. These are shown in square brackets. Non-sensitive wording is also indicated in square brackets.

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Context and summary

1. In a set of [working papers](#)¹ published earlier this year we set out a number of potential competition concerns that could be leading to poor outcomes for pet owners including, in some instances, prices that are higher than they should be. In this paper we set out our current thinking on the potential package of remedies which may be needed to achieve a shift in the commercial relationship between veterinary businesses and pet owners. We have not at this stage reached conclusions on (a) whether remedies would ultimately be needed or (b) if they are needed, what form they should take. The purpose of this working paper is to consult with vet businesses, veterinary professionals, pet owners and other interested parties on the likely impact of the remedies we are considering.

Introduction

2. Well over half of UK households have pets² and most people care deeply about their animals, considering them to be part of their family. Over the course of our investigation, we have observed the extensive dedication shown by vets and vet nurses to their profession and the animals under their care. The vast majority of pet owners recognise this, with 88% of respondents to our survey agreeing that their vet focused on the highest standard of care for their pet's health.³
3. Unlike NHS care for humans, there is no state funded animal healthcare in the UK and therefore, apart from a few charities who do valuable work, veterinary services are provided to pet owners on a commercial basis. This is an area where consumers spend a considerable amount of money. The Office for National Statistics (**ONS**) estimated that UK consumer spend on veterinary and other services for pets was around £6.3 billion in 2023, increasing by an average of around 10% annually since 2013 and around 20% annually between 2020 and 2023.⁴
4. There has been a long period of sustained price rises for the delivery of vet services, higher than the level of inflation, and increases in vet salaries. Our current analysis suggests that treatment prices increased by over 60% between 2015 and 2023, compared to general inflation for services of 35%.⁵
5. We have been given various explanations for the price rises which we are considering but, whatever the reasons may be, the increase is significant. This has understandably caused consumer concern reflected in part by the very large

¹ [Veterinary services for household pets - GOV.UK](#).

² [Paw-some new pet population data released by UK Pet Food](#) | [UK Pet Food](#) and [Historical Pet Data](#) | [UK Pet Food](#).

³ Pet owners survey

⁴ ONS, [Other recreational goods Veterinary and other services for pets CP NSA £m](#).

⁵ The ONS consumer price inflation (CPI) for services grew by 25% between January 2015 and December 2023.

number of responses to our investigation and the earlier CMA review of the sector.⁶

6. In order that animals are protected and well cared for, we need a thriving veterinary industry, staffed by dedicated and capable veterinary professionals. This means that veterinary businesses need to make a reasonable return in order to invest in innovative and good quality services. It is important that the provision of this service – which is essential to many people and their animals – works well for consumers. When purchasing veterinary services, pet owners need to be able to make choices that suit them and their animals and know that they are getting a good service at a fair price.
7. Our investigation⁷ has already achieved positive outcomes. For example:
 - (a) some vet businesses have told us that they are now publishing prices on their websites when they had not previously done so;
 - (b) the British Veterinary Association (**BVA**) has published guidance to help vet practices provide greater client choice, by improving transparency around fees and practice ownership;⁸
 - (c) vets have told us that there is now a constructive conversation around what could work better in the sector, and what ‘good’ looks like.

Context

8. Under the terms of the market investigation reference made to the investigating Group by the CMA Board, we are required to consider ‘the market’ for veterinary services. This is a technical term indicating an area of activity in which products and services are bought and sold. Our focus is on the business of providing veterinary services and whether pet owners, as consumers of those business services, are getting a fair deal at an appropriate price. We would wish to see well informed consumers making choices between alternative providers of services, and between different services, with providers responding to consumer needs and preferences. As set out in our [working papers](#) we have some concerns that this market may not be working as well as it could at various points on the ‘consumer journey’. This could mean that pet owners are not able to choose a service that best suits them (or their pets) or are paying prices that are higher than they would be if the market were operating better.

⁶ Consultation on the proposal to make a market investigation reference into veterinary services for household pets in the UK - GOV.UK.

⁷ Conducted by the Inquiry Group on behalf of the CMA (and ‘Our’ and ‘we’ and similar expressions in this paper refer to that Group).

⁸ <https://www.bva.co.uk/news-and-blog/news-article/new-bva-guidance-helps-profession-address-cma-concerns-on-transparency-and-client-choice/>

9. There are several factors inherent to veterinary services which inevitably make it harder for consumers to ensure they are getting the right services to match their preferences (for example, in terms of price and quality) and in turn to drive competitive pressure across the market, than might be the case in some other markets. In particular:
- (a) People want to do the best for their pet, which many see as being part of the family. 78% of pet owners in our survey said that their pet's healthcare was as important as that of family members (including 6% who considered it more important).⁹
 - (b) Judgements on the appropriate course of action in dealing with animal health issues require significant specialised knowledge. Vets act as 'gatekeepers' through whom people access services, treatments and medicines. Pet owners need and want to trust their vets as experts and rely on their professional judgement and advice on what treatments might be available and how to choose between alternative treatments.
 - (c) Advances in medicine mean that sophisticated diagnostics and treatments are available to pet owners which were not possible 10 to 15 years ago. Many of these require significant investment in equipment and skills, often tailored to the needs of specific animals, and can be expensive to provide. Views on 'best care' will differ between individuals depending on their personal circumstances, including financial circumstances, and their perceptions of what is best for their pet, and their household.
 - (d) In some cases, people are purchasing vet services in emergency situations, where a decision needs to be made quickly. Urgency and stress can make it more difficult for people to evaluate options across a range of factors, and may make them place less weight on price.
10. Some of these factors are inherent to a successful relationship between client and veterinary professional and, in any event, we would not wish any remedies to undermine the trust between pet owners and individual vets. But these factors can mean that consumers find it difficult to assess for themselves the treatment options that would best meet their needs and preferences. This in turn could reduce the incentives on vet businesses to provide a range of options that cater for the underlying preferences of different consumers, or to set prices at competitive levels for different products and treatment options. This may mean that vet businesses are not competing effectively to win and retain customers, causing consumers to pay more than they otherwise might for veterinary services

⁹ This importance is reinforced with 42% saying that pet care costs should always be prioritised over other household expenses, while only 4% said they should never be prioritised, and this was consistent across financial situations.

(including medicines), or to be unable to choose the options that best meet their (or their pet's) needs.

11. While we have no reason to doubt the professional competence or ethical behaviour of the vast majority of veterinary practitioners, we are concerned that the provision of veterinary services as a business may not be subject to adequate competitive pressure. Our pet owners survey showed that the perceptions of vets appear to differ between those who are financially struggling and those who are more comfortable. For example, a much higher proportion of survey participants 'finding life financially very difficult' (35%) did not agree that their vet considered their personal circumstances when deciding which treatment to offer compared to those 'living comfortably' (19%) or 'doing alright' (18%). If consumers are not able to access a choice of suitable care for their pet at affordable prices or are not offered an appropriate range of treatment options, this could have a detrimental effect on animal welfare as well as consumer outcomes.
12. There are a number of ways in which the market currently operates that may be leading to poor outcomes for consumers and which we could take action to remedy. These include:
 - (a) the inadequate provision of clear and timely information on pricing, ownership links and, sometimes, the range of services offered or the available providers of referral services meaning that pet owners may have fewer choices or pay higher prices than would otherwise be the case;
 - (b) gaps in the support vets receive in presenting pet owners with treatment choices and prices (sometimes in difficult circumstances) with the result that consumers are not always aware of the options that might be available or the consequences (financial and otherwise) of making a particular choice;
 - (c) pet owners' lack of awareness that they can purchase many animal medicines online and, even when they may be aware, limited appreciation of the extent of the cost savings they could make when doing this, arguably leading to pet owners paying more for medicines than they should;
 - (d) the potential for business owners and managers who are not vets (and therefore not regulated as professionals) to influence the way in which services and treatments are offered and presented and the information given to pet owners; and
 - (e) an out-of-date regulatory system which:
 - (i) arguably does not give sufficient weight to the importance of competition and consumer interests to the detriment of consumers and animal welfare;

- (ii) does not have monitoring and enforcement powers needed to ensure that vets implement the Royal College of Veterinary Surgeons (**RCVS**) Code (and Supporting Guidance), including the consumer facing elements;
- (iii) has no jurisdiction over businesses (or non-vets who make important decisions);
- (iv) has powers only to take the extreme measure of barring vets from practice with no intermediate penalty or lesser measures;
- (v) does not set compulsory standards for complaints processes nor require information sharing to learn from complaints, and
- (vi) does not require monitoring of quality or clinical outcomes, nor require industry-wide information sharing on these matters when measured, nor does it have an enforceable way to ensure minimum quality beyond controlling the registration and continuing professional development (**CPD**) of veterinary professionals.

13. In assessing whether features of a market may be leading to competition operating less effectively than it could, we look at levels of prices and profits as one possible indicator. In the vet services market, there has been a long period of sustained price rises, considerably higher than the general level of inflation. We are exploring the extent to which this is due to ineffective competition or inefficiency in the provision of vet services. We are also exploring the level of economic profit earned by vet businesses, which will help us understand the scope for a better-functioning market to drive prices down while still maintaining the provision of vet services on which pet owners and their animals rely.

14. An assessment of prices and profitability (and other outcomes) can help us determine the extent to which customers may be harmed by any adverse effect on competition. This assessment of the outcomes and customer detriment can be an important factor in our consideration of possible remedies.

Measures to address possible concerns

15. If our current concerns are borne out and we find that there are competition problems, we are required to consider what action if any should be taken by us, or by others, to remedy, mitigate or prevent those concerns or the detrimental effects on consumers to which they give rise. Such action might include orders to require vet businesses or others to do (or not do) certain things; acceptance of undertakings offered to us by businesses or others to take certain action or behave in a particular way and recommendations to regulators, government or others.

16. While we have not at this stage come to an overall view on the existence and nature of competition problems in the market, we have begun to look at potential remedies that could be put in place to address the possible problems we are exploring.
17. We set out above some inherent market characteristics that may limit the ability of consumers to drive effective competition in vet services and we describe how inadequate competition in the market for veterinary services may be leading to poor consumer outcomes. We do not currently believe that there is a single measure that would comprehensively address these concerns.
18. We are using this working paper to seek views on a wide-ranging package of potential remedies to reset the commercial relationship between veterinary businesses and pet owners. This includes extensive transparency measures that would empower consumers and result in better business practices. We are also considering novel market opening and data sharing measures that would prompt alternative medicine purchasing behaviour, alongside a set of recommendations for regulatory and legislative change.
19. More specifically, we are considering a set of remedies which includes the following elements.
 - (a) Giving pet owners better information about what they may be purchasing and its cost by requiring businesses to display specified information clearly online and in vet practices including the prices of a range of services (including certain treatments and surgical procedures, prescription and dispensing fees, certain medicines, out of hours (**OOH**) consultations and cremations), whether the practice is part of a larger corporate or business entity and, possibly, some measure(s) which indicate quality.
 - (b) Helping ensure pet owners get information to allow them to choose the treatment that best suits their circumstances, by:
 - (i) requiring businesses to provide clear and accurate information on different treatment options, including referrals, in advance and in writing, including supporting vets to do this; and
 - (ii) banning any practices, including the structuring of practice management systems or use of targets or financial incentives, which limit vets' clinical freedom to provide a choice of treatments suited to the pet owner and animal's requirements.
 - (c) Helping pet owners reduce the costs of their medicine purchases by introducing market-opening measures to increase competition in the supply of medicines. This could be achieved by a combination of measures which include:

- (i) requiring vets to offer or issue a prescription for all medicines (which may then be fulfilled in the original first opinion practice (**FOP**) or elsewhere);
 - (ii) abolishing or imposing price caps on prescription and dispensing fees; and
 - (iii) introducing methods for informing consumers of the savings that can be made when purchasing online, for example by giving pet owners this information in written form on a prescription or via a portal setting out comparative prices.
- (d) While our strong preference is to support consumers to get the best prices and drive competition within the existing market structure, we are considering the possible benefits and risks of implementing a short-term, temporary ‘stabilising’ freeze or cap on medicine prices while the competition benefits of the broader package of measures come into effect. We are conscious of the potential challenges of designing and implementing such a remedy.
- (e) Enabling vet practices to access the best options for **OOH** service provision for their clients. This may include prohibiting certain terms in contracts between FOP and third-party OOH providers, such as excessively long contract terms or high exit fees.
- (f) Supporting pet owners who have recently suffered the death of a pet through measures aimed at increasing the transparency of the pricing of cremations services, including the price difference between individual and communal cremations, and the availability of alternative options. We are also considering a cap on the mark-ups that vet practices can make (or prices they can charge) when selling cremations if our (ongoing) assessment concludes that margins are very high on this service, which is sold to pet owners at a vulnerable moment.
- (g) Ensuring long term good outcomes for pet owners and their animals by making recommendations to regulators and government on changes in the regulatory regime and what might be included in new legislation for the veterinary sector, in particular around how to regulate vet businesses, support vets to provide relevant information to pet owners and ensure effective systems for complaints and consumer redress.

20. If a package containing some or all of these remedies were put into place, we expect that it would empower consumers with greater understanding of the treatment and other options open to them and the different vet practices that could provide these services. This would allow pet owners more easily to choose the right option for their preferences, budget and pet’s circumstances. Such choices

might be exercised: when a pet owner is selecting a FOP for example on acquiring a new pet; when considering alternative treatment options offered by a FOP and when deciding whether to take their business elsewhere – either for individual medications or treatments or switching FOP altogether. We would expect that this would give rise to increased engagement from consumers which would exert pressure on vet firms to better tailor their offerings to consumer preferences and bear down on prices, or else risk losing business to market rivals.

Broader considerations

21. This investigation and the earlier CMA review have evoked exceptionally strong consumer sentiment and an unprecedented degree of public engagement with the CMA. It appears that, while most pet owners are satisfied with the professional service of individual vets, there is more unease about the commercial relationship, including pricing, between vet businesses (large and small) and pet owners.
22. These potential remedies reflect the range and significance of the potential competition concerns in this market and the consequent consumer detriment. We are aware that some of them could place burdens on vet businesses and we are conscious of the need to design these such that they are minimised as much as possible, as well as the overarching importance that all remedies are proportionate to any harms.
23. Pricing transparency requirements would impose compliance obligations on businesses; and the measures we are considering around mandatory prescriptions and providing consumers with real-time information on medicine purchasing options could require changes to practice management systems. Given these considerations, we are keen to understand from vet businesses of all types and sizes the likely compliance costs to these remedies and any design choices that could mitigate these, if such remedies were implemented.
24. We recognise that the welfare of animals and wider public health concerns are at the heart of veterinary practice and regulation and, while such matters are the responsibility of the veterinary service regulators, we are mindful of the need to consider the potential impact on animal welfare when evaluating our package of remedies. This is a complex market with thousands of vet businesses selling a wide range of clinical services reliant on expert knowledge. We wish to avoid any unintended adverse consequences on vet businesses, veterinary professionals and the animals themselves. We note that to the extent that our remedies help ensure that pet owners have a choice of reasonably priced, good quality and innovative veterinary services, they will be contributing to improved animal welfare. Again, we are keen to hear views on how these considerations are relevant to the range of remedies under consideration.

Consultation

25. In this paper we set out our current thinking on the potential package of remedies which may be needed if we were to seek to achieve a shift in the commercial relationship between veterinary businesses and the pet owners that the businesses serve. We have not at this stage reached conclusions on (a) whether remedies would ultimately be needed or (b) if they are needed, what form they should take. The purpose of this working paper is to consult with vet businesses, veterinary professionals and other interested parties on the likely impact of the remedies we are considering.
26. We wish to hear from vets, vet nurses, vet businesses, pet owners and other participants in the veterinary services sector on any element of this working paper, including ways in which our remedies proposals could be improved, practical (or cost) considerations in implementing them, possible unintended consequences and any alternative suggestions to remedy the potential concerns we have set out. We are also interested to hear about the timeframe that might be needed, or desirable, to introduce certain remedies and whether it would be beneficial to test certain remedy options before they were put in place.
27. **We set out a range of specific questions for stakeholders throughout the document (and these are collated in Section 7: Consultation). We welcome responses to these questions from any interested parties by 5:00pm on Tuesday 27 May 2025.** Please email written submissions to VetsMI@cma.gov.uk.
28. Table 1 below summarises the remedies that we are considering which might be needed to address the concerns we have identified at different stages of the pet owner 'journey', marking different choices that consumers make when purchasing vet services. Given that, at this stage, we consider that multiple factors in the market may be resulting in competition concerns, our current view, as set out above, is that a package of remedies would be necessary to address them.
29. This means that, while each potential remedy should be considered individually in order to consider how it might work and its possible impact, it is also necessary to consider each remedy in the context of an overall package. While no one measure alone might comprehensively remedy our competition concerns, we consider that these remedies (or a combination of some of them) might jointly contribute to addressing our concerns. It is therefore necessary to consider how far any particular measure, if implemented together with other remedies, might strengthen or weaken the effect of those other remedies.
30. In putting together the package of potential remedies, we have sought to take a balanced approach. Our investigation is still ongoing. Here we are exploring the range of remedies that may be required depending on our final findings. We are conscious of the need to avoid unnecessary uncertainty for business, which could

have a negative impact on business performance and economic growth. We have therefore sought only to include in this paper those remedies that we consider have a realistic chance of being taken forward, should the relevant competition concerns be borne out. Within this set of potential remedies, we have sought to differentiate between those that we are more or less likely to consider to be effective and proportionate. Our views on these are set out in the body of this paper where we consider these potential remedies in more detail. While the nature of the market investigation process inevitably involves seeking views on potential remedies at a stage when we are not yet in a position to judge whether any remedies are required, and if so what form they should take, we have sought to present our potential remedies carefully to avoid unnecessary speculation and uncertainty.

Table 1 Summary of issues and potential remedies

Emerging issues	Potential remedies
<p>Vet businesses often do not give clear and timely information, making it difficult for pet owners to choose the right vet practice, referral provider and treatments for their needs.</p>	<p>Theme: Measures to increase transparency and pet owners' ability to compare between FOPs and referral providers.</p> <p>Require FOPs and referral providers to publish information for pet owners, including on:</p> <ul style="list-style-type: none"> • prices (of treatments, medicines, prescription fees, dispensing fees); • services offered; • ownership links; • OOH arrangements; • some basic measure(s) of quality • other basic information. <p>Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers.</p> <p>Require FOPs to publish information about pet care plan pricing and usage and minimise friction to cancel or switch.</p> <p>Provide FOP vets with greater information relating to referral providers.</p>

	<p>Theme: Measures to increase transparency and pet owners' ability to compare different treatments, services and referral options.</p> <p>Provision of clear and accurate information about different treatments, services and referral options in advance and in writing.</p> <p>Theme: Measures to remove limits or constraints on the choices offered to pet owners.</p> <p>Prohibition of business practices which limit or constrain the choices offered to pet owners.</p> <p>See Section 3: Helping pet owners choose FOPs, referral providers and treatments that are right for them and their pet.</p>
Medicines dispensed by vets can be very expensive compared to online pharmacies, with practices making significant mark ups.	<p>Theme: Measures to provide additional information about the option to purchase online and measures to increase online purchases of medicines.</p> <p>Changes to how consumers are informed about and offered prescriptions.</p> <p>Transparency of medicine prices so pet owners can compare between FOPs and other suppliers.</p> <p>Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales.</p> <p>Prescription price controls.</p> <p>Interim medicines price controls.</p> <p>See Section 4: Increasing price competition in the medicines market.</p>
There is limited competition in out of hours (OOH) services for those vet practices which choose to outsource.	<p>Theme: Measures to increase competition in outsourced OOH services.</p> <p>Restrictions on certain clauses in contracts with third-party OOH care providers (eg long contract lengths or large exit fees).</p> <p>See Section 5: Increasing competition in outsourced OOH care and tackling high mark-ups in the price of cremations.</p>
Pet owners may be overpaying for cremations.	<p>Theme: Measures to increase transparency of cremations prices; (potentially) measures to restrict retail prices.</p> <p>Transparency on differences between fees for communal and individual cremations.</p> <p>A price control on cremations.</p> <p>See Section 5: Increasing competition in outsourced OOH care and tackling high mark-ups in the price of cremations.</p>

<p>The regulatory framework is outdated and does not have enough focus on consumers.</p>	<p>Theme: Recommendations for government, RCVS, VMD. Requirements on vet businesses to cover the regulatory gap until new legislation is in place.</p> <p><u>Reforming the statutory regulatory framework and the ways in which it operates</u></p> <p>Regulatory requirements on vet businesses.</p> <p>Developing new quality measures.</p> <p>A consumer and competition duty.</p> <p>Effective and proportionate compliance monitoring.</p> <p>Effective and proportionate enforcement.</p> <p><u>Effective complaints and redress mechanisms</u></p> <p>Requirements on vet businesses for effective in-house complaints handling.</p> <p>Requirement for vet businesses to participate in the VCMS.</p> <p>Requirement for vet businesses to raise awareness of the VCMS.</p> <p>Use of complaints insights and data to improve standards.</p> <p>Supplementing mediation with a form of binding adjudication.</p> <p>Establishment of a veterinary ombudsman.</p> <p><u>Effective use of veterinary nurses</u></p> <p>Protection of vet the nurses' title.</p> <p>Clarification of the existing framework.</p> <p>Reform to expand the vet nurses' role.</p> <p>See Section 6: A regulatory framework which protects consumers and promotes competition.</p>
<p>Lack of choice of FOP in some local areas.</p>	<p>Theme: Making sure local competitive conditions do not worsen in future.</p> <p>We do not propose any immediate remedies on this, noting that CMA has the ability to scrutinise future mergers.</p>

1. Introduction

- 1.1 In this Working Paper, we set out our current thinking on potential remedies. As our understanding of the market(s) and the potential issues continues to firm up, we expect our consideration of potential remedies to evolve.
- 1.2 In developing our thinking on the issues and potential remedies we have taken into account various information including:
- (a) The responses we received to the Statement of Issues.¹⁰
 - (b) Evidence gathered to date and set out in our working papers, including responses to information requests from vet businesses and other market participants, as well as research conducted with pet owners and veterinary professionals.¹¹
 - (c) Insights we have gathered through our extensive engagement with veterinary professionals and other stakeholders, through site visits and roundtable discussions.
 - (d) Discussions at the main party hearings.¹²
- 1.3 In this section, we set out:
- (a) the framework the CMA uses for the assessment and selection of remedies;
 - (b) developments that may be underway to reform the current legislation;
 - (c) when we might consider using our remedies trialling powers, and
 - (d) the CMA duty to review remedies packages in future.

Framework for assessing our potential remedies

The legislative framework

- 1.4 If we find that there is any adverse effect (or effects) on competition (**AEC**), we are required to decide the following questions:¹³

¹⁰ CMA, [Veterinary services for household pets in the UK – Issues Statement](#), 9 July 2024.

¹¹ CMA, [Working papers](#), 6 February 2025.

¹² This paper includes consideration of the consultation responses received relating to our earlier Working Papers. However, we will continue considering all of the responses received as we refine and update our thinking on potential remedies.

¹³ [Enterprise Act 2002](#), section 134(4).

- (a) whether we should take action for the purpose of remedying, mitigating or preventing the AEC or any detrimental effect(s) on customers so far as it has resulted from, or may be expected to result from, the AEC;
- (b) whether we should recommend the taking of action by others for those purposes; and
- (c) in either case, if action should be taken, what action should be taken and what is to be remedied, mitigated or prevented.

1.5 In coming to a view on potential remedies during the course of a market investigation, the Enterprise Act 2002 (**EA02**) requires us to ‘in particular have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the adverse effect on competition and any detrimental effects on customers so far as resulting from the adverse effect on competition.’¹⁴ In satisfying this requirement, we consider how comprehensively potential remedies (or a package of remedies) address the AEC and/or resulting detrimental effects on customers, as well as whether the potential remedies are effective and proportionate.¹⁵

1.6 A detrimental effect on customers is one that results, or may be expected to result, from any AECs and takes the form of:¹⁶

- (a) higher prices, lower quality, or less choice of goods or services in any market in the UK (whether or not the market(s) to which the feature or features concerned relate); or
- (b) less innovation in relation to such goods and services.

1.7 Where more than one measure is introduced, we consider the way in which the measures are expected to interact with each other,¹⁷ which may be complementary in their effectiveness and costs, or they may be in tension in some areas. We would consider both the effectiveness of individual measures in the context of an overall package, and the potential package of remedies as a whole.

1.8 The CMA’s interventions seek to remedy, mitigate or prevent the AEC or its detrimental effects on customers. The CMA’s clear preference is to deal comprehensively with the cause or causes of AECs wherever possible and, by this means, significantly improve competitive conditions in a market within a reasonable period of time. However, while generally preferring to address the causes of the AEC, the CMA will consider introducing measures which mitigate the

¹⁴ [Enterprise Act 2002](#), section 134(6).

¹⁵ Competition Commission, [Guidelines for market investigations: Their role, procedures, assessment and remedies](#) (CC3 (Revised)), paragraph 329. Draft new guidance for the markets regime in the Enterprise Act 2002 - GOV.UK was published for consultation in March 2024 and responses are currently being considered.

¹⁶ [Enterprise Act 2002](#), section 134(5).

¹⁷ [CC3 \(Revised\)](#), paragraph 393.

harm to customers created by competition problems, for example if other measures are not available, or as an interim solution while other measures take effect.¹⁸

1.9 In assessing potential remedies, we consider their effectiveness and proportionality. With respect to effectiveness:

- (a) we consider the risks associated with different potential remedies and will tend to favour remedies that have a higher likelihood of achieving their intended effect;¹⁹
- (b) a remedy should be capable of effective implementation, monitoring and enforcement. To facilitate this, the operation and implications of the remedy need to be clear to the parties to whom it is directed and also to other interested persons, such as customers, other businesses that may be affected by the remedy, sectoral regulators, and/or any other body which has responsibility for monitoring compliance;²⁰
- (c) we generally look for remedies that prevent an AEC by extinguishing its causes, or that can otherwise be sustained for as long as the AEC is expected to endure. We also tend to favour potential remedies that are expected to show results within a relatively short time;²¹
- (d) remedies need to take account of existing laws or regulations either currently applicable or expected to come into force in the near future. Such laws and regulations could cover any aspect, for example, of competition law, health and safety, or data protection law;²² and
- (e) where more than one measure is being introduced as part of a package of remedies, we consider the way in which the measures are expected to interact with each other.²³

1.10 In making an assessment of proportionality, we are guided by the following principles set out in our guidance. A proportionate remedy is one that:

- (a) is effective in achieving its legitimate aim;
- (b) is no more onerous than needed to achieve its aim;

¹⁸ CC3 (Revised), paragraphs 330 to 333.

¹⁹ [Market Studies and Market Investigations: Supplemental guidance on the CMA's approach](#), January 2014 (revised July 2017) (CMA3), paragraph 4.16.

²⁰ CMA3, paragraph 4.17.

²¹ CMA3, paragraph 4.18.

²² CMA3, paragraph 4.23.

²³ CMA3, paragraph 4.24.

(c) is the least onerous if there is a choice between several effective measures;
and

(d) does not produce disadvantages which are disproportionate to the aim.²⁴

1.11 In reaching a judgement about whether to proceed with a particular remedy, we consider its potential effects – both positive and negative – on those parties most likely to be affected by it, with particular regard to the impact of potential remedies on customers, as well as on those businesses subject to them.²⁵

1.12 Beneficial effects might include lower prices, higher quality products/services and/or greater innovation, while the potential negative effects of a remedy may arise in various forms, for example:

- (a) unintended distortions to market outcomes, which may reduce economic efficiency (including dynamic incentives to invest and innovate) and adversely affect the economic interests of customers over the longer term;
- (b) implementation costs, ongoing compliance costs, and monitoring costs (for example, the costs to the CMA or other agencies in monitoring compliance);
and
- (c) if remedies extinguish Relevant Consumer Benefits (**RCBs**), the amount of RCBs foregone may be considered to be a relevant cost of the remedy.²⁶

Types of remedies available

1.13 We usually classify remedies as either structural or behavioural:

- (a) Structural remedies in market investigations are generally one-off measures that seek to increase competition by altering the competitive structure of the market.
- (b) Behavioural remedies are generally ongoing measures that are designed to regulate or constrain the behaviour of parties in a market and/or empower customers to make effective choices.²⁷

²⁴ CC3 (Revised), paragraph 342 to 344.

²⁵ CC3 (Revised), paragraph 348.

²⁶ The CMA may have regard to the effect of any remedial action on any RCBs of the feature(s) of the market(s) concerned (section 134(7)) EA02. For these purposes, a benefit is an RCB if: (a) it is a benefit to customers or future customers in the form of lower prices, higher quality or greater choice of goods or services in any market in the UK, or greater innovation in relation to such goods or services; and (b) the CMA believes that the benefit has accrued, or may be expected to accrue within a reasonable period, as a result of the feature(s) concerned and the benefit was or is unlikely to accrue without the feature(s) concerned (section 134(8)) EA02. CC3 (Revised), paragraph 352.

²⁷ CC3 (Revised), paragraph 371.

- 1.14 Broadly, there are three routes to implementing the potential remedies we have identified in this working paper:
- (a) orders made by the CMA on an appropriate person(s);²⁸
 - (b) the acceptance by the CMA of undertakings from any appropriate person; and
 - (c) recommendations for others to take action, for example government or other organisations including regulators such as the Royal College of Veterinary Surgeons (**RCVS**),²⁹ where legislation, regulations or conduct applicable to a market have been found to be a feature giving rise to an AEC.³⁰ These recommendations may relate to legislation or regulatory provisions that are relevant to the competition issues that we are considering.
- 1.15 Where the remedies which we discuss in this working paper involve imposing obligations, these could be implemented by means of a CMA Order on vet businesses, save where they involve changes to legislation. Our current thinking is that vet businesses would be responsible for ensuring that their practices, and those working for them, comply with the relevant requirements. That way, any requirements could influence the conduct of both corporate identities and individuals. We discuss this in more detail in Section 6: A regulatory framework which protects consumers and promotes competition.
- 1.16 Where changes to legislation would be required, we would make recommendations to government and others, and we indicate in this paper where that may be the case. One of those recommendations could be that the statutory regulatory framework should be reformed. In that case, we would also recommend that any obligations we impose by CMA Order would be transferred to a new statutory regulatory regime.
- 1.17 Until any new statutory regime is in place, there may be scope for the RCVS to play an important role in monitoring the compliance by vet businesses with any obligations contained in a CMA Order.³¹ The CMA would ultimately remain responsible for enforcement in the event of a failure to comply with the obligations in its Order.
- 1.18 Our current thinking is that there could be a requirement for vet businesses to attest on an annual basis to an appropriate regulatory body that they have taken, or will take, all reasonable steps necessary to ensure that their practices and the vets who work in them have complied with all of the regulatory obligations on them

²⁸ [Enterprise Act 2002](#), section 161 and Schedule 8.

²⁹ [CC3 \(Revised\)](#), paragraph 371.

³⁰ [CC3 \(Revised\)](#), paragraph 379(a).

³¹ Through an undertaking, a CMA Order or directions, [Enterprise Act 2002](#), sections 164(2) and 87.

and they are not aware of any breaches. We consider that this confirmation could be given to the RCVS. We discuss attestation in more detail in Section 6: A regulatory framework which protects consumers and supports competition.

- 1.19 As to the scope of any remedies, the remit for this market investigation is veterinary services for household pets. Therefore, our focus is on services supplied to consumers rather than people or places that may keep animals as part of a business (such as a farm, rodent house or petting zoo).³²
- 1.20 Any Orders we might make as part of this investigation would therefore apply only to the supply of vet services to household pets. They would not place requirements on practices which only focus on farm animals or equine, and would only apply to the provision of services for domestic pets within mixed practices.
- 1.21 For example, if we were to place an Order on vet businesses to publish price lists, this would apply only to services supplied for household pets; and any remedies that applied to the supply of medicines would apply only in cases when these were supplied to household pets. Vet practices would be welcome to take voluntary action and change processes in so far as they apply to farm animals or equine to align with those for household pets, but they would not be obliged to do so.
- 1.22 We consider that it may be appropriate for the design of remedies to take into account the nature of the businesses. For example, it may be appropriate for large FOPs to attest compliance with all of the regulatory obligations on them on a more frequent basis than smaller FOPs.

Consultation question: Implementation of remedies

- Question 1: We welcome comments regarding our current thinking on the routes to implementing the potential remedies set out in this working paper.

Developments that may be underway to reform the current legislation

- 1.23 It is not our role to make recommendations on wider public interest issues such as animal welfare and public safety, though we are aware that recommendations on competition matters may have consequences (positive or negative) for animal welfare and we shall take this into account in formulating any recommendations. Neither is it our function to draft updated primary legislation for the veterinary sector.
- 1.24 Our investigation is taking place at the same time that Department of Environment, Food and Rural Affairs (**Defra**) is actively working with stakeholders including the

³² For the purposes of the proposed reference, we said that 'household pet' means 'an animal such as a dog or a cat (but not a farm animal) that is kept for companionship or protection and habitually resides in the owner's dwelling.'

RCVS, British Veterinary Association (**BVA**), British Veterinary Nursing Association (**BVNA**), and the Veterinary Schools Council to develop potential reforms to the Veterinary Surgeons Act 1966 (**VSA**).³³ We recognise the benefits of our ongoing dialogue with these stakeholders as relevant parties in our market investigation. We hope that Defra will take into account any recommendations in respect of potential reforms that we make at the conclusion of our investigation.

- 1.25 We also understand that the RCVS Council has recently approved new proposals for its own governance that will complement the package of recommendations presented to government in 2021.³⁴ We note that the RCVS's presentation of these proposals to its Council members frames these changes, in part, as a way of aligning with recommended regulatory practice. We may consider making recommendations to and/or seeking undertakings from the RCVS on further modifications to its regulatory system and practice.

The CMA's remedy trialling powers

- 1.26 The Digital Markets, Competition and Consumers Act 2024 (**DMCCA**) gave the CMA new powers to conduct trials of the way some remedies may be implemented.³⁵ These powers apply to information remedies.³⁶ Parliament brought the powers into force from 1 January 2025 and decided that they could be used in market investigations that were already in progress.
- 1.27 The new powers formed part of a broader set of legislative changes and the CMA has consulted on draft guidance relating to the effects of those changes on its market investigations. The CMA is considering responses to that consultation and has not yet finalised the guidance. However, since Parliament granted the CMA the powers, it is appropriate for us to consider whether they should be used in this investigation.
- 1.28 Trials of the way information remedies may be implemented would occur in the period between the publication of our final report (setting out any AEC findings and decisions about the remedies that should be imposed) and the formal end of the investigation (when we accept final undertakings or make a final order).
- 1.29 The purpose of any such trials would be to assess the likely effectiveness of any proposed information remedies. They would also be an opportunity to identify the least burdensome form of effective remedy. In that way, trials can help us ensure

³³ See: <https://www.vettimes.com/news/vets/opinion/we-get-it-minister-gives-legislation-assurance-at-bva-dinner>
Accessed 23 April 2025.

³⁴ See papers from [RCVS Council meeting 13 March 2025](#) (item 6a).

³⁵ The DMCCA introduced these new powers by making a series of changes to the existing legislation that applies to market investigations in Part 4 EA02.

³⁶ Defined in section 161B(3)(a) EA02 'as remedial action in respect of a matter concerning the provision or publication of information to consumers'.

that the final design of any information remedy is the most effective, and that it protects consumers and gives vet businesses the certainty and confidence to invest, innovate and compete vigorously, without imposing unnecessary burdens.

- 1.30 Any trial would not reopen the question of whether a remedy should be imposed. That is, trials are not an opportunity to review the finding of an AEC or any detrimental effects it may have.
- 1.31 The implementation of trials is subject to certain statutory safeguards.³⁷ Before trials start, the CMA must publish a provisional trial notice which sets out and consults on the details of the trial. Those details must include the AEC each measure is intended to address; any other facts we think justify imposition of the measure; how we intend to assess the effects of the measure and how long the trial will last. The consultation must last at least 15 days. After considering responses, we must decide whether to start the trial and publish a final trial notice setting out the details of the trial.³⁸
- 1.32 We think it is appropriate, in this working paper, to begin the process that might in due course lead to a decision to use some implementation trials. That way, we give parties clear opportunity to consider the possibility, offer their views and help us make fair and informed decisions.
- 1.33 Our current, and early provisional view, taking account of the potential benefits of trials, is that they are more likely to be appropriate in relation to information remedies where the information vets or vet businesses must give to pet owners has been determined, but:
- (a) there are several options for the content, format and/or channel that could be implemented, and a trial is a good way to test which get the best response and are most effective; and/or
 - (b) there is a level of complexity associated with the information pet owners should be given and higher risk that implementation of the remedy might not achieve its intended purpose.
- 1.34 With those points in mind, we think that we may be more likely to be interested in using trials in respect of the information content, format and/or channel for the following remedies (but not others described in this paper):
- (a) Remedy 7: Changes to how consumers are informed about and offered prescriptions.

³⁷ See [Enterprise Act 2002](#), section 161D.

³⁸ That is, confirming our final decisions on the matters consulted upon in the provisional trial notice.

- (a) Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers.

Consultation questions: Trialling of information remedies

- Question 2: We invite comments on whether these (or others) are appropriate information remedies whose implementation should be the subject of trials. We also invite comments on the criteria we might employ to assess the effects of trialled measures. Please explain your views.

The CMA duty to review remedies packages in future

- 1.35 Another of the changes introduced by the DMCCA³⁹ is a duty for the CMA to monitor the effectiveness of remedies adopted in market investigations after 1 January 2025. That duty applies for 10 years from the publication of the final report. It requires that, where the CMA's review concludes that the remedy has been ineffective for the purpose for which it was imposed, the CMA must vary or revoke the remedy (unless the remedy has been operative for less than two-years or was varied in the preceding two-years).⁴⁰
- 1.36 We recognise that this is another provision which can help ensure the ongoing effectiveness of remedies, in consumers' and businesses' interests, but which also needs careful operation in order not to create unnecessary uncertainty. The CMA has consulted on guidance for the performance of the duty, with a view to performing it in a way that realises the benefits and mitigates the potential downsides. That consultation will conclude in due course.

Structure of this paper

- 1.37 The rest of this working paper is structured as follows:
- summary of potential issues in this market investigation;
 - helping pet owners choose first opinion practices (**FOPs**), referral providers and treatments that are right for them and their pets;
 - increasing price competition in the medicines market;
 - increasing competition in outsourced OOH care and tackling high mark-ups in the price of cremations;

³⁹ And inserted into [Enterprise Act 2002](#) Part 4 as new section 162A.

⁴⁰ This means the provision is not immediately relevant to this market investigation. No changes may be made to any remedies we adopt for two years.

- a regulatory framework which protects consumers and promotes competition;
and
- consultation questions.

1.38 Appendix A sets out a proposal for information to be provided in standardised price list and Appendix B outlines the Competition Commission's 2003 Remedy Package (FOPs).

2. Summary of potential issues in this market investigation

- 2.1 Our assessment so far suggests that some aspects of the supply of vet services are working well. For example, there appears to have been entry of new practices,⁴¹ a large range of treatments and services are available, and the vast majority of pet owners have told us that they value the care they receive from their vets.⁴² However, we are concerned that some features of the market might mean that consumers could be paying more than they otherwise might for veterinary services (including medicines), or not choosing the options that best meet their (or their pet's) needs. If consumers are not able to access the most suitable care for their pet at affordable prices or are not offered an appropriate range of treatment options, this could have a detrimental effect on animal welfare.
- 2.2 We set out our potential concerns, and the evidence that supports them, in a series of [working papers](#) published on 6 February 2025 and we have received useful responses to these which we are considering. We present a summary of our concerns here, as context for the potential remedies we are considering in this paper.

Choosing a vet practice: consumers do not respond (or respond weakly) to differences in price and quality between different veterinary practices.

- 2.3 In many well-functioning markets, when a supplier offers lower prices (or higher quality) than a rival, customers will have easy access to information that enables them to compare prices and quality, and those who are interested in potential alternatives may buy less (or nothing) from the higher priced or lower quality firm and more from the alternatives. Vet services are highly specialised, based on trust in a clinical expert and strong relationships between clients and professionals. This is not a market in which one would expect pet owners to switch frequently between different vet practices just to secure lower prices. Nonetheless pet owners should be able to evaluate the prices (and, ideally, the quality offering) of different vet practices in their local area and make an informed choice about which one to use. If they are unable to do this, it could mean that vet practices have less incentive (than they would if the market is working well) to reduce prices or improve quality to be selected instead of other vet practices.

⁴¹ We have evidence of around 745 new sites opening in the period 2014 to 2024 by both independents and LVGs. Over this period there has been a downwards trend in the number of new sites opened by LVGs and an increase in the number of new sites opened by independents.

⁴² 88% of people in our pet owners survey said that they considered that their vets focused on the highest standard of care for their pets.

2.4 Certain features of the market may contribute to making it difficult for pet owners to compare vet practices:

- (a) There appears to be limited information available to pet owners about price. Our initial research found that 84% of vet practices' websites had no pricing information at all, even for basic services.⁴³ Some vet businesses have told us that they have put prices on their website since the start of our inquiry,⁴⁴ though we remain concerned that this pricing information may be difficult to find and may only cover a very limited range of services, often omitting prices for common medicines, fees for dispensing prescribed medicines and prices for more complex treatments.
- (b) There appears to be limited information available to pet owners about the ultimate ownership of vet practices which belong to some LVGs:
 - (i) 21% of respondents to our pet owners survey reported considering practice ownership when choosing a practice, with 68% of these preferring an independent practice.⁴⁵
 - (ii) However, only a minority of respondents at practices owned by VetPartners (19%), IVC (22%), CVS (33%) and Linnaeus (36%) – who, unlike Medivet and Pets at Home, do not change the branding when they acquire a local practice – were aware that their practice was owned by an LVG.⁴⁶
- (c) It appears to be difficult for consumers to judge the quality offering of the vet practice, and it is unsurprising that pet owners rely on word of mouth or reviews to provide an indication of quality. The RCVS imposes certain minimum standards on all vets, so consumers can be reasonably assured that those standards are adhered to, but it is difficult for them to evaluate differences in quality above that minimum level. Some pet owners might prefer a vet practice which provides a more basic offering at a lower price while others might prefer to pay more and use a practice with, for example, state of the art equipment, offering a full range of sophisticated treatments and greater staff time per pet. Vet businesses have told us that it is difficult to measure and communicate quality indicators, but we would like to explore whether more could be done to help consumers choose between vet practices.

⁴³ In March 2024, we reviewed approximately half of all vet practice websites and found that 84% had no pricing information, across both large groups and independently owned practices. Some vet businesses have told us that they have started displaying prices for some services since our review.

⁴⁴ CMA, [Overview of our working papers](#), 6 February 2025, p 6.

⁴⁵ Pet owners survey, Q13.

⁴⁶ Pet owners survey, Q34, and CMA manual coding of vet practices. CMA, [How people purchase veterinary services](#), 6 February 2025, pp 5.48

- (d) Information provision about the coverage and options of pet care plans may differ and thus not be easy for consumers to compare.
- (e) Some vet businesses appear to consider that pet owners are not sensitive to price changes or differences in prices between suppliers. We have seen evidence from internal documents of LVGs and some LVGs' private equity owners which suggests that the price sensitivity of their consumers is low, meaning that few consumers will switch away or purchase less in response to high prices (or price rises).⁴⁷ The documents also highlight 'back of house' treatments for which this finding is stronger.⁴⁸

2.5 The following features could be contributing to the detrimental functioning of the market:

- (a) Consumers appear to place relatively little weight on price when choosing a veterinary practice.
 - (i) Less than half of pet owners in our survey considered more than one practice when choosing a vet, and only 18% of respondents to our pet owners survey indicated that they compared prices between different practices when choosing their current vet practice.
 - (ii) In our pet owners survey, location was the most common main reason for choosing a particular practice, followed by personal recommendations.
 - (iii) The pet owners interviewed during the qualitative consumer research which we undertook before beginning the market investigation typically had not compared prices when choosing a vet, in the belief that any pricing differences would probably be small and would not compensate for an increase in inconvenience caused by using a vet located further away. Part of the reason why people do not frequently compare vet practices may be because only very limited objective information is available about the differences between them, including prices.
- (b) To the extent that pet owners do evaluate different options when choosing a FOP, they may be comparing practices which are owned by the same LVG without realising it. This could create the illusion of more choice in a local area than exists in reality.

⁴⁷ Our Working Paper on [Business Models, Veterinary Advice and Consumer Choice](#) provides example of these internal documents at paragraph 2.68.

⁴⁸ We understand 'back of house' treatments are diagnostics and procedures performed outside of the appointment time with the pet owner, such as when the pet is admitted to the clinic and may include both routine and non-routine treatments.

- (c) Pet owners often do not shop around or switch providers even when they might get lower prices, or a service better suited to their circumstances, elsewhere. Switching rates between FOPs are low (3% annually for reasons relating to the competitive offerings of FOPs as opposed to, for example, moving home) and of the overall low proportion of pet owners who do switch, only a small fraction do so to get cheaper prices.⁴⁹

2.6 One outcome of these features is that pet owners may be paying more for vet services than they need to, since there is little downward pressure on prices from competition. There has been a long period of sustained price rises for the delivery of vet services, higher than the level of general inflation. We are exploring to what extent this trend is due to ineffective competition.

2.7 We are concerned that consumers could be paying more than they need to because they do not – or cannot – compare prices and quality between vet practices.

Pet owners may struggle to choose between treatment options

2.8 We are also concerned that pet owners may not be purchasing the vet service that is best suited for them and their pet (when there is a range of treatments which might be suitable for their pet) because they do not – or cannot – compare the differences in price, quality and potential outcomes between different treatment options.

2.9 There are some factors inherent to veterinary services which inevitably make it difficult for consumers to assess for themselves the treatment options that would best meet their needs and preferences. We would not seek to, or expect to, change these features as part of our work. These include:

- (a) People want to do the best for their pet, which many see as being part of the family. 78% of pet owners in our survey said that their pet's healthcare was as important as that of family members (including 6% who considered it more important).⁵⁰ This importance is reinforced with 42% saying that pet care costs should always be prioritised over other household expenses, while only 4% said they should never be prioritised, and this was consistent across financial situations.⁵¹ As such, some people may find it difficult to – or may not wish to – evaluate the financial aspects of the decision.⁵²

⁴⁹ CMA, [Overview of our working papers](#), 6 February 2025, paragraph 1.10(c).

⁵⁰ Pet owners survey, Q134.

⁵¹ Pet owners survey, Q134A.

⁵² We set this out in our working paper on How people purchase veterinary services published 6 February 2025.

- (b) Judgements on the appropriate course of action in dealing with animal health issues require significant specialised knowledge. Pet owners need to rely on and trust their vets, as trained experts on clinical matters.
- (c) Advances in medicine mean that sophisticated diagnostics and treatments are available to pet owners which were not possible 10 to 15 years ago. Views on 'best care' will differ between individuals depending on their personal circumstances, including financial circumstances, and their perceptions of what is best for their pet, and their household.
- (d) In some cases, pet owners are purchasing vet services in emergency situations, where a decision needs to be made quickly. Urgency and stress can make it more difficult for pet owners to evaluate options across a range of factors, and may make them place less weight on price.
- (e) In our survey (and in some LVG internal documents), insurance uptake was correlated with higher spending on veterinary services, although we have not established a causal relationship. We have seen mixed evidence on whether insurance impacts decision-making. Some vets' responses to our qualitative market research indicated that pet owners having insurance may impact the options vets provide, but our pet owners survey and other evidence suggests that there is no significant impact on information provision, engagement with information or treatment take-up.

2.10 However, there are a number of ways in which the market currently operates that may be leading to poor outcomes for consumers and which we could take action to remedy. These include:

- (a) Inadequate provision of clear and timely information about pricing and options:
 - (i) A significant proportion (47%) of respondents to our pet owners survey indicated that they were not offered any alternative treatment options during their most recent visit to the vet. When considering only non-routine treatments (where we recognise that there may not be a suitable alternative in some cases), the percentage of pet owners who reported not being offered alternative treatments remained similar (43%). When considering routine treatments, more than half of respondents (52%) reported not being offered alternative treatment options.⁵³
 - (ii) Less than half (45%) of respondents to our pet owners survey said that they were given price information in advance of their most recent

⁵³ Pet owners survey, Q52B

treatment.⁵⁴ This proportion remained similar for both routine (40%) and non-routine (43%) treatments.

- (iii) Price estimates, when provided, are sometimes given verbally rather than in writing. Of those who received price information in advance of their most recent treatment, 28% received information in written form, 67% verbally and 15% saw the price on a price list.⁵⁵ For diagnostics, 64% were given information on price in advance. Of those, 39% received information in written form, 93% verbally and 16% saw the information on a price list.⁵⁶ Particularly in complex treatment scenarios, verbal price estimates make it more difficult for consumers to refer to the quoted price once away from the consulting room, which may reduce their ability or willingness to consider alternatives.
- (iv) Many vets have told us that they aim to provide ‘contextualised care’ which takes into account the individual circumstances of the pet and its owner,⁵⁷ but some vets have said that they find this difficult (for example because they worry about judgement from peers, being sanctioned by the regulator or complaints if something goes wrong). Vets told us that they do not always have the training or support to offer contextualised care.⁵⁸
- (v) There is little evidence on clinical outcomes or general quality collected across the sector, and almost none provided to pet owners to help them choose between treatment and diagnostic options. Although some LVGs collect data on clinical outcomes, there is no obligation to share these across the sector or with the RCVS to monitor or improve treatment pathways or guide pet owner choices. Experienced vets may therefore be able to support customers in choices more easily than less experienced ones because they can rely on more extensive knowledge of potential outcomes. We have been told by a number of vets that less experienced vets are more risk adverse than their more experienced

⁵⁴ Pet owners survey, Q52cr3.

⁵⁵ Pet owners survey, Q51.

⁵⁶ Pet owners survey, Q79r1, Q79r2, Q79r3.

⁵⁷ Contextualised care is a relatively new term for something that many vets have always done, namely taking into account the circumstances of the pet and its owner when considering which is the most appropriate treatment, including the animal’s age and general health, and the pet owner’s financial situation and ability to bring the animal to the vet or care for it at home during the treatment. Contextualised care does not necessarily mean recommending the cheapest treatment, as an owner may be able and willing to pay for the more comprehensive care available, and it does not always focus on financial considerations: it could, for example, mean adjusting to the needs of a pet which is aggressive or distressed when visiting the vet. There appear to be differences in the profession as to whether contextualised care means (a) a vet should evaluate what might be best to recommend in the circumstances and present a single personalised option to the pet owner, (b) a full range of options should be presented (to allow the pet owner to choose the best option) or (c) the outcome should be arrived at through an open discussion between vet and pet owner.

⁵⁸ See: [Summary of roundtable discussion with academics](#), paragraph 9; [Qualitative research with veterinary professionals](#), p 14 and 16; and [Summary of roundtable discussion with newly qualified vets](#), paragraph 9.

colleagues and therefore may be more inclined to default to more extensive diagnostic and treatment recommendations.

- (b) Some vet businesses (especially some of the larger groups) use key performance indicators (**KPIs**) to assist in understanding and managing their business, some of which relate to treatments sold. We would be concerned if targets based around clinical KPIs, or KPIs on specific treatment approaches, might influence which treatment options vets present to pet owners and how they present them. We have received mixed evidence on this point, with some vets reporting feeling pressure to deliver on KPIs and targets, though few reported such monitoring influencing their clinical decisions.⁵⁹ In terms of KPIs which are common in the industry:
 - (i) LVGs and some independents have KPI targets around achieving a specific number of treatments or ratios of treatments to consultations (such as diagnostics, dentistry, ophthalmology, initial versus repeat consultations), and the uptake of pet care plans.
 - (ii) Participants in our qualitative research with vets similarly reported being monitored, either on an individual level or a practice level, on a variety of clinical metrics.⁶⁰
 - (iii) Certain KPIs could assist in encouraging vets to support pet owners, for example by measuring whether contextualised care or written estimates are provided. However, we have not observed KPIs and monitoring of vets relating to the provision of information and suitable recommendations to pet owners on the available diagnostic and treatment options, or written information in advance of committing to treatment.
- (c) IT systems used by vets (practice management systems or **PMSs**) may influence the treatments the vet charges the pet owner for. Where certain services cannot be sold without also including other services (bundling), pet owners may be sold additional treatments that they would have preferred not to purchase, if given the option. Some participants in our qualitative research with vets reported that the computer systems used by practices prompted them to comply with diagnostic guidance or protocols. Most commonly, this related to how to charge for diagnostics.⁶¹ For example, some participants described practice protocols requiring certain diagnostic tests for certain

⁵⁹ [Qualitative research with veterinary professionals](#), p 71. See also our working paper on [Business Models, Provision of Veterinary Advice and Consumer Choice](#), paragraphs 2.112 to 2.122.

⁶⁰ These metrics included number of consultations per vet, revenue generation per consultation, diagnostic work up rate, percentage of follow up appointments, vaccination rates, percentage of animals with pet care plans, percentage of preferred medicines used, percentage of preferred laboratories used, turnover, and consumer satisfaction ([Qualitative research with veterinary professionals](#), p 61-62).

⁶¹ [Qualitative research with veterinary professionals](#), p38.

suspected conditions, and that their computer systems made it hard to separate out charges for individual diagnostic tests, instead charging them as 'bundles' of tests even when the vet considered that in the particular circumstances the full bundle was unnecessary.⁶²

- (d) Gaps in the support vets receive in presenting pet owners with treatment choices and prices (sometimes in difficult circumstances) with the result that consumers are not always aware of the options that might be available or the consequences (financial and otherwise) of making a particular choice. Specifically:
 - (i) We heard from senior staff at vet schools that many trainee vets do get training in how to communicate with pet owners.⁶³ However, vets are not required to undergo ongoing training in this area.
 - (ii) Although the Supporting Guidance to the RCVS Code has provisions on providing pricing information to pet owners, those provisions do not appear to be consistently followed and do not require vets to provide an estimate in writing where feasible.⁶⁴ The RCVS has no ability to monitor whether vets are following this Supporting Guidance (unless someone reports a failure to it) or take action where they are not (because this behaviour falls far short of the situations of serious professional misconduct in which the RCVS can act).
- (e) An out-of-date regulatory system which:
 - (i) Arguably does not give sufficient weight to the importance of competition and consumer interests.
 - (ii) Does not contain the monitoring and enforcement powers needed to ensure that vets implement the RCVS Code (and Supporting Guidance), including the consumer-facing elements.
 - (iii) Does not:
 - (1) set compulsory standards for complaints processes; or
 - (2) require information sharing to learn from complaints.
 - (3) The knowledge that people could complain effectively could put pressure on vet businesses to improve their approach to informing pet owners and presenting options. Vets, businesses and the

⁶² [Qualitative research with veterinary professionals](#), p. 6.

⁶³ [Summary of roundtable discussion with academics](#), paragraph 4.

⁶⁴ 'An estimate should preferably be provided in writing, especially where treatment involves surgery, general anaesthetic, intensive care or hospitalisation' ([Supporting Guidance for the RCVS Code of Professional Conduct for Veterinary Surgeons](#), section 9.10(e)).

regulator could also learn from complaints, if the data was collected and assessed in a useful way.

- (iv) Has no jurisdiction over businesses (or non-vets who make important decisions). There is no requirement, for example, on businesses to have policies in place around transparency of prices, ownership or treatment options.
- (v) Includes a Practice Standards Scheme (**PSS**) which applies the consumer-facing provisions of the RCVS Code to vet practices, but which is voluntary; and the RCVS has no sanctions against practices which do not follow these elements beyond removing them from the scheme.
- (vi) Does not:
 - (1) require monitoring of quality or clinical outcomes;
 - (2) require industry-wide information sharing on these matters when measured; or
 - (3) have an enforceable way to ensure minimum quality beyond controlling the registration and continuing professional development (CPD) of veterinary professionals.

2.11 As a result of these features, some consumers may be offered more complex, higher cost services without being given the option of simpler, lower cost alternatives that may better match an individual pet owner's preferences and circumstances.

Insufficient information is offered on referral options

2.12 Sometimes a vet at a FOP will not have the skill, experience or equipment to provide a recommended treatment or test. In such cases, the pet owner will have the option to request a referral to another vet or vet practice and the consumer may be able to decide which vet practice to use.

2.13 It is important that consumers make informed choices about where to go for their pet's treatment when being referred, and indeed whether to proceed with the treatment at all. This is especially important given that treatments after referrals are often the more expensive treatments that pet owners can purchase, with potentially the most significant impact on the animal, and that the options may vary in terms of price or quality.

2.14 It appears that consumers are not always given options when being referred.

- (a) Around half (49%) of those given a referral reported being offered a range of treatment options, whereas a quarter (25%) were not.⁶⁵
 - (b) 30% said they were given options on where they could go for their referral, but the majority (57%) were not.⁶⁶
- 2.15 It appears that customers are not always being given clear information about expected pricing when being referred. For referrals, 43% of pet owners told us that they were given information on price. Of those, it was received verbally for 88% and in written form for 50%, and 33% saw information on a price list.⁶⁷
- 2.16 Vet businesses which have their own referral providers have incentives to refer within their group and keep the revenue in-house. However, we have not seen any evidence which suggests that vets employed at LVGs do not have clinical freedom when offering referrals. Vets have told us that they often build up relationships with vets from certain referral providers and as such may be more likely to refer there, including vets at LVGs with colleagues from referral providers in the same network or corporate group. Vets at LVGs have told us that there can be advantages for the pet in staying within the group for referrals: for example, the notes are easily transferred, the vet at the FOP can easily resume follow-on care.
- 2.17 We consider that customers should be clearly informed who owns the practice to which they are being referred. Our survey found that 42% of pet owners did not have that information.⁶⁸
- 2.18 We have seen evidence that some customers of referral providers carry out research into alternative options once they have been advised that their pet needs a certain treatment or surgery.⁶⁹ The fact that, for example, it is easy to find prices and suppliers for fixed-price TPLO surgery from an internet search implies that some customers actively search for suitable referral providers.
- 2.19 The regulatory framework does not appear to sufficiently support customers in making informed choices at the point of referral. The Supporting Guidance to the RCVS Code says that vets should not allow any interest in a particular product or service to affect the way they make recommendations, whether the interest is held by the vet themselves or their employer, and that vets should also inform clients of any real or perceived conflict of interest.⁷⁰ However, it does not appear that vets

⁶⁵ Pet owners survey, Q63r4.

⁶⁶ Pet owners survey, Q66.

⁶⁷ Pet owners survey, Q63r3 and Q64.

⁶⁸ Pet owners survey, Q74.

⁶⁹ For example, in relation to their most recent referral visit, 28% of pet owners in our pet owners survey did their own research on the treatments offered and/or looked for alternatives that their vet did not suggest. Pet owners survey, Q67.

⁷⁰ Section 1.7 of the [Supporting Guidance for the RCVS Code of Professional Conduct for Veterinary Surgeons](#).

are consistently informing pet owners when the recommended referral provider is owned by the same vet group.⁷¹

- 2.20 An informed choice will always include adequate information about the benefits of the treatment options, the likely outcomes and the expected cost. We note that in some areas, there may be limited choice of referral options, especially for certain, less common, specialist services. When we looked at both referral providers and FOPs that offer referral services, our local concentration analysis indicated that there were no monopoly areas, while two sites (1%) faced only one other site offering referral services in their local areas.⁷² This analysis did not take into account specialisms offered at each site, and thus it is possible that there may be some sites offering a particular specialism that do not face competition in their local area.

Consumers may struggle to assess whether pet care plans are suitable for their needs

- 2.21 Pet care plans are sold on the basis of savings made in comparison to the cost if all of the included services were purchased separately. However, pet owners are often not able to easily understand how much these services would have cost outside the plan (especially for flea and worm treatments that could be purchased elsewhere with a written prescription). It is likely to be even more difficult for many pet owners to assess how many of these services they are likely to use (or have used in the past year) which is an essential part of working out whether the plan constitutes value for money in a particular case. As such, pet owners may be paying for pet care plans, assuming that they are making savings, when they would have saved money if they had bought the services on a 'pay-as-you-go' basis, outside the plan.

Retail prices for medicines at FOPs are much higher than costs and much higher than prices available online

- 2.22 There may be features of the market that relate to medicines which adversely affect competition. Some of these may be inherent features. For example, vets are (rightly) the 'gatekeeper' for a consumer's access to many medicines. Some medicines require administration by a vet and, even if not, some consumers may be reluctant to administer medicines to their pets themselves. Other features may not be inherent but are relevant to the way the market currently operates. For example, limits on consumers' awareness of their ability to obtain written prescriptions and to buy medicines more cheaply from suppliers other than their

⁷¹ 42% of pet owners surveyed told us that they did not know who owned the practice they were referred to. Pet owners survey, Q74.

⁷² When we looked at referral providers only, we observed that there may be six referral providers (6%) that are monopolies, though all of these have FOPs that offer referral services in their area.

FOP. Consumers may face barriers to purchasing medicines from third-party retailers, such as a lack of information on the quality of medicines sold online or the charging of fees for written prescriptions by FOPs. We have some concerns about the effects of these features (inherent or otherwise) on competition in the supply of veterinary medicines.

- 2.23 FOPs have high retail prices for veterinary medicines, which have increased significantly in recent years. In many cases both LVG- and independently-owned FOPs apply large mark-ups to their purchase costs of medicines, which means that medicines are sold by FOPs at prices several times the cost of procuring them. We have been told that this may allow prices for other FOP services to be lower than they might otherwise be and that there are other costs incurred by FOPs when supplying medicines that are recovered in their retail prices (such as the cost of keeping a sufficiently broad range of medicines in the FOP for ready supply to treat the large majority of health conditions experienced by pets).
- 2.24 Consumers could make considerable savings when they purchase medicines from authorised online pharmacies. For example, Vetmedin was advertised as being 59% cheaper at one authorised online pharmacy compared to a 'typical vet price', and Metacam was advertised as being nearly 72% cheaper.⁷³ Pet owners need to obtain a prescription from their vet in order to be able to buy online: prescriptions fees charged by FOPs range from £12 to £36.⁷⁴ These fees reduce (or possibly in some cases eliminate) the cost saving from purchasing online.
- 2.25 Some medicines will not be, or are unlikely to be, suitable for purchase online. This includes medicines that need to be administered as part of treatments within the clinic or initial doses that need to be given immediately. Evidence obtained from LVGs indicates that the majority of top selling medicines in LVG-owned FOPs are also available from LVG-owned online pharmacies and therefore could be purchased online. Even where it would in principle be possible to purchase online, many consumers prefer the convenience of buying from their vet. Our pet owners survey found that of those who bought their prescribed pet medication from their vets, ⁷⁵ convenience was the most commonly cited reason (50%).⁷⁶
- 2.26 Nonetheless, many consumers who might benefit from doing so do not appear to understand that they could buy medicines online more cheaply.
- (a) The Supporting Guidance to the RCVS Code states that vets must advise clients, by means of a large and prominently displayed sign, or signs, (in the waiting room or other appropriate area), that prescriptions are available and

⁷³ Pet Drugs Online website, accessed on 24 March 2025. We reviewed the price for Metacam because it is a very common painkiller for dogs.

⁷⁴ Qualitative research with veterinary professionals, Revealing Reality research report, page 29 to 30.

⁷⁵ Pet owners survey, Q95, Q96.

⁷⁶ Pet owners survey, Q99.

that clients can also purchase veterinary medicinal products from another veterinary surgeon or pharmacy. The RCVS offers a template for display in vet practices.⁷⁷

- (b) However, 38% of pet owners did not know they could obtain a prescription from their practice and get the medication elsewhere.⁷⁸ Of the 55% of pet owners that did know of their ability to purchase medicine from a third-party retailer, 42% said they were made aware of this via word of mouth (for example from friends, family, and other pet owners). 35% of pet owners said they were informed by their current vet practice.⁷⁹
- (c) In addition to the large and prominently displayed sign, vets could verbally inform pet owners that prescriptions are available and that clients can also purchase veterinary medicinal products from another veterinary surgeon or pharmacy at the point of sale in a FOP. However, our survey found that 32% of respondents who bought medicines from their FOP in the last two years said that they did so because the vet did not offer any alternative.⁸⁰
- (d) 30% of pet owners whose pet had been prescribed medication in the past two years said that they compared prices of medicines. Most respondents said that they did not attempt to compare prices (60%), and some (9%) said that they tried to compare prices but could not find information.⁸¹ Pet owners that were prescribed on-going medication (44%) were more likely to have compared prices of medicines than those that were prescribed one-off medication (19%).⁸²
- (e) Only 16% of pet owners in our survey purchased medicines from a third-party retailer, and this was more common for on-going medication (28%) than one-off medication (9%).⁸³ Most pet owners that purchased on-going medication directly from their FOP were aware that they could request a written prescription to make a purchase elsewhere (63%, with 31% saying that they were not aware of this fact and 6% being unsure).⁸⁴
- (f) Our survey found that 26% of respondents who bought medicines from their FOP in the last two years did not know how to order them from anywhere else.⁸⁵ More than half of these respondents (56%) did know they could obtain a prescription from their practice and get the medication elsewhere, suggesting that a lack of information on how the process of ordering

⁷⁷ RCVS, Guidance on Fair trading requirements.

⁷⁸ Pet owners survey, Q91.

⁷⁹ Pet owners survey, Q91b.

⁸⁰ Pet owners survey, Q99.

⁸¹ Pet owners survey, Q98.

⁸² Pet owners survey, Q98 by Q92.

⁸³ Pet owners survey, Q95 and Q96.

⁸⁴ Pet owners survey, Q96 by Q91.

⁸⁵ Pet owners survey, Q98.

medication from other retailers represented a barrier to purchasing medicines at lower prices than available at their FOPs.⁸⁶

- (g) Some pet owners are worried that the quality of medicines purchased online would not be as high as those bought from their vet practice, even though the product will be identical when purchased from a regulated online pharmacy. Of those that purchased medicine from their vets, 36% cited the perception of the medicine being 'most reliable' or 'best quality' as a reason, with 23% indicating that they felt most comfortable administering medication purchased from their vet.⁸⁷

2.27 Our emerging view is that, to engage with the market in the way we might expect where competition works well, and to understand the price saving available, a consumer needs to:

- (a) be purchasing a medicine that does not need to be given immediately to the animal within the vet practice;
- (b) know they can obtain a written prescription for the medicine;
- (c) know the price when purchasing the medicine from the FOP, including the dispensing fee;
- (d) know the price when buying online (or at a bricks-and-mortar retailer), including the fee for obtaining a written prescription;
- (e) know where to go and how to purchase medication from an authorised online pharmacy or a bricks-and-mortar retailer;
- (f) know the name of the medicine to search for prices elsewhere, which may require the vet to explain equivalents or the active ingredient if the medicine in question is an Own Brand version; and
- (g) be aware that the medicine purchased elsewhere (including at online pharmacies) will be of the same quality as that purchased in the FOP, if they use a registered pharmacy.

2.28 It appears to us that elements (b) to (g) are not always present for many customers, limiting the share of medicines which are purchased online and the competitive pressure on FOPs medicine sales from alternative suppliers.

2.29 The common ownership of FOPs and online pharmacies by some LVGs may weaken the current competitive constraint on all FOPs from LVG-owned online pharmacies. This is because an LVG-owned authorised online pharmacy would be

⁸⁶ Pet owners survey, Q91.

⁸⁷ Pet owners survey, Q99.

attracting pet owners away from FOPs also owned by the same LVG, which may dampen the incentive of the LVG-owned pharmacy to lower its retail prices or to promote its lower prices to pet owners through marketing and advertising. Common ownership may also limit competition between FOPs and online pharmacies in the future if there were stronger competition between FOPs and online pharmacies as a result of our remedies package. An incentive could emerge for vets at LVG-owned FOPs (as part of the ‘gatekeeper’ role they hold) to steer pet owners towards the online pharmacies owned by the same LVG, thereby limiting the ability of other online pharmacies – including those owned by other LVGs – to attract pet owners away from FOPs. We are continuing as part of our investigation to explore these concerns and whether this feature of the market could adversely affect competition.

There is limited competition in out of hours (OOH) services

- 2.30 All veterinary sites which treat animals during standard opening hours are required to have arrangements for 24-hour emergency cover. Some vet practices provide this in-house, and many outsource it to a third-party provider. Our data suggests that the majority of FOPs (80%) outsource OOH provision to another site (either a specialist OOH provider, or another FOP); this includes sites which outsource to other sites within the same group.⁸⁸
- 2.31 Many local vet practices have little choice of supplier when they outsource their obligations to provide OOH services. Our analysis suggests that over 40% of those vet practices that wish to outsource their OOH obligations have the choice of just one or two providers in their local area. We also found that the majority (60 to 70%) of those outsourcing to a third-party use an OOH provider owned by one LVG [X].⁸⁹
- 2.32 We have observed that there is significant variation in contract terms across the OOH providers. These contract terms, which include in some instances long break clauses and high exit fees, limit the ability of FOPs to switch OOH provider. This limits the ability for OOH providers to expand and can prevent FOPs from switching if they receive poor service. This could lead to pet owners paying higher prices or receiving a worse OOH service than they would if there were greater competition among suppliers of this service.

⁸⁸ The percentage of FOPs that outsource OOH provision to another site or provider is higher for LVGs (78% to 98%) than for independent FOPs (58%). We set out the basis for these percentages in paragraph 3.3 of our working paper Analysis of local competition.

⁸⁹ We set out the basis for these percentages in paragraph 3.19-3.20 of our working paper Analysis of local competition.

Cremations: pet owners may be overpaying at a vulnerable time

- 2.33 Pet owners purchase cremations at a very vulnerable time, when they are likely to be upset about the recent or prospective death of their pet.
- 2.34 Our initial analysis suggests that there are high mark-ups between the price that the FOP pays the cremation provider for the service and the price at which the cremation is sold to the customer, especially for individual cremations. We are concerned that pet owners may be overpaying for a service which they purchase when they are distressed and unlikely to be taking the time to consider the costs.
- 2.35 Vets have told us that there is a considerable amount of work involved in managing cremations, especially individual cremations, though we have yet to see evidence which quantifies this. Vets and vet nurses spend time with pet owners talking through the options and helping them decide without feeling rushed. There is also paperwork to be completed and the storage of the body.
- 2.36 We are currently assessing the evidence to determine whether the cost of vet professionals' time justifies these high mark ups. If we consider that it does not, we might consider measures to protect customers from overpaying for these services.

The regulatory framework is no longer fit for purpose

- 2.37 The regulatory framework is focussed on protecting the public interests in animal welfare and public health and gives limited weight to considerations relating to the promotion of competition and the protection of consumers. Most veterinary services are supplied by commercial entities and any weaknesses in the competitive process or consumer protection could result in pet owners facing higher prices, fewer choices or less innovation with consequent implications for animal welfare.
- 2.38 We are concerned that the regulatory framework does not help drive competitive processes and good consumer outcomes (and consequent benefits to animal welfare) in the way we would expect in a well-functioning market. It does not appear to result in consumers having relevant and timely information on price, quality and treatment options that helps them engage with the market and make informed decisions and keep prices at a level one might expect if the market is working well. In particular:⁹⁰
 - (a) Vet businesses (and owners and managers who are not vets) have considerable influence on pricing, investment, staffing and processes in ways

⁹⁰ It may also be the case that veterinary medicines regulation gives no material consideration to competition and consumer issues, which may result in higher prices and less choice for consumers in some circumstances.

which impact the cost and quality of veterinary services, but these entities and actors are excluded from the scope of veterinary services regulation.

- (b) Even within its current narrow scope, the existing regulatory system lacks an approach to monitoring and enforcement that can give confidence that shortcomings can be effectively identified or deterred. Nor does the system offer an accessible, comprehensive system of consumer redress.

There appears to be a choice of FOP in most – though not all – local areas

- 2.39 Our initial analysis, as outlined in the Local Concentration working paper, suggests that around 94% of areas have at least three different competitors (that is, FOPs owned by different firms). The remaining 6% of local areas are served by only one or two FOPs, and many of these areas are in remote or coastal locations. In some of these areas, it would not be possible to increase competition through changing the ownership of the vet practices; that is, there are only one or two businesses in the area and the lack of competition is not a result of LVG acquisitions. This leaves fewer than 4% of all local areas in the UK where competition could potentially be increased through requiring firms to divest certain vet practices.⁹¹
- 2.40 We have not seen evidence that consumers face worse outcomes (higher prices or lower quality) in areas where there is limited choice. This could be because – as we set out above – consumers do not currently exert strong competitive pressure on vet businesses by shopping around or switching such that it is difficult to detect differences in competitive outcomes between an area with limited choice and one with more.
- 2.41 We consider that it is likely to be more proportionate to pursue remedies aimed at increasing competition, and informed choice, throughout the whole of the UK rather than focussing specific remedies on those areas with limited competition. This view is reflected in the remedies that we explore in this working paper. However, we might be concerned if the number of areas with few competitors were to increase. If the remedy proposals we are considering are adopted and improve competition between vet practices, local concentration may as a consequence have impacts on prices and choice that we do not currently observe. The CMA merger control regime continues to apply where changes in control of vet businesses result in a substantial lessening of competition in local areas and the CMA's future merger control thinking will take full account of the understanding of market dynamics that we have gained from carrying out this market investigation.

⁹¹ We are currently updating the list of sites which might change the final numbers of monopoly and duopoly areas.

3. Helping pet owners choose FOPs, referral providers and treatments that are right for them and their pet

Aims of the potential remedies

Choice of FOP and referral provider

- 3.1 In the previous section, we highlighted several features of the market that mean pet owners may not respond to differences in price and quality between veterinary practices or referral providers, including some that relate to the availability of information:
- (a) There appears to be limited information available to pet owners about price.
 - (b) There appears to be limited information available to pet owners about the ultimate ownership of vet practices which belong to some LVGs.
 - (c) It appears to be difficult for consumers to judge the quality offering of vet practices.
 - (d) There appears to be little information about usage of elements included in pet care plans.
- 3.2 As a result:
- (a) The limited price information available to pet owners means pet owners currently appear to place relatively little weight on price when choosing a vet practice.
 - (b) To the extent that pet owners do evaluate different options when choosing a FOP, they may be comparing practices which are owned by the same LVG (and therefore not true competitors) without realising it.
 - (c) Pet owners often do not shop around or switch vet practice even when they might get lower prices and/or a service better suited to their circumstances elsewhere.
 - (d) Pet owners may be paying more for vet services than they need to since there is little downward pressure on prices from competition and it is difficult for them to assess whether a pet care plan meets their needs.
- 3.3 We consider that increasing transparency – providing pet owners with relevant, timely information about the price, quality and ownership of veterinary services and products – could support them in choosing a FOP or referral provider that best meets their needs and those of their pet. This in turn could increase competitive pressure on FOPs and other vet service providers, by encouraging consumers to

compare what they offer and enabling competitors to benchmark against each others' prices, level of quality and services offered.⁹² Increased transparency could support pet owners to make more informed decisions about which basic services and treatments they wish to purchase.

- 3.4 In Section 7: A regulatory framework which protects consumers and promotes competition we consider potential changes to regulation that could further increase the information available to pet owners to choose a FOP or referral provider. In Section 4: Increasing price competition in the medicines market we refer to increasing transparency in the context of increasing the awareness and information available to pet owners on the option to buy medicines outside of a FOP and the price savings that could be made.

Choice of treatments, including referrals

- 3.5 As set out in Section 2: Summary of potential issues in this market investigation, we are concerned that, where there is a range of clinically appropriate options available, some pet owners may not be purchasing the vet treatments or services (including referrals) that are best suited to them and their pet's specific circumstances.
- 3.6 We think this is because some pet owners do not, or cannot, compare the differences in price, quality and potential outcomes between different options. For example, less than half of respondents to our pet owners survey said that they were given price information in advance of non-routine treatment.
- 3.7 Our current thinking is that most vets give good quality clinical advice. However, based on the evidence we have obtained so far, there may be some situations where interactions between vets and pet owners regarding the possibility of different treatment options, including referrals, could be improved.
- 3.8 Further, we think that pet owners with animals requiring higher cost treatments, such as complex surgery, are likely to be particularly in need of clear and accurate information about different treatment options.
- 3.9 We have identified a number of potential changes to the practice and culture around how vets interact with pet owners, including some which are interconnected and/or mutually reinforcing, which collectively aim to support pet owners in comparing different treatment options and to bring about better outcomes in terms of the choices they feel able to make and prices that they pay.

⁹² Although the wide range of factors and services that pet owners could consider when choosing a FOP may put an upper limit on the competitive pressure that could be exerted on any one factor or service by pet owner choices.

Remedies considered in this section

- 3.10 This section now outlines the following remedy options to increase transparency and pet owners' ability to compare between FOPs and referral providers:
- Remedy 1: Require FOPs and referral providers to publish information for pet owners.
 - Remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers.
 - Remedy 3: Require FOPs to publish information about pet care plans and minimise friction to cancel or switch.
 - Remedy 4: Provide FOP vets with greater information relating to referral providers.
- 3.11 This section then goes on to outline the following remedy options which seek to increase transparency and pet owners' ability to compare different treatments, services and referral options, and to prohibit behaviours which unduly limit or constrain the choices offered to pet owners:
- Remedy 5: Provision of clear, accurate and timely information about different treatment, service and referral options.
 - Remedy 6: Prohibition of business practices, incentives, goals and/or other performance tools which unduly limit or constrain choices offered to pet owners.

Remedy 1: Require FOPs and referral providers to publish information for pet owners

Description

- 3.12 This remedy would require vet practices (including both FOPs and referral providers⁹³) to publish information on prices of common veterinary services and products, RCVS accreditations and awards, ownership and other basic information on their websites and in their practices. It would include a degree of standardisation of what information is published and how it is presented to support pet owners to make comparisons between providers.

⁹³ As noted in our working paper on Business Models, Provision of Veterinary Advice and Consumer Choice (paragraph 1.15), referral services may be offered by a range of different sites, including dedicated referral centres, hospitals and FOPs. In this working paper, we use "referral provider" to mean any provider of referral work.

- 3.13 We consider that the remedy should cover vet practices (including both FOPs and referral providers) but, as set out below, the requirements as to what they must publish will need to be appropriately modified depending on the services which they offer.
- 3.14 This remedy could support greater price, quality, choice and ownership transparency which in turn could help pet owners to choose FOPs or referral providers that better fit their preferences and create greater pressure on FOPs to reduce prices and increase quality. The remedy which follows – a comparison website – would additionally enable consumers to obtain the key information they need to compare services and prices from a single trusted and independent source.

Design considerations

- 3.15 In this section we explore the following types of information that FOPs and referral providers could be required to publish that would support pet owner choices:
- (a) Standardised price list
 - (b) Standardised customer feedback
 - (c) RCVS PSS accreditations and awards
 - (d) Ownership information
 - (e) Other basic information

Standardised price list

- 3.16 We are considering whether FOPs and referral providers should be required to publish prices for a standardised list of common services, products and treatments, to enable pet owners to compare costs and make informed decisions.
- 3.17 The price list could include more intensive treatments and procedures where they could feasibly be standardised. We note that some practices already offer fixed prices for some more complex procedures and expanding the requirement to these types of treatments would help to improve price transparency, particularly for referrals.
- 3.18 Below we set out our initial proposal for a list of services, products, treatments and procedures for which vet practices could be required to publish prices and related information. Some items may require a single price, others may require different prices depending on different pet characteristics, bundled services or complexity, and others may require the option for vet practices to include further information about what the service includes. Below the table, we highlight some factors that

may be relevant to how prices for different services might best be standardised. We set out our emerging view on potential information requirements for each row in more detail in Appendix A: Proposal for information to be provided in standardised price list.

Table 3.1: Proposed standardised price list

Category	Service, product, treatment or procedure
1. Consultation and preventative care	First, repeat and OOH vet consultation (including duration)
	Nurse consultation (including duration)
	Nursing care (including duration)
	Nail clipping
	Anal gland expression
	Microchipping
	Animal health certificate
	Vaccinations primary course and consultation
	Vaccinations booster and consultation
2. Prescription, dispensing and administration	Prescription fees
	Dispensing fees
	Administration/injection fees
3. Medications and chronic conditions	Flea treatment
	Tick treatment
	Worming treatment
	Chronic diabetes treatment (insulin) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)
	Chronic dermatitis treatment (corticosteroids, cyclosporine) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)
	Chronic arthritis treatment (NSAIDs) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)
	Chronic pain relief treatment
4. Surgeries and treatments	Routine dentistry (initial examination of mouth, scale and polish, anaesthetic)
	Routine surgeries (lump removal, laceration repair, anaesthetic)
	Castration
	Spay
	Physiotherapy session
	Laser therapy
5. Diagnostics & laboratory tests (excluding interpretation)	X-ray
	Ultrasound
	Cytology test
	Basic urine screen
	CT scan (including sedation)
	MRI scan (including sedation)
6. End-of-life care	Euthanasia
	Cremation: communal
	Cremation: individual
	Heart murmur
	PDA occlusion
	Pacemaker placement
	Root canal therapy

7. Specialist treatments & procedures⁹⁴	Vital pulp therapy
	Intradermal skin testing
	Video otoscopy
	Nasal investigation
	Portosystemic shunt investigation
	Epilepsy/seizure investigation
	Hemilaminectomy including MRI (small dog)
	Phacoemulsification (unilateral and bilateral)
	Prolapsed nictitans gland repair ('Cherry eye')
	Lens luxation
	Tumour Staging (consult, sedation and CT)
	TPLO
	Patella luxation surgery
	Hip Replacement
	Lateral condylar fracture
	Total ear canal ablation
	Laryngeal paralysis
	BOAS surgery

3.19 This remedy would require a degree of standardisation in how FOPs and referral providers price certain services. We are aware that costs and prices for the same product or service may vary depending on various factors and that standardisation must take account of this. We consider below three ways in which it may be appropriate for prices to vary for a similar service:

- (a) Costs may vary by **animal characteristics** (species, breed, weight, age or sex). For example, larger pets might need more nursing care or anaesthesia as part of a treatment. FOPs and referral providers would give a price for each unique combination of characteristics so pet owners can see which prices are relevant for their animals (such as using a table or filter). To ensure prices are comparable and pet owners can see which prices are relevant for their pet, we propose to create discrete categories within each characteristic (eg under 20kg, 20-40kg, over 40kg; dog, cat, other small animal; male, female). FOPs and referral providers would then provide prices for each unique combination of categories between which prices can vary. For example, where prices may vary by weight and species, separate prices would be given for dogs under 20kg, dogs between 20-40kg, dogs over 40kg, cats and other small animals. FOPs and referral providers could then support pet owners to identify the relevant prices for them using a table or filter. We set out which services and treatments we consider it may be appropriate to split in this way in Appendix A: Proposal for information to be provided in standardised price list. We would welcome views on the specific categories that would be appropriate, and on which services and treatments this split might apply to.

⁹⁴ Our initial proposal for the list of specialist treatments and procedures that could be standardised is based on a proposal put forward by an LVG.

- (b) FOPs and referral providers may **bundle a service** with other treatments, services and/or products. For example, neutering might be bundled with nursing care, post-operation painkillers and a cone. For some of these, we could explore whether a standardised baseline could be established for certain services. For others, the price list could allow scope for FOPs and referral providers to provide further details of what is included and excluded in the price of the service listed (such as in an expandable section or hyperlink).
- (c) Costs may vary with **treatment complexity**, such as severity of condition, urgency, location of condition, morbidities, delivery method, equipment used, formulation or dosage of medication needed, local factors, unexpected complications, required specialism or time required from the vet. These factors are more likely to be relevant for specialised treatments and procedures and referrals. These treatments may be complex to standardise, may not be anticipated in advance, and may require clinical judgement by a vet. Where a treatment might be more complex than expected (eg a surgery depends on the size or location of a lump), this treatment could be priced as 'starting from' or as a range. Where vets may recommend alternative treatments depending on situational factors (eg which medicine formulation might be most appropriate), the most commonly used treatments could be provided with further information provided about where alternatives may be recommended.

3.20 We set out some further considerations in relation to the proposed standardised price list below, and we welcome views in response to the consultation:

- (a) Some services may benefit from FOPs and referral providers being able to provide further explanation for what is included in a given line item. For these, providers could provide free text alongside the prices or through a hyperlink (where the information is not necessary to understanding the price).
- (b) Standardisation may not be an absolute requirement to support price transparency or comparability, and it may not always be possible or appropriate. For example, where the duration of a service (such as a consultation or physiotherapy session) or the dosage of a medication may vary, we do not propose standardising the duration or dosage that must be offered and priced (though information on duration should be made clear to pet owners alongside the price). An additional price per unit could be provided in brackets to support easier comparisons, although this would need to be designed in a way that avoided confusing pet owners about the total price.
- (c) Our current understanding is that dispensing fees may vary depending on the pharmaceutical form of the medication (for example, injectables, tablets,

suspensions, or spot-on treatments). However, our emerging view is that the key activities involved in dispensing (such as storage and retrieval, labelling, and vet verification) appear to be broadly similar across different pharmaceutical forms of the medication. We would like to explore whether there is scope to further standardise dispensing fees and welcome views on this.

- (d) For chronic condition treatments, our current view is that separate pricing should be provided for the initial consultation with a first course of medication, and for ongoing medication. This would support pet owners seeking clinical assessment and those managing ongoing treatment.
- (e) For chronic condition treatments and for flea, tick and worming treatments, we are aware that different practices use different medicines or approaches based on clinical judgement or other local or organisational factors. However, we would not necessarily expect pet owners to need to understand the difference between alternative clinically valid approaches to benefit from comparable price information for treating the same conditions. We consider that it is important that the prices published reflect the treatments that are offered and that many or most pet owners would actually receive. We welcome further views on how we might facilitate greater price transparency for these treatments.
- (f) For diagnostic tests, we propose that the price of the test could be provided excluding interpretation, as the cost of this could vary significantly depending on how this is carried out (for example, at the laboratory, by the practice vet, or by a specialist). The cost of interpretation should be explicitly mentioned in the price list, either highlighting that a standard consultation fee should be added, or the price for interpretation if it differs from this fee. Where diagnostic tests frequently include sedation, we propose that this cost is included in the overall price, and where they only rarely require sedation, we propose that this potential cost is highlighted but not included in the overall price.
- (g) We recognise that some diagnostic tests, such as blood and allergy tests, may be too variable, complex or dependent on clinical judgement to reduce to comparable elements, and it may not be appropriate to drive direct price comparisons. For example, the panel of blood tests can vary widely depending on the pet's condition and the specific diagnostic needs, with the selection guided by the vet's clinical assessment.
- (h) For specialist treatments and procedures, we recognise that these would likely be indicative prices ('starting from' or a range) given the potential complexity and variation depending on the situation. However, we would want to ensure that the published prices were an accurate reflection of the

price that a significant proportion of pet owners would pay in practice. We would welcome views on how best to balance these factors.

- (i) These requirements would only apply to a given FOP or referral provider if it offers the service. For example, some referral providers may not offer some more basic services, and some FOPs may not offer certain surgeries or diagnostics and would therefore not need to publish these prices.
- (j) FOPs and referral providers would be required to keep their published standardised price list updated to reflect the prices they currently charge and to display when prices were last updated. They might be required to submit compliance statements to the body responsible for monitoring compliance.⁹⁵
- (k) On websites, the price list should be easy for pet owners to locate and read. Ideally, it would take consumers not more than one click to reach the price list from the FOP's or referral provider's homepage. The page containing the price list would need to be clearly labelled so that it is easy to spot.
- (l) To compare which FOP or referral provider provides the most cost-effective option overall, we note that pet owners would need to predict which services on the standardised price list they are likely to require. The more comprehensive the price list is, the more likely we consider it is that different types of pet owners could make these judgements.

Standardised customer feedback and publishing complaints

- 3.21 We are considering whether FOPs and referral providers should (and even could) be required to solicit customer feedback using a standardised methodology and publish the results. For example, FOPs and referral providers could be required to send a standardised customer satisfaction survey to their customers, and to publish the results. We have been assessing the potential benefit for pet owners as well as carefully considering risks and possible burden for business.
- 3.22 Customer feedback could inform pet owners about the opinions and experiences of others, particularly given the difficulty with ascertaining the quality of vet services. We note that customer feedback would focus on elements of services that are observable and salient to pet owners (eg staff friendliness or parking facilities). These measures may not be correlated with less observable measures of quality, such as equipment suitability, health and safety processes, clinical quality or pet outcomes. As such, customer feedback would not necessarily be a substitute for objective quality measures.

⁹⁵ See for example the requirement on crematorium operators and funeral directors operating 10 or more branches on Part 6 of [The Funerals Market Investigation Order 2021](#).

- 3.23 We note that some vet businesses currently use methodologies such as Net Promoter Score (**NPS**) – a measure that asks about likelihood of consumer recommending a service to friends and family – to monitor customer satisfaction internally. However, we note that there is likely to be substantial variation in how the methodology is currently implemented in practice.
- 3.24 Complaints are another form of customer feedback, and we consider that vet service providers should all as a baseline have clear, consistent, and fair complaints processes and mechanisms for mediation or arbitration across the sector (see Section 6: A regulatory framework which protects consumers and promote competition for more details).
- 3.25 We currently consider that requirements relating to standardised customer feedback or publishing complaints may not be effective in addressing our concerns and could pose considerable practical challenges that may outweigh the potential benefits to consumers. As such, we are not currently proposing these measures as part of any requirement on FOPs and referral providers to publish information for pet owners. However, we consider in Section 6: A regulatory framework which protects consumers and promote competition the potential for complaints data to be incorporated into a new measure of quality and how complaints data and insights may be used to drive sector-wide improvements, and we welcome views on this topic.

RCVS Practice Standards Scheme accreditations and awards

- 3.26 The RCVS PSS is a voluntary scheme that confers accreditations and awards to vet practices. Accreditations serve as a baseline, showing a practice meets specific legal and professional standards. Awards are optional badges of excellence focusing on specific areas of practice, such as Client Service or Diagnostic Service and can be rated as ‘Good’ or ‘Outstanding’.
- 3.27 Publishing information on PSS accreditations and awards could help pet owners in assessing the quality of care provided. We consider the extent to which the PSS may be suitable as a measure of clinical service offering of FOPs and referral providers in Section 6: A regulatory framework which protects consumers and promotes competition.
- 3.28 The types of information published could be expanded.

Ownership information

- 3.29 To help pet owners make informed decisions based on transparent ownership, FOPs and referral providers would be required to display their ownership and network information clearly, both on their websites and at the practices. The information provided should include the number of practices owned by the same

veterinary group and any other ownership links and networks such as related FOPs or referral providers where they act as a 'hub-and-spoke' model. This information would support pet owners to understand the size of the veterinary group or network and to help them to choose in line with their preferences for type of business.

- 3.30 Where FOPs and referral providers share ownership with associated businesses, including cremation services, OOH providers and online pharmacies, all businesses would be required to prominently disclose this shared ownership.
- 3.31 This ownership and network information would need to be displayed plainly on websites (such as in the website's header and 'About us' page at a minimum) and in practices (using conspicuous, salient signage) so that it is easily noticeable when consumers first enter. Where a FOP directs consumers to a connected business, the connection should be prominently disclosed at that point. Where a veterinary business acquires another veterinary business, information about the change in ownership should be prominently displayed within a period of time at the target's premises and on its website.

Other basic information

- 3.32 FOPs and referral providers would be required to provide basic information that helps pet owners identify the practice and assess whether it meets their needs. This information could include: practice name; address; opening times; types of animals treated; out of hours provider and details; contact details; equipment available; and information about the vets, vet nurses and other clinical assistants who work in the practice including their qualifications. Some of this information can already be found on the RCVS Find a Vet resource. We consider there would be value in increasing the coverage and consistency of the information being provided, both for pet owners and for vet businesses in submitting information.
- 3.33 Information on equipment and the specialisms of vets in the practice could be made available to support pet owners in understanding whether the practices offer more specialised services. This information would cover vets' specialisms and equipment provided directly at the practice, as well as those accessible at nearby sites that are part of a 'hub-and-spoke' model.
- 3.34 Information on the specialisms of individual vets within a practice could be taken from the list of practitioners accredited with RCVS Specialist status or accredited with RCVS Advanced Practitioner status.⁹⁶ Alternatively, it could be provided

⁹⁶ The RCVS holds a list of practitioners that have obtained [RCVS Specialist status](#) and a list for practitioners that have obtained [RCVS Advanced practitioner status](#). To obtain RCVS specialist status "an individual must have achieved a postgraduate qualification at least at Diploma level, and must additionally satisfy the RCVS that they make an active contribution to their specialty, have national and international acclaim and publish widely in their field". To achieve

directly by the FOPs and referral providers based on a standardised specialisms list. The information on equipment would be provided directly by practices and be based on a standardised equipment list.

- 3.35 We recognise that the information provided to pet owners on equipment and vet specialisms may require some explanation of technical terms to be useful to pet owners. For this reason, we envisage that a brief description of what each specialism and equipment can offer would be included. For instance, 'Ultrasound scanner' would be accompanied by a description like 'Used for pregnancy scans, organ assessments, and soft tissue evaluations.'

Issues to consider

Quality measures

- 3.36 Quality of service can be a key differentiator between veterinary practices. Our emerging view is that quality may be difficult both to measure and to communicate to consumers. Save where use may be made of the PSS, there do not appear to be existing, straightforward measures of quality that could be appropriate requirements for businesses to publish. If other requirements were introduced to improve the information available to consumers, businesses may themselves identify ways to differentiate their services on the basis of quality. Similarly, should regulatory remedies create new information that could help pet owners to distinguish between vet service providers based on quality, these could be incorporated into any transparency remedies implemented. We discuss the development of quality measures in more detail in Section 6: A regulatory framework which protects consumers and promotes competition.

Practical considerations

- 3.37 This remedy would require all FOPs and referral providers to publish information on prices, ownership and other basic information on their websites (and in their practices).
- 3.38 The information would need to be kept up to date, particularly the standardised price list. This could either be within a certain time after they update prices or other information, or by certain dates each year.
- 3.39 Not all FOPs and referral providers currently have a website where they can publish information. Practices without a website could, as a minimum, be required to provide the price list on a conspicuous poster displayed prominently in the FOP

Advanced practitioner status an individual must "hold a postgraduate qualification in their designated area of interest, in addition to their initial veterinary degree, and have also demonstrated that they are keeping up to date with their knowledge and competence in their chosen area".

or referral provider reception area. The poster should be clearly visible to pet owners, placed in an open and accessible area and not, for example, positioned out of view behind the reception desk. The price list could also be included in any printed or digital literature such as brochures, leaflets, or information sheets. FOPs and referral providers could be required to make the same price information available by request via email, text and phone and be included in any literature provided to new clients or pet owners seeking to find out about their services.

- 3.40 This remedy, if implemented without a single comparison website remedy, would require pet owners to visit individual FOPs or websites to be able to compare, or for third parties to do so on their behalf and collate in one place. Publication on individual FOPs' and referral providers' websites could be required in such a way that it facilitates scraping by third parties for the purpose of aggregating the data.

Impact on vet practices

- 3.41 This remedy may place additional burden on FOPs and referral providers, especially for smaller practices that have limited staff and resources available. Practices without a website may face additional costs, as they may first need to develop the digital infrastructure required to publish and send their information. We consider that there are several factors that could mitigate these concerns:
- (a) Most of the information covered by this remedy should be easily accessible for FOPs and referral providers. Specifically, ownership and other basic information should be immediately available. Price information should be available but could require some adjustment from how prices are stored in different practice management systems to meet the format of the standardised price list.
 - (b) While the implementation would require administrative work at the outset, thereafter the information provision would mainly focus on any changes within the practice.
 - (c) The information provision could ultimately be integrated with or automated by practice management systems.
 - (d) To facilitate the publication of this information, a template can be provided that can be updated on the practice's website. Alternatively, practices may opt to attach directly to their practice site, the page that refers to their practice on the comparison website discussed below in remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers. In both cases, the information should be prominently displayed and easy for users to find.

- 3.42 We have considered the potential impact of greater transparency on the relationship between a pet owner and their vet. The relationship of trust between a pet owner and their vet is important and an inherent feature of the market. We would not wish to undermine this. We do not consider that ensuring that consumers are better aware of key items of information such as price is likely to have such an effect. On the contrary, ensuring that pet owners are fully informed about the services they are acquiring and are not faced with unexpected costs or information should contribute to further building trusting relationships.

Risks

- 3.43 *Specification.* We need to strike a balance between being prescriptive and flexible about what information must be published and in which format FOPs and referral providers would need to provide that information. If requirements are not prescriptive enough, the information provided by FOPs and referral centres might not be directly comparable which would reduce its usefulness to pet owners. However, there may be valid reasons why FOPs and referral providers might need to adapt the information they provide depending on their approach.
- 3.44 *Circumvention.* Where price ranges or 'starting from' prices may be necessary, vet practices may have an incentive to publish price floors that very few pet owners actually pay, or be required to publish price ceilings that represent exceptionally complex circumstances. The way in which these ranges and estimates should be calculated will therefore need to balance covering the full range of prices that could be charged with what many or most pet owners might reasonably pay. One option could be requiring practices to publish an average.
- 3.45 *Distortion.* To decide which FOP or referral provider provides the most cost-effective option overall, pet owners would need to predict which services on the standardised price list they might need. The exclusion of more complex or non-routine services in the price list may mean pet owners focus too much on the prices of common services where price transparency is required, and FOPs and referral providers are able to increase the prices of non-routine services as a result. This risk could be reduced by ensuring the standardised price list is sufficiently wide to cover services which represent a sufficient share of pet owner spend. The risks of such distortions could also be reduced by creating comprehensive, meaningful composite price measures (such as on a comparison website which is discussed below in remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers) or encouraging price transparency on non-routine services.
- 3.46 *Monitoring and enforcement.* Monitoring and enforcing compliance across the sector on publishing a range of information, both online and in practices, raises potential challenges. These challenges could be reduced as regards online publishing by requiring information to be published in a location and format on

websites that makes it feasible for automated compliance detection (such as using a web crawler). Pet owners could be given a route to report practices where information is not readily available. Our current thinking is that this remedy would likely need to be supplemented by regulatory reforms relating to monitoring and inspections. As discussed in the Regulation Framework working paper, there are already elements of information provision required by the RCVS Code (such as the requirement to prominently inform pet owners that they can get prescriptions online), but these are not proactively monitored or enforced. More details can be found in Section 6: A regulatory framework which protects consumers and promotes competition.

Consultation questions: Remedy 1: Require FOPs and referral providers to publish information for pet owners

- Question 3: Does the standardised price list cover the main services that a pet owner is likely to need? Are there other routine or referral services or treatments which should be covered on the list? Please explain your views.
- Question 4: Do you think that the ‘information to be provided’ for each service set out in Appendix A: Proposal for information to be provided in standardised price list is feasible to provide? Are there other types of information that would be helpful to include? Please explain your views.
- Question 5: Do you agree with the factors by which we propose FOPs and referral providers should be required to publish separate prices for? Which categories of animal characteristics would be most appropriate to aid comparability and reflect variation in costs? Please explain your views.
- Question 6: How should price ranges or ‘starting from’ prices be calculated to balance covering the full range of prices that could be charged with what many or most pet owners might reasonably pay? Please explain your views.
- Question 7: Do you think that the standardised price list described in Appendix A: Proposal for information to be provided in standardised price list would be valuable to pet owners? Please explain your views.
- Question 8: Do you think that it is proportionate for FOPs and referral providers to provide prices for each service in the standardised price list? Please explain your views.
- Question 9: Could the standardised price list have any detrimental consequences for pet owners and if so, what are they? Please explain your views.
- Question 10: Could the standardised price list have any detrimental consequences for FOPs and referral providers? Are you aware of many practices which do not have a

website? Would any impacts vary across different types or sizes of FOP or referral provider? Please explain your views.

- Question 11: What quality measures could be published in order to support pet owners to make choices? Please explain your views.

Remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers

Description

- 3.47 This remedy would involve creating and maintaining a comparison website where pet owners could access in one place the types of information set out in the previous remedy for all FOPs and referral providers. It would help pet owners to compare the different prices charged by the FOPs and referral providers which they are considering and support them to find out about other vet practices which may be more suitable, but which they may not have considered. It could assist pet owners to access information digitally for FOPs and referral providers which do not have their own websites.
- 3.48 This comparison website could integrate other data sources, such as prices at authorised online pharmacies, or process the information to further support pet owner comparison, such as creating composite price measures. FOP and referral provider data from the website could be made accessible to third parties, allowing them to develop their own comparison solutions.

Design considerations

- 3.49 The comparison website could include all information set out above in remedy 1: Require FOPs and referral providers to publish information for pet owners, namely standardised price lists, PSS awards and accreditations, ownership information and other basic information. Below we discuss three further types of information that could be integrated into a comparison website (customer reviews, composite price measures, and authorised online pharmacy medicine prices). We then explore different models for how the website might be implemented, and how we might maximise uptake by pet owners and other stakeholders.

Customer reviews

- 3.50 A comparison website could act as the central platform to collect and show customer reviews of vet services. However, we currently consider that integrating customer reviews into a comparison website remedy poses a number of practical challenges and risks that may outweigh the potential benefits to consumers. We

would welcome views on the potential effectiveness of a customer review platform in addressing our concerns and how such a platform may be implemented.

Composite price measures

- 3.51 A comparison website would facilitate the creation of a composite price measure to support pet owners' comparisons. Price lists may be difficult for pet owners to compare between FOPs or referral providers, given they would have to calculate the combined costs of several services and treatments, and they may not know what services or treatments their pet needs.
- 3.52 A composite price measure would support pet owners to compare prices by giving them an estimate of how much they would spend at different practices across a range of commonly incurred costs. We would aim to include the costs of services or treatments that the pet owner might not otherwise have considered at the point of choosing a practice (eg treatment for chronic conditions that a pet might not currently have). Our current thinking is that the cost of unexpected, less common treatments would be excluded (eg complex non-routine surgeries).
- 3.53 We are considering two options for how composite price measures could be calculated:
- (a) *A basic basket equivalent to a generic pet care plan.* For example, this measure could include the total cost of the following services over the course of a year from the standardised price list: one vet consultation, one nurse consultation, annual booster vaccinations, 12 months of flea, tick and worm treatment, and nail clipping.
 - (b) *An extended basket from the standardised price list.* The basket could include a wider range of the services, products and treatments that are part of the standardised price list. The weighting or number of different services could be based on estimated spending for a pet in a given year, for example using insurance data or drawing on views from the RCVS or other experts.
- 3.54 These price measures could be accompanied by basic information supporting pet owners to understand which services and prices are more or less likely to apply to them, depending on the characteristics of their pet (eg how costs might change over the course of a pet's life, or benchmarks for spending on different types of treatments or services).
- 3.55 To provide pet owners with the most relevant information, each measure could be filtered by characteristics of the pet (ie pet owners would be able to select the type of animal, the age and weight) and by location (ie within a certain radius of a postcode).

- 3.56 Measure (b) could be split by different composite measures for the different categories of services and treatments, helping pet owners understand how spending might be split.
- 3.57 We are considering how these composite price measures might be most effectively presented to consumers. For example, the measure could be presented as a specific number (eg ‘a basic basket of services for a healthy pet at this vet would cost £X per year’), as a specific ranking or percentile (eg ‘this vet is the third cheapest within a 20-mile radius’, or pet owners could select FOPs to compare), or as a more generic relative indicator (eg red/amber/green, high/medium/low or number of pound signs). These relative measures could be applied nationally, within a given radius, or between individual practice options selected by the user.
- 3.58 We have considered composite price measures that include more extensive price or cost information, such as an extended basket including treatments outside the price list or average annual treatment costs per pet. While these measures could give a more comprehensive and realistic estimate of average costs for pet owners, they would pose significant challenges in ensuring the resulting metrics were relevant to specific pet owners, comparable and practically feasible. We welcome views and proposals on other composite price measures that may support pet owner choices relating to vet practices and treatments.

Online pharmacy medicine prices

- 3.59 A comparison website could include a means for aggregating medicine prices from authorised pharmacies. Pet owners could search for medicines available from authorised pharmacies by brand, active ingredient, formulations, dosages and conditions.
- 3.60 This functionality could facilitate comparison between equivalent medicines where it is feasible and appropriate for pet owners to fulfil prescriptions outside their FOP and referral providers.
- 3.61 The aggregated price information might be used as an input for other remedies, such as prompts to consumers that highlight the potential savings of purchasing medicines online. It could either be implemented by setting up a data portal for online pharmacies to share current price information, or by a third party routinely scraping information from authorised online pharmacy websites. In future, this remedy could be extended to FOPs, referral providers, and any bricks-and-mortar pharmacies in local areas that could drive competition offline as well as online. We discuss this potential remedy further in Section 4: Increasing price competition in the medicines market.

Issues to consider

Implementation model

- 3.62 We are aware of two online directories (RCVS's Find a Vet⁹⁷ and VetHelpDirect's Vets Near Me⁹⁸) which provide consumers with the ability to search for veterinary practices in their area. These existing directories are based on incomplete data and do not cover all veterinary practices in the UK as they rely on the voluntary participation of veterinary practices to provide their details.
- 3.63 The RCVS's Find a Vet directory provides consumers with the ability to search for veterinary practices in their area. The results provide information regarding opening hours, contact details, RCVS accreditation⁹⁹ and names of veterinary surgeons and nurses known to work at the practice. The directory does not currently provide information on ownership status (LVG or independent) or pricing information. From our initial analysis, it appears that the directory is not comprehensive, as we found many instances of missing or inactive practices.
- 3.64 The VetHelpDirect's Vets Near Me directory provides consumers with the ability to search and compare veterinary practices in their area. The results provide information regarding opening hours, contact details and ownership status. The website provides some reviews and unstandardised pricing information. VetHelpDirect is part of a wider vet services business that includes DigitalPractice.vet, where vet practices can pay for communications, bookings and payment services.
- 3.65 The first design question which we are considering is whether it is preferable to have a single comparison website or a variety of comparison tools:
- (a) *Option 1: Single comparison website.* The RCVS or a commissioned third party would process, publish and collate the information on a single public comparison website.
 - (b) *Option 2: Open data and market solutions.* The RCVS or commissioned third party would process and make the collated information available through an Application Programming Interface (API)¹⁰⁰ for other third parties to use in comparison solutions they choose to develop. This could result in the development of multiple comparison sites.

⁹⁷ <https://findavet.rcvs.org.uk/home/>

⁹⁸ <https://vethelpdirect.com/>

⁹⁹ The RCVS accreditation refers to the category of accreditation that the practice received under the [Practice Standards Scheme](#), such as the [RCVS Core standards](#) or the [RCVS General practice](#).

¹⁰⁰ An API describes a set of rules or protocols that enables software applications to communicate with each other to exchange data, features, and functionality.

- 3.66 We are currently considering several different implementation models, distinguished by how data would be collated, and who would collate the data. With respect to how data would be collated, we are considering two options:
- (a) *Option 1: Portal.* FOPs and referral provider would be required to submit the information specified by the CMA in the previous remedy in a specific format to a portal administered by the RCVS or a commissioned third party. The RCVS or the commissioned third party would need to specify the format in which this information should be submitted to that portal.
 - (b) *Option 2: Web scraping.* The RCVS or commissioned third party would web scrape the information that FOPs are required to publish on their websites in a specific format.
- 3.67 We currently consider that requiring FOPs and referral providers to submit information to a portal would be more likely to generate high compliance than a web scraping solution. We consider that web scraping could pose technical challenges, requiring a comprehensive, up-to-date list of webpages for all providers and the technical expertise to maintain the web scraper that works across a wide variety of websites. However, we could consider web scraping as an interim option where a more comprehensive technical portal solution requires time to create. We note that the current proposals do not strictly require all FOPs and referral providers to have a website.
- 3.68 With respect to who would collate the data, we are considering two options:
- (a) *Option 1: RCVS.* The RCVS would be responsible for collating the required information from FOPs and referral providers.
 - (b) *Option 2: Commissioned third party.* A commissioned third party would be responsible for collating the required information from FOPs and referral providers.
- 3.69 We are keen to hear views on all potential implementation models. We consider that it could be valuable for the RCVS to have a role in the operation of this remedy - either by taking responsibility for the management of the website or by putting in place a model where third parties could access the information and offer alternative tools and websites so pet owners can compare FOPs, referral providers, and what they offer.
- 3.70 The RCVS has proposed to us that it could enhance its Find a Vet platform to include some of the information set out above.¹⁰¹ We note that a market-based solution may incentivise business models that rely on selling services to vet businesses, which could in turn reduce the usefulness of the remedy to pet

¹⁰¹ Feedback received from the main party hearings held in February and March 2025.

owners. For example, businesses may be charged a fee to appear on the first page or at the top of the list, which may not align with the best interests of consumers.

3.71 In particular, we note that the direct involvement of the RCVS may have the following benefits:

- (a) *Monitoring and compliance.* Veterinary businesses may be more likely to comply with requirements if the RCVS is directly involved. It could be easier for the RCVS to manage and monitor compliance directly, as the RCVS already administers similar information through the PSS and would have direct access to this data, without the need to request it from a third party.
- (b) *Awareness and trust.* The RCVS may be viewed as a more trusted messenger by both pet owners and veterinary businesses and professionals, increasing engagement with the website. In contrast, a third party might need to establish its own reputation. This could be enhanced if the third party was prominently endorsed by the RCVS as the mandated comparison website.
- (c) *Business model.* If a third party is not fully funded, a business model that relies on selling services to veterinary practices could lead to incentives that may reduce the platform's usefulness to pet owners or promote some vet businesses over others. For example, businesses may be charged a fee to appear on the first page or at the top of the list through sponsored rankings, which may reduce the benefits of the information being made available for pet owners. This concern may be mitigated if the third party is fully funded and commissioned.

3.72 However, subject to any necessary safeguards, we consider there could be benefits in third party or market-based solutions, particularly with respect to the capability to create and maintain a comparison website and the surrounding user experience.

Uptake

3.73 To be effective, the comparison website would need to be widely used by pet owners. We are considering three factors that would drive widespread uptake: awareness, accessibility, and motivation.

- (a) *Awareness.* Pet owners and other stakeholders need to know the comparison website exists, where to find it, and understand its purpose. Pet owners are most likely to be aware of and access the website if they are prompted at moments when they might be more likely to choose or reconsider a practice. For the choice of FOP, it may be when purchasing a pet (ie breeders, rehoming centres etc.), when moving house, or when

raising a complaint about their current FOP. Likewise, pet owners might be more open to reconsidering their FOP at times, for example if their pet has a health concern and is referred to a specialist, if they need OOH services, or if they take their pet for an annual consultation. For referral providers, the consultation at the FOP, when a referral is recommended, is likely to be the most influential moment to encourage the use of the comparison website. However, we recognise that this would likely be of most use when the referral is non-critical, such that the pet owner has the time to research their options. We could require FOPs to clearly and saliently direct people to the comparison website at these points, through their own websites (and any other digital channels) and any printed materials (such as marketing leaflets). We could recommend that the RCVS, veterinary and pet associations and other stakeholders run communication strategies and campaigns to publicise the remedy requirements and the benefits of using the comparison website. It is important that the website ranks highly in search results.

- (b) *Accessibility.* Pet owners and other stakeholders should be able to easily access the website from different devices. The website should be accessible by pet owners with low technological proficiency or physical abilities. For those without internet access or low digital confidence, we are considering alternative options such as telephone support or a printable version of the website (that can be used by third parties such as animal shelters or charities).
- (c) *Motivation.* Pet owners and other stakeholders should perceive the value of the comparison website and be motivated to use it. The website should be easy to understand and intuitive to navigate. The more comprehensive, relevant and personalised the information provided, the more likely a pet owner would find the information they are looking for and feel motivated to use that information in future. Implementation models that facilitate higher compliance are likely to increase the effectiveness of the comparison website by generating greater engagement by pet owners. Ensuring the website is perceived as a reliable and impartial source, delivered by a trusted messenger such as their FOP's vet or the RCVS, could boost motivation to use it.

Practical considerations

- 3.74 All FOPs and referral providers would be required to publish or submit relevant information. For certain implementation models, FOPs and referral providers would have to provide information in a standardised format to a central portal.
- 3.75 Our current view is that the information to be shared by FOPs and referral providers for the purposes of remedy 1: Require FOPs and referral providers to publish information for pet owners, and of the comparison website, would be the

same or very similar, minimising the administrative burdens and ensuring that the format is consistent in uploading the information to the central portal. Similarly, in line with the price list requirements set out in paragraph 3.18, where it may be appropriate for prices to vary due to factors such as bundling or case complexity, FOPs and referral providers could submit additional information to be displayed alongside the prices.

- 3.76 We are considering how best to align the information gathering process for this remedy with the information publishing requirements.
- 3.77 We consider that a single reporting method could meet the requirements of both remedies, given that the information required under remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers would be captured as part of remedy 1: require FOPs and referral providers to publish information for pet owners. A standardised template may be issued to vet practices to collect the information required. For example, the FOP or referral provider may opt to:
- (a) publish the completed template on their own website, which would make them compliant with remedy 1 while allowing the party administering the central portal to scrape, process, and implement the information for the comparison website.
 - (b) return the completed template directly to the central portal. The party administering the central portal would then process and implement this information in the comparison website. This approach may be particularly suitable where a FOP or referral provider does not have a website.
- 3.78 As with remedy 1, FOPs and referral providers would be required to keep their information up to date. The frequency and timing of updates could be aligned between remedy 1 and 2 to minimise duplication.

Impact on vet providers

- 3.79 The maintenance of a comparison website may increase the administrative burden on veterinary practices. In addition to the points discussed with regards to remedy 1, the following factors may help to reduce this burden:
- (a) Some of the basic information required by the remedy is already shared with the RCVS by the FOPs and referral providers that are enlisted in the Find a Vet platform.
 - (b) We could explore the potential for FOPs and referral providers to choose from a range of reporting methods which is most convenient for them, such as API, web portal, Interactive Voice Recognition (IVR) or SMS.

Risks

- 3.80 *Distortion.* The design of the comparison website may influence how pet owners engage with the platform and how the practices are perceived. For example, if the information provided is too complex or overwhelming, users may disengage and rely on simpler, but less beneficial, approaches, such as selecting the practice with conspicuous branding over a cheaper alternative. Similarly, comparison and other search websites often use ranked lists to help users to navigate a large number of results, which can in turn influence the option that users select to. Our current thinking is that these risks can be mitigated through careful platform and user experience design, such as ensuring any ranked list is based on objective characteristics (such as distance from current location or a composite price measure), offering filters that help users narrow down options and introducing forced engagement, where users must select filtering and ranking criteria before viewing the practices.
- 3.81 Pet owners may believe that the platform owner is endorsing listed practices if consumers cannot easily identify low performing practices through quality measures. Over time, this could erode trust in the comparison site. Our current thinking is that this risk may be mitigated by displaying clear, prominent quality indicators or through the design features of the comparison site.
- 3.82 *Monitoring and enforcement.* We anticipate that a remedy requiring FOPs and referral providers to share information with a central portal would be relatively straightforward to monitor, simply requiring the portal to check that the correct data has been submitting. High compliance by FOPs and referral providers with the portal could generate higher compliance for the requirement to publish information on their own websites, given the information would have been generated.

Consultation questions: Remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers

Question 12: What information should be displayed on a price comparison site and how? We are particularly interested in views in relation to composite price measures and medicine prices.

Question 13: How could a price comparison website be designed and publicised to maximise use and usefulness to pet owners? Please explain your views.

Question 14: What do you think would be more effective in addressing our concerns - (a) a single price comparison website operated by the RCVS or a commissioned third party or (b) an open data solution whereby third parties could access the information and offer alternative tools and websites? Why?

Question 15: What are the main administrative and technical challenges on FOPs and referral providers in these remedy options? How could they be resolved or reduced?

Question 16: Please comment on the feasibility of FOPs and referral centres providing price info for different animal characteristics (such as type, age, and weight). Please explain any specific challenges you consider may arise.

Question 17: Where it is appropriate for prices to vary (eg due to bundling or complexity), how should the price information be presented? Please explain your views.

Question 18: What do you consider to be the best means of funding the design, creation and ongoing maintenance of a comparison website? Please explain your views.

Remedy 3: Require FOPs to publish information about pet care plans and minimise friction to cancel or switch

Description

3.83 We are considering remedies requiring FOPs to publish more information about pet care plans, including comparison with pay-as-you-go and uptake of services included in the plan. Remedies could also include requirements on FOPs that would minimise the friction some pet owners face when cancelling their pet plan or switching to an alternative plan or FOP.

Design considerations

3.84 Specific remedies could include:

- (a) Requiring FOPs to publish price information relating to each component alongside the pet care plan.
- (b) Requiring FOPs to send pet owners an annual statement of their pet care plan usage. This would include a summary of elements the pet owner had used and a simple comparison between what the pet owner would have spent had they used pay-as-you-go instead of the pet care plan, calculating the total saving or loss for the year using the plan.
- (c) Requiring FOPs to publish the level of uptake for specific elements of pet care plans among those currently subscribed. This could include publishing the average number of services taken up by subscribers, and the percentage of subscribers who fully utilise the plan. For example, if a FOP offers two free consultations per year, it would also have to publish the average number of consultations used (such as 1.4 per subscriber) or the percentage of subscribers who used both consultations.

- (d) Requiring FOPs to allow pet owners to cancel pet care plans on a month's or quarter's notice being given.
- (e) If a pet owner cancels a pet plan within the same year, they would not be charged for any services they have not used. However, the pet owner would be required to pay the difference between the cost of the services used up to that point at the original price (outside of a pet plan) and the payments already made for the pet care plan so that the PO will have paid full price for the services used.

Issues to consider

- 3.85 The provision of information on pet care plans is likely to have different burdens on different practices. For practices with flexible IT systems and good records, comparing cost with pay-as-you-go or providing information on uptake of services might be less labour intensive. For other practices, where it is difficult to automate these processes, the provision of information could require more effort.
- 3.86 Some practices offer pet care plans that include unlimited use of some services, for instance unlimited consultations. This can create additional complications, especially around cancelling a pet care plan and determining if a pet owner used more or less than the plan covers pro rata.

Risks

- 3.87 *Monitoring and enforcement.* As the requirement to publish additional public information is analogous to the requirements in remedy 1: Require FOPs and referral providers to publish information for pet owners, we expect similar considerations on monitoring and enforcement as previously described.

Consultation questions: Remedy 3: Require FOPs to publish information about pet care plans and minimise friction to cancel or switch

- Question 19: What would be the impact on vet business of this remedy option? Would the impact change across different types or sizes of business? Please explain your views.
- Question 20: How could this remedy affect the coverage of a typical pet plan? Please explain your views.
- Question 21: What are the main administrative and technical challenges on FOPs and referral providers with these remedy options? How could they be resolved or reduced?

Remedy 4: Provide FOP vets with information relating to referral providers

Description

- 3.88 We are considering remedies that would ensure FOP vets are able to access information from referral providers about availability and prices of services and treatments that can be used to give pet owners choices. The potential price transparency remedies proposed above may not cover most referral services and treatments. We understand that FOP vets may currently often have to contact referral providers directly to understand the availability and prices of services they are recommending to pet owners.

Design considerations

- 3.89 A remedy could involve one or more of the following:
- (a) Referral providers publishing or making available price information for treatments and services that are not included in the standardised price list in Appendix A: Proposal for information to be provided in standardised price list.
 - (b) Referral providers submitting price information for treatments and services to a central platform. If the comparison website mentioned above is implemented, this remedy could be integrated into that website.
 - (c) Referral information being made available to FOP vets and/or pet owners.

Issues to consider

- 3.90 We anticipate that there would be substantial challenges, including cost, in designing and implementing a system that linked the referral systems used across providers, or that created a central architecture that FOPs and referral providers could access and use. The design of this system may be more feasible if the functionality was limited to search and the listing of possible options. We note a similar system has been introduced into the NHS as part of 'Right to Choose', where GPs can access a system that provides options and information about referrals.¹⁰² This system allows pet owners time to consider the possible options in their own time, and to then select the option most suitable for them. This type of remedy may also have features in common with a central e-prescriptions portal, which we discuss further in Section 4: Increasing price competition in the medicines market.

¹⁰² <https://www.england.nhs.uk/wp-content/uploads/2017/03/patient-leaflet-digital.pdf>

Consultation questions: Remedy 4: Provide FOP vets with information relating to referral providers

- Question 22: What is the feasibility and value of remedies that would support FOP vets to give pet owners a meaningful choice of referral provider? Please explain your views.
- Question 23: Are there any consequences which may be detrimental and if so, what are they?
- Question 24: What do you consider are likely to be the main administrative, technical and administrative challenges on referral providers in this remedy? Would it apply equally to different practices? How could these challenges be reduced?
- Question 25: If you are replying as a FOP owner or referral provider, it would be helpful to have responses specific to your business as well as any general replies you would like to make.
- Question 26 What information on referral providers that is directly provided to pet owners would effectively support their choice of referral options? Please explain your views.

Remedy 5: Provision of clear and accurate information about different treatments, services and referral options in advance and in writing

Description

- 3.91 As noted in Section 2: Summary of potential issues in this market investigation, notwithstanding the RCVS Code and Supporting Guidance¹⁰³, we have concerns that some pet owners do not, or cannot, compare the differences in price, quality and potential outcomes between different treatment, service and/or referral options. This results in an information imbalance. For brevity, in this section, we refer to treatments, services and referrals using the term ‘treatments’.
- 3.92 This potential remedy would build on the Supporting Guidance by introducing a specific, enforceable requirement (as opposed to guidance) on veterinary businesses and indirectly on vets to provide clear and accurate information to pet

¹⁰³ The RCVS Code and Supporting Guidance sets out some expectations on providing treatment and referral options. The Code states that vets must communicate effectively with clients and ensure they obtain informed consent before treatments or procedures are carried out, and supporting Guidance covers how to obtain informed consent, including giving clients a range of reasonable treatment options to consider, and how to communicate estimates and fees. On referrals, the RCVS Code states that vets must refer cases responsibly and in the best interests of the animal. Supporting Guidance additionally states that vets should record the reasons for their referral decisions and be able to justify them. If they consider a real or perceived conflict of interest arises from any referral-based incentives or any links they have to a referral practice, they should inform consumers. RCVS Code, paragraphs 1.2 and 2.4. Supporting Guidance, [Communication and consent](#), [Practice Information, fees and animal insurance](#), [Consumer rights and freedom of choice](#) and [Referrals and second opinions](#).

owners in advance and in writing (paper or electronic form). This will address the imbalance in two ways:

- (a) Pet owners will benefit from being able to access more treatment options than they might otherwise have been given.
- (b) Pet owners will be able to assess each treatment option, and make comparisons between options, which will support them to make good choices which take into account their unique circumstances.

Design considerations

Information to be provided to pet owners

- 3.93 Our current thinking is that, under this potential remedy, businesses providing vet services would be required to ensure that pet owners are provided with the following:
- (a) The price for each option which would cover the entire course of treatment that is likely to be needed through to its completion, including any aftercare.
 - (b) Information in a form which makes it easy for pet owners to compare different treatment options in a clear, structured and consistent manner.
 - (c) Where prices cannot be accurately determined in advance, an estimate of the most likely price with details of the assumptions which have been used and an indication of how the price would change if the assumptions were different.
 - (d) An estimate of the likely timescale for treating the condition, including the number of visits needed and any aftercare.
 - (e) A time limit on the validity of price quotes (including elements of the treatment price which are not on published price lists) which balances the need for pet owners to have time to consider their options and vet businesses' need for certainty over their own input costs.
 - (f) Provision of prices to pet owners sufficiently in advance, in the vet's professional judgment, having regard to the pet owner and pet's unique circumstances, for the pet owner to have a reasonable amount of time to consider different treatment options, including where appropriate the ability to compare prices across different FOPs and referral providers.
 - (g) The option of 'thinking time' before deciding on the purchase of certain treatments or services,

- 3.94 We are aware of existing resources that aim to provide pet owners with information regarding animal conditions and treatments, such as VetHelpDirect's Symptom Checker, or the PDSA's PetHealthHub, and of pet-owner facing materials developed by vet businesses. Therefore, our current thinking is that a potential remedy which includes the development of similar information resources is not needed.

Treatment options offered

- 3.95 Our current thinking is that vets should be able to exercise their professional discretion over the number of potential treatment options which are provided to pet owners. We would expect vet businesses to ensure that their vets take into account the following factors in presenting options:
- (a) The unique circumstances, including health and welfare of the animal and personal and financial circumstances of the pet owner.
 - (b) The importance of avoiding a conflict of interest. Where the FOP has links to an external provider to which a pet owner is potentially being referred, such as where it is owned by the same group, the pet owner should be given details of alternative providers without such links.
 - (c) The ability of the pet owner and animal to access a treatment option, having regard to transport links, the number of visits needed and any aftercare.
 - (d) The degree of similarity between options in terms of the price, quality and prognoses and other relevant parameters, taking into account the animal and pet owner's specific circumstances. For example, where there are substantial differences between treatment options and associated costs, it might be beneficial to make pet owners aware of these different options.

Exceptions

- 3.96 Our current thinking is that this obligation to provide clear and accurate information to pet owners would apply before any treatments are provided, except in the following circumstances:
- (a) Emergencies: where immediate treatment is necessary to protect the health of the pet and the time taken to provide written information would adversely affect this; or
 - (b) Lower value treatments: where all of the treatment options are one-off in nature and below a threshold price (for example, £250). Our current thinking is that, for these one-off, more affordable treatments, a vet should, of course, support a pet owner by giving clear and accurate information about treatment options in accordance with the RCVS Code and Supporting Guidance.

However, it may not always be appropriate or proportionate to impose a higher information requirement in these circumstances.

Issues to consider

Embedding the process

- 3.97 Our current thinking is that, for this potential remedy to be effective, the provision of information to pet owners should be embedded by vet businesses as a key day-to-day process undertaken by their vets. In order to achieve this aim, we have identified two actions which we would expect vets and pet owners might take:
- (a) Vets keep on file a copy of any written communications to pet owners that set out treatment options and associated recommendations and advice. Our current thinking is that this filing requirement would be enforced by the pet owner having the right to inspect the records for a number of years.
 - (b) Pet owners acknowledge receipt of information on the range of different options. We think that treatment consent forms, which are typically signed by pet owners before any treatment commences, may be used by vets to record this acknowledgement.

Risks

- 3.98 Specification. Our current thinking is that there may be some uncertainty over the number of different treatment, service or referral options which should be given to pet owners in advance and in writing.
- 3.99 Monitoring and enforcement. In order to be effective in bringing about the change needed to address our concerns, we are considering whether this remedy would need to be supplemented by further regulations relating to monitoring and enforcement.

Consultation questions: Remedy 5: Provision of clear and accurate information about different treatments, services and referral options in advance and in writing

- Question 27: If a mandatory requirement is introduced on vet businesses to ensure that pet owners are given a greater degree of information in some circumstances, should there be a minimum threshold for it to apply (for example, where any of the treatments exceed: £250, £500, or £1,000)? Please explain your views.
- Question 28: If a requirement is introduced on vet businesses to ensure that pet owners are offered a period of 'thinking time' before deciding on the purchase of certain treatments or services, how long should it be, should it vary depending on certain

factors (and if so, what are those factors), and should pet owners be able to waive it? Please explain your views.

- Question 29: Should this remedy not apply in some circumstances, such as where immediate treatment is necessary to protect the health of the pet and the time taken to provide written information would adversely affect this? Please explain your views
- Question 30: What is the scale of the potential burden on vets of having to keep a record of treatment options offered to each pet owner? How could any burden be minimised?
- Question 31: What are the advantages and disadvantages of using treatment consent forms to obtain the pet owner's acknowledgement that they have been provided with a range of suitable treatment options or an explanation why only one option is feasible or appropriate? Could there be any unintended consequences?
- Question 32: What would be the impact on vet businesses of this remedy option? Would any impacts vary across different types or sizes of business? What are the options for mitigating against negative impacts to deliver an effective but proportionate remedy?
- Question 33: Are there any barriers to, or challenges around, the provision of written information including prices in advance which have not been outlined above? Please explain your views.
- Question 34: How would training on any specific topics help to address our concerns? If so, what topics should be covered and in what form to be as impactful as possible?
- Question 35: What criteria should be used to determine the number of different treatment, service or referral options which should be given to pet owners in advance and in writing? Please explain your views.

Remedy 6: Prohibition of business practices which limit or constrain the choices offered to pet owners

Description

- 3.100 Our current thinking is that there should be a prohibition on any business practices (including incentives, goals and/or other performance tools) which inhibit vets' clinical freedom to provide or recommend a choice of treatments suited to the pet owner and the animal's unique circumstances.

- 3.101 The RCVS Code states that ‘veterinary surgeons must provide independent and impartial advice and inform a client of any conflict of interest’.¹⁰⁴ However as we set out in our working paper on Business Models, Provision of Veterinary Advice and Consumer Choice, we are concerned that the design of some business practices, including Practice Management Systems (**PMS**), key performance indicators, financial incentives, goals or other performance tools may limit or constrain choices offered to pet owners. For example, we found that some PMS bundle multiple treatments together and make it administratively difficult for vets to provide offer them to pet owners on a standalone basis. This could mean that that consumers could be paying more than they otherwise might for veterinary services (including medicines), or not being provided or recommended with options that best meet their (or their pet's) needs.
- 3.102 This potential remedy is intended to ensure that there are no limits or constraints on pet owners (and their animals) being provided or recommended the most appropriate choice of treatments and/or services based on their circumstances.
- 3.103 We consider compliance with this potential remedy would be supported by a single obligation on FOPs to attest on an annual basis that they have taken, or will take, all steps necessary to comply with their responsibilities under this remedy and others.
- 3.104 This potential remedy would comprise a prohibition on any business practices which inhibit vets’ clinical freedom to provide or recommend a choice of treatments suited to the pet owner and the animal’s unique circumstances. We consider that, in due course, it could evolve into a stronger principle-based obligation which, in addition to prohibiting inhibiting business practices, obliges some FOPs to actively put in place certain processes which support pet owners being able to access the most suitable care for their pet. We consider that the RCVS may have an important role to play with regard to this potential future development.

Risks

- 3.105 *Specification.* We consider that there is a risk that limits or constraints on pet owners and animals being provided or recommended with the most appropriate choice of treatments and/or services based on their circumstances cannot be specified with sufficient clarity to provide an effective basis for monitoring and enforcement.
- 3.106 *Monitoring and enforcement.* In order to be effective in bringing about the change needed to our concerns, we are considering whether this remedy would need to be supplemented by further regulations relating to monitoring and enforcement.

¹⁰⁴ [RCVS Code, paragraph 2.2](#)

Consultation questions: Remedy 6: Prohibition of business practices which limit or constrain the choices offered to pet owners

- Question 36: Are there any specific business activities which should be prohibited which would not be covered by a prohibition of business practices which limit or constrain choice? If so, should a body, such as the RCVS, be given a greater role in identifying business practices which are prohibited and updating them over time? Please explain your views.
- Question 37: How should compliance with this potential remedy be monitored and enforced? In particular, would it be sufficient for FOPs to carry out internal audits of their business practices and self-certify their compliance? Should the audits be carried out by an independent firm? Should a body, such as the RCVS, be given responsibility for monitoring compliance? Please explain your views.
- Question 38: Should there be greater monitoring of LVGs' compliance with this potential remedy due to the likelihood of their business practices which are rolled-out across their sites having an impact on the choices offered to a greater number of pet owners compared with other FOPs' business practices? Please explain your views.
- Question 39: Should business practices be defined broadly to include any internal guidance which may have an influence on the choices offered to pet owners, even if it is not established in a business system or process? Please explain your views.

4. Increasing price competition in the medicines market

Aims of the potential remedies

- 4.1 In Section 3: Summary of potential issues in this market investigation, we highlighted several features of the market relating to how medicines are currently prescribed and dispensed to pet owners. These could result in pet owners paying more for a veterinary medicine than they otherwise would if they purchased it from a third-party retailer with a written prescription.
- 4.2 We have identified several features of the market which may be contributing to this:
- (a) The role of vets as gatekeepers in the supply of veterinary medicines, where they both issue written prescriptions and dispense medication.
 - (b) The lack of awareness and information available to pet owners on the option to buy medicines outside of a FOP and the price savings that could be made.
 - (c) Barriers to purchasing medicines from third-party retailers other than FOPs, including fees for the provision of a written prescription and the decision of vets to prescribe Own Brand medication.
- 4.3 In these circumstances, we are considering remedies which aim to increase the transparency of medicine prices, encourage greater consumer engagement, and open the medicines market up to effective competition from authorised online retailers and other sources, such as bricks and mortar pharmacies, other FOPs, and community pharmacies. This would be with the intention of making it easier for consumers to make well-informed decisions about where to acquire their veterinary medicines and increasing the competitive constraint on FOPs in their provision of medicines to pet owners.
- 4.4 This market investigation is not the first time that such issues have been considered. In 2003, the Competition Commission's (**CC**) report into the supply of prescription-only medicines identified various issues with competition in the supply of prescription-only veterinary medicines.¹⁰⁵ The CC recommended a remedy package relating to aspects of the regulatory framework, and the behaviour of wholesalers, manufacturers and FOPs. We outline the remedies applying to FOPs in more detail in Appendix B: The Competition Commission's 2003 Remedy Package (FOPs), but in summary, they consisted of:
- (a) transparency measures: for example, informing pet owners that they could obtain a prescription, displaying the prices of the top-10 medicines sold in-

¹⁰⁵ CC (2003) 'A report on the supply within the United Kingdom of prescription-only veterinary medicines'.

clinic, and vets being obliged to offer prescriptions for medicines they recommended (with practical exceptions, eg for emergencies or medicines forming part of in-clinic treatments); and

(b) a three-year prohibition on charging fees for written prescriptions.

4.5 The transparency remedies were, to varying degrees, implemented via changes to the Supporting Guidance to the RCVS Code. While there are considerable differences between the CC's investigation and this market investigation, we consider it is helpful to take into account, where relevant, the experience with the CC's remedy package as we develop our own thinking on remedies.

Remedies considered in this section

4.6 This section outlines the following remedy options to provide additional information about the option to purchase veterinary medicines from third-party retailers (particularly authorised online pharmacies) and measures to remove barriers faced by pet owners in purchasing medicines from third-party retailers.

- Remedy 7: Changes to how consumers are informed about and offered prescriptions.
- Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers
- Remedy 9: Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales.
- Remedy 10: Prescription price controls.
- Remedy 11: Interim medicines price controls.

4.7 We note that some of these remedies rely on other measures proposed elsewhere in this working paper and as such are interrelated.

Remedy 7: Changes to how consumers are informed about and offered prescriptions

Description

4.8 In this remedy we would seek to address the lack of awareness amongst pet owners of their right to request a prescription; and the fact that many pet owners are not aware of the potential benefits (cost savings) of purchasing medicine from a third-party retailer.

- 4.9 We are considering how the current way that consumers are informed about the ability to request written prescriptions could be improved, and whether to introduce a mandatory written prescriptions system. We are exploring five potential options:
- (a) the status quo (that is, pet owners have the right to ask for a prescription but the vet has no obligation to offer one) with a price cap on prescription fees;
 - (b) the status quo with a price cap on prescription fees and improved signage and communication;
 - (c) vets required to offer each pet owner a prescription when medicines are required with a price cap on prescription fees;
 - (d) mandatory prescriptions (whether requested by the pet owner or not) for certain categories of prescriptions (eg where vets provide repeat medication) only, with a price cap on prescription fees; and
 - (e) mandatory prescriptions with only limited exceptions, with a price cap on prescription fees.
- 4.10 As set out in Section 3: Summary of potential issues in this market investigation, 38% of consumers in our pet owners survey were not aware that they could request a prescription. This is despite the remedies previously recommended by the CC as outlined above.
- 4.11 The Supporting Guidance to the RCVS Code requires that vets inform their clients that they can obtain a written prescription.¹⁰⁶ This can be done orally, through a written notice within the veterinary practice, or both. The findings of our pet owners survey suggest that the way in which information on the ability to request a written prescription is currently provided to pet owners is not fully effective.
- 4.12 Since the temporary prohibition on charging for a written prescription expired, most vets have started to charge for a prescription. Our qualitative research found that written prescriptions now attract a fee of between £12 and £36.¹⁰⁷ This is consistent with evidence obtained from LVG- and independently-owned FOPs.
- 4.13 Our current understanding of the prescribing process in FOPs, both from the point of view of a pet owner and a vet, suggests that:
- (a) the vet's decision on choice of treatment to address a pet's health condition (or the monitoring of a treatment for a chronic condition) forms part of a consultation and the cost of this is covered by the consultation fee;

¹⁰⁶ See paragraph 10.3 of the Supporting Guidance to the RCVS Code.

¹⁰⁷ Qualitative research with veterinary professionals, Revealing Reality research report, page 29 to 30

- (b) prescription fees cover the cost of writing a prescription (for example, inputting the data required, dosages, etc); and
- (c) dispensing fees cover the costs of providing medicines to a pet owner in a FOP (for example, checking the correct amount has been dispensed, costs of labelling and packaging, etc).

- 4.14 However, we also recognise that the fees associated with different choices can shape consumers' behaviour and competition in the market, and set out below our emerging thinking on the potential need for price controls around prescription fees.
- 4.15 Consumers who are considering purchasing a medicine from a supplier other than their FOP will only choose to incur a written prescription charge if they believe that it will be cheaper to buy the medicine online. This will only be the case if the price of (a) the medicine online plus the prescription charge is lower than (b) the retail price at which the medicine is available through the vet practice plus the dispensing fee.
- 4.16 If a consumer is buying ongoing medication, they may know how much it costs from other sources (ie other than their FOP) and be able to perform this calculation. However, if they are prescribed a one-off medication, or if their vet prescribes medication for the first time, they may not know how much it costs elsewhere, so would need to research prices while in the presence of the vet in order to know whether or not to ask for a prescription. This will act as a barrier to some consumers requesting a prescription to enable them to purchase from a third-party retailer.

Design considerations

- 4.17 Here we consider in more detail the possible design of the five remedy options set out at paragraph 4.6.

Option A: Status quo with a price cap on prescription fees

- 4.18 This remedy would replicate an element of the CC's 2003 market opening remedy, by retaining the requirements for vets to inform consumers that they can request a written prescription, while reintroducing a price cap on prescription fees.
- 4.19 A price cap, or a prohibition on charging to issue a prescription, may help pet owners who are considering purchasing online to directly compare the cost of purchasing online with buying the medicine within the FOP. However, since nothing would change in the way that vets are required to inform customers of their ability to obtain a prescription, this remedy is unlikely to widen awareness of the option to purchase from less expensive suppliers.

Option B: Status quo with a price cap on prescription fees and improved signage and communication

- 4.20 In addition to the provisions set out above, this remedy option would introduce a further requirement to provide clear and specified signage within the vet practice to communicate to pet owners that they can request a prescription.
- 4.21 Under this remedy, we would impose further requirements around signage and digital communications to try to increase awareness. This could include: (i) specifying the minimum size and wording of signs; and (ii) specifying locations in which they must be located. These may include:
- (a) signs placed around the reception area or in the consultation room in visible locations;
 - (b) printed notices handed to all clients;
 - (c) prominent notices on websites; and
 - (d) digital communications, such as texts or emails, at timely moments (eg when a pet owner registers with a practice or books a consultation, annually, or within existing communications).
- 4.22 We may seek to require vets to give customers specific information around the cost savings that could be achieved through purchasing elsewhere. This could be verbally, in writing or both and could include:
- (a) a statement such as 'Medicines may be cheaper online';
 - (b) a statement that provides an idea of the scale of potential savings, such as 'you can buy medicines online for up to half the price';
 - (c) a calculation of the potential saving, which could be based on one of several metrics, such as data for the last year's medicine sales at that practice, industry wide data, or findings from CMA work or industry reports.

Option C: Mandatory offer of a prescription with a with a price cap on fees

- 4.23 Under this remedy option, the vet must offer the customer a prescription except in some limited defined circumstances, with the customer deciding whether to accept the offer or not. The vet would be required to tell the customer:
- (a) that the prescription can be fulfilled somewhere other than at the FOP;
 - (b) the price at which the medicine is for sale in the FOP, which includes any dispensing fees; and

- (c) the average savings the customer could achieve by using an online supplier, for example by reference to research undertaken by the CMA.

- 4.24 In developing this potential remedy, we are considering in what circumstances it would be inappropriate for a customer to be offered a prescription, for example where a medicine is administered directly by the vet (frequently by injection).
- 4.25 If the customer decides not to take up the offer of a written prescription, in order for the FOP to be able to demonstrate that it has complied with the requirement and enable the vet business to attest to the CMA that it has complied, it may be appropriate to require the customer to sign (or in some other way) to acknowledge that they were offered a prescription and declined and that they were informed the medicine could likely be purchased more cheaply elsewhere.
- 4.26 We discuss several design considerations around mandatory prescriptions from paragraph 4.38 below. The mandatory offer of a prescription may result in a large increase in prescriptions, so may require similar implementation as a mandatory prescription system.

Option D: Mandatory prescriptions for defined categories of medicines with a price cap on fees

- 4.27 Under this remedy option, prescriptions would be required for certain identifiable categories of medicines, with other prescriptions covered by one of the two status quo based remedies set out above.
- 4.28 We have identified the following possible categories, one (or more) of which could require mandatory prescriptions:
 - (a) repeat prescriptions;
 - (b) one-off prescriptions; and
 - (c) prescriptions for medicines to treat very common chronic conditions (for example ten most common conditions).
- 4.29 When providing a customer with a written prescription the vet would be required to tell the customer:
 - (a) that the prescription can be fulfilled elsewhere other than at the FOP;
 - (b) the price at which the medicine is for sale in the FOP, which includes any dispensing fees; and
 - (c) the average savings the customer could achieve by using an online supplier, for example by reference to research undertaken by the CMA.

- 4.30 We discuss a number of design considerations around mandatory prescriptions below.

Option E: Mandatory prescriptions in all cases with limited exceptions and with a price cap on fees

- 4.31 Under this remedy option, it would be mandatory to issue a written prescription to a pet owner when, following a diagnosis, there is a formal recommendation to treat the animal with a prescribed medicine. This requirement would apply in all instances, with some limited exemptions. The prescription could either be a physical written prescription, an e-prescription or a combination.
- 4.32 Currently, we understand written prescriptions are often issued on paper, though the Veterinary Medicine Regulations¹⁰⁸ now expressly permit an electronic signature to be used. Written prescriptions must include all of the mandatory information required by the VMRs ([schedule 3, paragraph 6](#)), including details of the product, dosage regimen, customer, the practice and issuing vet. We understand that in most instances consumers must email a copy of their written prescription to an authorised online pharmacy.
- 4.33 When providing a customer with a written prescription the vet would be required to tell the customer:
- (a) that the written prescription can be fulfilled somewhere other than in the FOP;
 - (b) the price at which the medicine is for sale in clinic, which includes any dispensing; and
 - (c) the average savings the customer could achieve by using an online supplier, for example by reference to research undertaken by the CMA.
- 4.34 We understand that there may be differences between vets' current practice management systems, such that vets working in some practices can issue a written prescription more efficiently (requiring less manual input) than others.
- 4.35 We recognise that if written prescriptions become the primary means of supplying veterinary medicines, changes to veterinary practices on a wider scale are likely to be involved to ensure that written prescriptions are secure, can be issued quickly, and the time impact to vets is minimised. We consider some potential options for how such a system might be designed below.

¹⁰⁸ [The Veterinary Medicines Regulations 2013 \(VMRs\)](#).

- 4.36 We would expect that a requirement for vets to provide written prescriptions as a matter of course would encourage investment in systems and processes to make issuing a written prescription at least as efficient as in-FOP dispensing.
- 4.37 We are considering whether some medicine sales should be exempted from mandatory prescriptions, for example where a medicine is administered directly by the vet (frequently by injection) and the pet owner is unlikely to be able to purchase the medicine from a different supplier. Requiring that a written prescription be issued in such cases could be inconvenient and impractical.

Issues to consider

Increasing consumer awareness of their ability to request a prescription

- 4.38 We do not consider that retaining the status quo with a cap on prescription fees (Option A) would be effective at addressing the lack of awareness of the option to purchase from third-party retailers, as it does not contain provisions to enhance pet owners' awareness of their ability to request prescriptions. Adding a requirement around signage (Option B) may go some way to increasing awareness, but it is not clear that this will be sufficient for all pet owners as vet practices are already required to inform customers (at least via a notice or in writing) under the RCVS' requirement that customers can request a written prescription.¹⁰⁹
- 4.39 The introduction of mandatory prescriptions for ongoing medication, one-off medications, or medication for the most common chronic conditions (Option D) only would effectively remedy the lack of awareness relating to such medications. It may have a spillover effect in increasing awareness among pet owners of their ability to request written prescriptions for all types of medicines. Our pet owners survey indicated that around 39% of prescriptions are for ongoing medication,¹¹⁰ with 71% of these consumers buying from their vet practice and 26% online.¹¹¹
- 4.40 We consider that the mandatory offer of a written prescription in all cases (Option C) and the introduction of mandatory prescription for all medicines (Option E) would likely be more apt at effectively addressing the lack of awareness of the ability to request a prescription for all types of medicines than the other options.

¹⁰⁹ See paragraph 10.3 of the RCVS' supporting guidance to the RCVS Code. This was adopted by the RCVS as part of its implementation of recommendations originating with the Competition Commission's 2003 report.

¹¹⁰ Pet Owners Survey, Q92.

¹¹¹ Pet Owners Survey, Q96.

Lack of awareness of potential savings as a barrier to requesting a prescription

- 4.41 Under current prescription rules, customers need to weigh the cost of buying a medicine from a FOP against the potential savings made by requesting a written prescription and purchasing the medicine online, before deciding whether to pay for the written prescription. Since the customer may not know what medicine they need in advance of their consultation with a vet (particularly for an acute health condition experienced by their pet), they would have only a very limited period in which to undertake any price research and may need to do so in the consultation room in order to make an informed decision as to whether to purchase from the vet practice or pay for a prescription to be fulfilled elsewhere.
- 4.42 Even if the customer had a greater opportunity to make such a comparison, there are several obstacles that would need to be overcome. These include:
- (a) they would need to understand the price of obtaining the medicine through the FOP, which includes the cost of the medicine and any dispensing fee;
 - (b) they would need to know the cost of acquiring the medicine from a third-party retailer, such as an online pharmacy or bricks- and-mortar pharmacy; and
 - (c) they would need to know the prescription fee charged by the FOP for issuing a written prescription so that they could make a comparison of the price of obtaining the medicine from an alternative source against the FOP.
- 4.43 Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers, sets out potential reforms that could enable greater medicines price comparability. Without such insight a customer will not know whether it is beneficial for them to request a prescription. Some of the remedy options set out in Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers, require a vehicle to deliver pricing information to consumers, such as a prescriptions script. As such, measures to improve choice that would result in the highest uptake in prescriptions are likely to be more effective in increasing transparency.

Leading option based on current considerations

- 4.44 Our current thinking is that prescriptions should be mandatory in all cases subject to limited exceptions. We discuss a pricing option for prescriptions separately later in the Section.
- 4.45 This is due to a combination of the reasons set out from paragraph 4.8 and the interrelationship between this remedy (measures to increase consumer awareness) and the transparency measures set out in remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers.

As set out in remedy 8, we think that the best vehicle to deliver price information to consumers is the prescription script, as such the transparency remedy will function better the more consumers have a written prescription. This means that we think that the transparency element of the medicines remedy, and as such the remedy package for medicines as a whole, will have the greatest impact on competition where there is a mandatory requirement for customers to be issued with a written prescription whenever a vet determines that a pet requires medication as part of its treatment.

4.46 Implementing this remedy may require changes to how vets currently issue prescriptions. In particular, our initial analysis has identified some potential challenges:

- (a) Some vets do not have efficient systems for prescribing: we have been told it can take up to 10 minutes to issue a prescription.
- (b) Some vets do not currently issue prescriptions at the consultation, and we have been told it can be 24-48 hours until they are ready to collect, requiring the customer to make a second visit to the practice, whereas if the customer chooses to acquire the medicine from the FOP, it can be dispensed during the initial visit.
- (c) Prescriptions do not currently have a mechanism built in to prevent fraud, rather relying on communication between the dispensing pharmacy and prescribing vet.

4.47 From paragraph 4.132 we discuss how these challenges might be best addressed.

Consultation questions: Remedy 7: Changes to how consumers are informed about and offered prescriptions

- Question 40: We would welcome views as to whether medicines administered by the vet should be excluded from mandatory prescriptions and, if so, how this should be framed.
- Question 41: Do these written prescription remedies present challenges that we have not considered? If so, how might they be best addressed?
- Question 42: How might the written prescription process be best improved so that it is secure, low cost, and fast? Please explain your views.
- Question 43: What transitional period is needed to deliver the written prescription remedies we have outlined? Please explain your views.

Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers

Description

- 4.48 In this section we set out several potential ways of increasing price transparency for medicines. These measures would apply at the point of purchasing a given medicine, so the pet owner will have already attended a consultation and been told by a vet what medicine is required.
- 4.49 The aim of these options is to better enable consumers to effectively compare the price of the medicine from different dispensaries before making a purchase and decrease customer inertia and barriers to switching.
- 4.50 We have considered three potential options:
- (a) Option A: Directing the pet owner to a price comparison site on prescription.
 - (b) Option B: Directing the pet owner to a price comparison site on prescription and requiring a comparison price to be printed on the prescription.
 - (c) Option C: Using a prescription portal with full pricing information displayed to consumers.
- 4.51 An important consideration in designing a transparency remedy is whether there will be sufficient time for the consumer to access price information between the prescription being issued and it being dispensed, especially if it is dispensed within the FOP.
- 4.52 Some of these transparency measures can be introduced under the current method of prescribing and dispensing medicines, while others would require significant changes to how medicines are prescribed.

Design considerations

- 4.53 Here we consider in more detail the three remedy options set out at paragraph 4.50.

Option A: Directing the pet owner to a price comparison site on prescription

- 4.54 The prescription script would contain a QR code and a text link to make the consumer aware of where they can access online prices for medicines. The QR code could either:

- (a) open a price comparison site only, in which case the pet owner would then have to input the correct details of the medication in order to search for its price; or
- (b) open a price comparison site and, in addition, search results for the particular medicine. This would require the system producing the prescription to be able to generate a unique QR code for the particular medicine, which may require changes to the functionality of existing systems which produce prescriptions.

4.55 The pet owner could then choose to access the price comparison site to conduct their own research. We discuss how a price comparison tool might function below.

4.56 As a temporary transitional measure, it could also be possible for the QR code to direct the consumer to a webpage with a list of authorised online pharmacies, which may make it easier to find a reputable pharmacy before a price comparison site is operational.

Option B: Directing the pet owner to a price comparison site on prescription and requiring a comparison price to be printed on the prescription

4.57 This option builds on Option A, by providing the pet owner with information on the online price of the specific medicine from authorised online pharmacies. This information would be calculated by a price comparison tool and then displayed on the prescription. The price could be the lowest, or average, online price for the medicine.

4.58 The addition of information on the online price would give the pet owner a benchmark price for the medicine which they could compare to the price at which the FOP was dispensing the medicine without having to conduct their own price research.

4.59 We discuss how a price comparison tool might function below.

Option C: Using a prescription portal with full pricing information displayed to consumers

4.60 Under this option, once provided with a prescription, the consumer would visit an online prescription portal to assign the prescription to their choice of dispensary. This could be the dispensary within the FOP or another dispensary, such as an online pharmacy.

4.61 To be listed on the prescription portal, and thus able to receive any pet owner prescriptions, a dispensary would need to submit price information. When visiting the prescription portal to assign a prescription to a dispensary, the consumer could

therefore be presented with a full price comparison for the particular medicine. They would then choose which dispensary to assign the prescription to.

- 4.62 Since this remedy would involve consumers being given price information for the particular medicine from a range of dispensaries before they make a purchase, our current thinking is that it might facilitate new entry into the market by community pharmacies or others because a new entrant could win customers by offering a lower price.

Issues to consider

Providing pet owners with time to effectively compare medicines

- 4.63 The key goal of this remedy is to improve price transparency, such that customers can effectively compare the prices of medicines before making a purchase. Our current view is that the availability of better price information would increase rates of switching to cheaper alternatives and as such increase competition in the supply of medicines. Further, even if some customers do not switch to alternative suppliers, the ability to easily benchmark the price at which the FOP is dispensing the medicine prices against alternative suppliers may exert competitive pressure on FOPs.
- 4.64 We consider that, for pricing information to have an effect, consumers need to receive and digest it before making their purchase. However, because vets commonly prescribe and dispense medicines during a consultation, there is typically a small time-window in which pet owners are able to undertake search, and their ability to do so may be restricted (for instance by access to the internet).
- 4.65 We have given some consideration to whether it would be possible to separate the prescribing and dispensing functions, such that customers have to leave the consultation room with a prescription and take it somewhere else to be dispensed. We do not currently think this is likely to be feasible. This means that, for maximum effectiveness, our price transparency remedies need to be capable of delivering information to pet owners, who may not have access to the internet, in a small time-window.
- 4.66 There is good evidence in the behavioural science literature that information is more likely to be effective if it is specific. For instance, a trial of different forms of appointment reminders in the NHS showed that providing patients with specific information on the cost to the NHS if they were to miss their appointment had the greatest impact on reducing missed appointments.¹¹²

¹¹² [A zero cost way to reduce missed hospital appointments - GOV.UK](#)

- 4.67 We consider that remedy Option A, which would only provide a link to a price comparison site (paragraph 4.54) would not provide sufficiently specific information on alternative prices to consumers to significantly increase price transparency. Additionally, our current thinking is that pet owners are also unlikely to be able to access and assess this information before making an in FOP purchase, if prescribing and dispensing functions are not separated. Therefore, although this measure may increase general awareness of the availability of cheaper prices, we currently do not think it would be effective in addressing our concerns.
- 4.68 Our current thinking is that remedy Option B, where the prescription contains either the average, or lowest price for that medicine (listed on the price comparison site), would more likely be sufficiently specific to drive a change in consumer behaviour. Under this design, the information would be printed on the prescription script so that the customer would receive it when they are handed a prescription. This means that, even if the customer has the prescription fulfilled in the FOP, they will have information available to them on prices from alternative suppliers. This will increase the competitive constraint on FOPs.
- 4.69 We consider that remedy Option C, where consumers use a prescription portal to assign their prescription to a dispensary, would be effective at increasing price transparency. This is because, by design, consumers will be presented with price information from a number of market participants before they make their purchase decision. However, our current thinking is that this option could be difficult to implement because, as well as requiring a range of dispensaries to submit price information to the prescription portal, the consumer would need to access the prescription portal to assign their prescription, and they may not be able to do so in the FOP.

Leading option based on current considerations

- 4.70 Our current view is that Option B (a direction to a price comparison site on prescription and a price printed on prescription) would be most effective in addressing our concern, as consumers would be provided with specific information on the prescription about the price at which a medicine is available from other dispensaries.
- 4.71 In addition to the prominent display on the prescription of pricing information, the prescription should also contain a link, such as a QR code, which would take the customer to a price comparison tool. The link should be as specific as possible, such that the details of the prescription are imported and do not need to be entered manually.

- 4.72 From paragraph 4.132, we set out some options for how this remedy package might be implemented. We welcome comments on implementation issues such as how a prescription and price comparison portal could be designed and operated.

Consultation questions: Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers

- Question 44: What price information should be communicated on a prescription form? Please explain your views.
- Question 45: What should be included in what the vet tells the customer when giving them a prescription form? Please explain your views.
- Question 46: Do you have views on the feasibility and implementation cost of each of the three options? Please explain your views.

Remedy 9: Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales

Description

- 4.73 For a customer to obtain a prescription-only medication they must first have a written prescription from a vet. Based on the evidence we have obtained so far, we understand that a prescriber currently has two options. They can either state:
- (a) the brand name, in which case the supplier must supply that specific branded medicine; or
 - (b) the active ingredient (generic name), in which case the supplier can supply any brand of that medicine they choose, or check with the prescribing vet if needed.
- 4.74 Therefore if, for example, an animal requires a painkiller and the vet specifically prescribes branded medicine, the customer will not be able to purchase an alternative brand of painkiller with the same active ingredient (eg Meloxicam).
- 4.75 For price competition to be effective between two (or more) medicines that are clinical alternatives, we consider the pet owner needs to be in a position, after a written prescription has been issued to them, where they can choose the best option for them among the clinical alternatives. Our current thinking is that the vet is not well placed to make this selection on the customer's behalf at the point of prescription. This is because the vet would require (a) full visibility on all the prices of the possible choices and (b) the ability to recommend to the customer medicines that are sold by competing businesses. Even if that were possible, this

would be unlikely to be done within the small amount of time a vet spends with a pet owner when prescribing medication.

- 4.76 The aim of this remedy is to facilitate effective choice between alternative medicines within a given category of clinically equivalent medicines after the point of a written prescription being provided to a pet owner.
- 4.77 Currently, after receiving a written prescription, if the customer were to discover that an alternative brand were cheaper, the only way they could obtain it would be to return to the vet and ask for a new prescription, which would be inconvenient and might require an additional prescription fee to be paid to cover the additional costs to the vet. Our current thinking is that this is a barrier to consumers being able to choose between clinically equivalent alternative medicines based on their price and therefore has the effect of limiting retail competition between medicines that are clinically equivalent (as they have the same active ingredients and have been authorised to treat the same health conditions in the same species of animals).¹¹³
- 4.78 Additionally, CVS and IVC offer Own Brand medicines and other LVGs have considered doing so in the future.¹¹⁴ These medicines are branded versions of existing medicines that have clinically equivalent alternatives which are manufacturer branded. These Own Brand medicines are only available from FOPs owned by IVC and CVS or – in the case of CVS – independent FOPs that are members of CVS’ buying group. Where vets working for these LVGs specifically prescribe an Own Brand medicine, customers are unable to switch to alternative medicines available from other sources when the written prescription states the name of the LVG-branded medication. As such, we are concerned that the dispensing of Own Brand medicine in FOPs (and, potentially, the issuing of written prescriptions for own brand medicines) might act as a further barrier to pet owners being able to purchase more affordable medicine options.
- 4.79 We note that, though the VMD’s guidance refers to ‘active ingredient’ and ‘generic’ together, we have seen evidence suggesting that veterinary medicines using the same active ingredient are not necessarily ‘copy-cat’ generics in the sense that they are clinically equivalent. We would like to have a better understanding of what information would be needed on a prescription to ensure that a customer has access to a clinically appropriate generic version of a branded medicine. We have included several questions below which seek to further our understanding of this.

¹¹³ We note that competition between manufacturers of clinically-equivalent medicines does take place when winning and retaining preferred (or recommended) product status at LVG-owned FOPs and independent FOPs that are members of some buying groups. After a clinical evaluation is made by LVGs and buying groups to determine whether two medicines are equivalent and are effective alternatives, the choice of which medication for FOPs to purchase is made on commercial factors. More on the selection of preferred products by LVGs and buying groups can be found in our working paper on Competition in the supply of veterinary medicines, paragraph 2.65 and 2.66.

¹¹⁴ Medicines working paper, para 5.71c

Design considerations

- 4.80 In UK human healthcare, medicines are generally prescribed by generic name, with prescription by brand name only in instances where it is clinically inappropriate to prescribe generically. This typically occurs when different formulations of the same medicine have different release profiles, instructions for use, or there are biological or bioavailability differences.¹¹⁵
- 4.81 The VMD has told us that *"A prescriber can either state the active ingredient (generic name) or brand name on the prescription. If a brand name is stated, the supplier must supply only that product. If a generic name is used on the prescription, the supplier can supply any brand of that product they choose or check with the prescribing vet if needed"*.¹¹⁶
- 4.82 The VMD has told us that generic medicines are considered clinically interchangeable with their originator medicine (defined as for generic versions) and the applicant will have provided evidence to support this. However, there can be clinically relevant differences in terms of the indications, target species or safety warnings, based on the information an applicant has.¹¹⁷ We note that the CC identified in the 2003 Market Study into Veterinary Medication that there might be differences between medicines that have the same active ingredients.¹¹⁸
- 4.83 This means that the current regulations allow for generic/active ingredient prescribing. However, the prescribing vet must accept overall responsibility for the animal under their care. This means that if the vet prescribes using an active ingredient, and a pharmacy dispenses a medicine which uses that active ingredient but is (nevertheless) unsuitable, the vet has responsibility for this. Due to the variations between generics outlined in the previous paragraph this leads to a degree of risk aversion, such that vets have an incentive to prescribe a single brand of medicine.
- 4.84 One approach that could be explored is whether it is possible for a vet to narrow an 'active ingredient' prescription by giving the active ingredient, but narrowing by reference to a number of specific named medicines (eg '[active ingredient] in the form of [brand name 1], [brand name 2], and [brand name 3] only'). However, to satisfy themselves that they are truly clinically equivalent, the vet would need to refer to the VMD product information database and read the relevant documentation.
- 4.85 Our emerging view is that it should be possible for the veterinary sector to prescribe with an expectation that practitioners do not prescribe by a single

¹¹⁵ See for instance <https://www.sps.nhs.uk/articles/prescribing-by-generic-or-brand-name-in-primary-care/>

¹¹⁶ VMD response to Regulatory Framework for Veterinary Professionals and Veterinary Services working paper, pg 5.

¹¹⁷ VMD response to Competition in the Supply Veterinary Medicines working paper, pg 3.

¹¹⁸ CC See paragraphs 2.186-7

branded medicine unless there are clinical reasons to do so. These reasons should be limited and specific to individual medicines so that consumers have the opportunity to access the cheapest effective medication.

- 4.86 We are exploring how this might best be achieved and have currently identified some potential options:
- (a) Recommend the updating of guidance to permit vets to prescribe a narrow category of active ingredient medicines (ie specify both the active ingredient and the brand names of the specific generics the prescription covers). This might sit alongside a requirement for vets to prescribe, on any given written prescription, all of the clinically effective generic medicines of which they are aware for that species and condition.
 - (b) Recommend legislative change such that the VMD is required to assess (or mandate manufacturers to assess) and publish information on which veterinary medicines are considered clinically interchangeable for a given species and condition (updated with any product changes), with vets required to prioritise prescriptions based on such 'generic equivalency categories' rather than medicine brands. Vets could potentially be required to justify (in writing) departing from stipulating all of those medicines on a prescription for the relevant species and condition.
 - (c) Creation of an expert clinical panel to issue guidance to vets on which medicines are likely to be clinically interchangeable for a given species and condition. Vets could potentially be required to justify (in writing) departing from stipulating all of those medicines on a prescription for the relevant species and condition.
- 4.87 We note that it may be possible to implement technological changes that would allow vets to easily see all functionally equivalent medicines to a reference medicine. For instance, if an e-prescribing solution were implemented, an option could be that when a vet selects a particular medicine, the system identifies and lists all functionally equivalent alternatives for the vet to review and include.

Prescription of Own Brand medicines

- 4.88 Our current view is that, if vets were required to prescribe clinically appropriate (or therapeutically equivalent) generic alternatives to branded medication then there would be no requirement to impose a specific remedy on 'own brand' or white label medicine medicines.
- 4.89 If we were not to impose a remedy requiring prescription of clinically appropriate (or therapeutically equivalent) generics, other potential remedies include:

- (a) A requirement that vets prescribing an Own Brand medicine also stipulate the brand-equivalent on the prescription (ie [x] mg [name of Own Brand medicine] or [manufacturer brand originator medicine]);
- (b) a prohibition of all Own Brand medicines; or
- (c) transparency remedies to make clear that the Own Brand medicine is equivalent to other specific medicines.

Issues to consider

- 4.90 We are currently of the view that clinically appropriate (or therapeutically equivalent) generic prescribing is necessary to facilitate choice between clinically equivalent medicines after the point at which a written prescription is provided. This may be achieved through active ingredient prescribing, by listing a number of specified medicines (i.e. named/branded medicines) on a prescription, by the VMD introducing a category of equivalence which medicines are assessed against, or by another method.
- 4.91 We are currently of the view that both generic prescribing and option (a) and (b) in paragraph 4.86 could effectively remedy the identified issue with Own Brand medicines.

Leading option based on current considerations

- 4.92 We are currently of the view that, where clinically possible, medicines should not be prescribed with reference to a sole branded medicine. This may mean that medicines are prescribed by active ingredient, by generic name, with reference to a clinically appropriate (or therapeutically) equivalent, or with reference to multiple specified medicines, except in limited instances where it is clinically inappropriate for more than one branded medicine to be offered.

Consultation questions: Remedy 9: Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales

- Question 47: How could generic prescribing be delivered and what information would be needed on a prescription? Please explain your views.
- Question 48: Can the remedies proposed be achieved under the VMD prescription options currently available to vets or would changes to prescribing rules be required? Please explain your views.
- Question 49: Are there any potential unintended consequences which we should consider? Please explain your views.

- Question 50: Are there specific veterinary medicine types or categories which could particularly benefit from generic prescribing (for example, where there is a high degree of clinical equivalence between existing medicines)? Please explain your views.
- Question 51: Would any exemptions be needed to mandatory generic prescribing? Please explain your views.
- Question 52: Would any changes to medicine certification/the approval processes be required? Please explain your views.
- Question 53: How should medicine manufacturers be required to make information available to easily identify functionally equivalent substitutes? If so, how could such a requirement be implemented?
- Question 54: How could any e-prescription solution best facilitate either (i) generic prescribing or (ii) the referencing of multiple branded/named medicines. Please explain your views.

Remedy 10: Prescription price controls

Description

- 4.93 A price control may be required at least for a transitional period to allow remedies that support competition between FOPs – including on prescription fees – to become effective. The aim of a such a prescription price control would be to ensure that consumers are not discouraged from requesting or receiving a written prescription due to the fee associated with doing so. Further, it will be important to ensure that consumers are not charged a prescription fee which is higher than the reasonable costs of providing the prescription.
- 4.94 We set out above several remedy options to increase competition in the supply of veterinary medicines. In our discussion of those remedy options, we identified the risk that without a limitation on prescription fees, the uptake of prescriptions where provision is not mandated could be unduly restricted, as high prescription fees would be a barrier to customers requesting a prescription. We also noted that a cap on prescription fees could also facilitate comparison between FOP-dispensed and online pharmacy medicine prices.
- 4.95 Further, we identify above a risk that if prescriptions are mandated, FOPs may have the incentive to increase prescription fees (which are less subject to competition) in order to mitigate the loss of sales revenues from medicines caused by (i) more pet owners purchasing medication from third-party retailers rather than their FOP; and (ii) FOPs reducing their medicines prices in response to the greater competitive constraints arising from our other remedies. A cap on prescription fees would help address such incentives.

Design considerations

4.96 We have considered the following options for a price control on prescription fees:

- (a) Price freeze at current levels.
- (b) Price cap based on cost recovery.
- (c) Prohibition on charging for prescriptions.

Option A: Price freeze at current levels

4.97 Under this remedy option the price of prescriptions would be frozen at current levels (or at the level which applied in the recent past, for example 1 July 2024), with levels varying across FOPs. This price freeze could be temporary, for instance 3 years, or permanent, subject to periodic review. Prescription fees could be frozen either in:

- (a) Real terms, such that FOPs would be permitted to increase prescriptions fees in line with inflation so that they remain constant in real terms; or
- (b) Nominal terms, such that FOPs would be required to keep prescription fees at the level on a specified date. This would mean that in real terms prescription fees would gradually fall for the duration of the price freeze.

4.98 This remedy would address any incentive to actively increase prescription fee amounts in response to the wider remedy package. However, this measure would mean that those FOPs currently charging relatively high prescription fees, for instance fees that are higher than the costs incurred in writing prescriptions, would continue to be able to do so (albeit on a decreasing scale, if not adjusted for inflation).

Option B: Price cap based on cost recovery

4.99 Under this remedy option, prescription fees would be capped, with the cap set to allow for cost recovery. In order to determine the level of the cap, we would need to fully understand what costs are incurred in issuing a written prescription (both in deciding what medication is required and writing a prescription), ensuring that there is no duplication with any costs incurred with dispensing a medication.

4.100 The price cap could either be set individually for each site, which would require site level cost data, regionally, or nationally. Since there is no quality variation in prescriptions and the outcome is the same in all instances (i.e. the consumer receives a written prescription), individual differences in costs will be driven either by different levels of efficiency in prescribing or by different costs (including wages).

Option C: Prohibition on charging for prescriptions

- 4.101 Under this remedy option, FOPs would be prohibited from charging for prescriptions, similar to that imposed by the CC as a result of the 2003 investigation into veterinary medicine. This prohibition could be either temporary, or permanent.
- 4.102 We have identified two principal implications flowing from this remedy:
- (a) The risk of price increases on other products or services offered by FOPs to offset the prohibition on charging for prescriptions.
 - (b) The incentive to increase the efficiency of the prescribing process, since it is no longer a revenue generating activity.

Issues to consider

- 4.103 As set out above, we have identified two potential prescription remedy options which could be required to facilitate competition in the provision of medicines between FOPs and online pharmacies:
- (a) Mandate the offer of a prescription, whereby it would be the customer's decision on whether to request a prescription and therefore incur any associated prescription fee. The customer would then need to take into account the level of the prescription fee plus the cost of acquiring the medicine from an online pharmacy when comparing the cost of the medicine, plus any dispensing fee, if they were to acquire the medicine from the FOP.
 - (b) Mandate the provision of a prescription, whereby the customer would be required to incur any prescription fee levied by the FOP, even if they were to choose to acquire the medicine from the FOP. Our current understanding is that the writing of a prescription – versus dispensing a medicine within a FOP – is unlikely to reflect a materially higher cost for a FOP in a well-functioning market (including a market where investments had made the process at least as efficient as dispensing).

Leading option based on current considerations

- 4.104 In paragraph 4.44 we set out our current view that the provision of prescriptions should be mandatory, subject to limited exclusions. We are currently of the view that, if we are to introduce a remedy to require the mandatory provision of a prescription, or an alternative remedy which mandates the offer of a prescription, there should be a price control on the level of prescription fees that can be charged by a FOP, rather than leaving the setting of prescription fees to the market, as is currently the case. In deciding between different options for the design of a price cap we would take the approach which is least burdensome, but

which is effective in ensuring that customers are not discouraged from acquiring medicines from suppliers other than the FOP.

Consultation questions: Remedy 10: Prescription price controls

- Question 55: Do you agree that a prescription price control would be required to help ensure that customers are not discouraged from acquiring their medicines from alternative providers? Please explain why you do or do not agree.
- Question 56: Are there any unintended consequences which we should take into consideration? Please explain your views.
- Question 57: What approach to setting a prescription fee price cap would be least burdensome while being effective in achieving its aim of facilitating competition in the provision of medicines?

If we were to decide to impose a cost based price control for prescriptions, we need to fully understand the costs involved with prescribing and dispensing activities. We are seeking to understand:

- Question 58: What are the costs of writing a prescription, once the vet has decided on the appropriate medicine?
- Question 59: What are the costs of dispensing a medicine in FOP, once the medicine has been selected by the vet (i.e. in effect after they have made their prescribing decision)?

Remedy 11: Interim medicines price controls

Description

4.105 Earlier in this Section we summarise the types of remedies that we are considering to address potential competition problems in the sale of medicines by FOPs. These potential remedies would aim to open up the medicines market to increased competition and create a virtuous circle which would drive down vet medicine prices over time by:

- Empowering and encouraging consumers to shop around for vet medicines, and to more effectively consider the price of medicines in their decisions to choose or remain with a particular vet practice.
- Increasing the attractiveness and feasibility of market entry by online pharmacies – and potentially other animal medicine providers beyond vet practices – and to support the expansion of those providers into offering a wider range of drugs.

- Creating greater incentives for vet firms to moderate prices and profits associated with medicines, due to the risk of losing business – both in terms of losing the individual transaction for the particular drug and losing the customer altogether to a rival with more keenly-priced drugs.

- 4.106 Our current view is that this type of remedies package is likely to be the most effective means of addressing the competition problems we have set out. Shifting the incentives for firms would allow them to explore different ways of adapting their behaviour, eventually settling on market positioning that offers a more attractive overall proposition to consumers (either in general, or with different providers adopting different strategies to appeal to different groups of consumers).
- 4.107 If we proceed with this approach, it will inevitably take time to get this full package of measures in place, for consumers and firms to change their behaviour, and for this to feed through into an effect on pricing. There may therefore be a case for putting in place additional price control measures that, in the shorter term, offer more immediate protection against the detriment consumers could suffer. Such price control measures would aim to:
- (a) restrict medicine prices at FOPs from increasing further in the immediate term; and/or
 - (b) place a constraint on medicine prices at FOPs in the immediate term so that they are brought closer to the level we would expect to see in a well-functioning market.¹¹⁹
- 4.108 At this stage in our investigation, a price control on medicines is only a possibility that we are considering. We are not sufficiently advanced in our assessment to give a view on whether it would in fact be appropriate to put in place such a price control, and our preference is to explore whether one could be avoided. It may be the case that after considering how quickly and effectively marketing opening and other measures could be delivered, we conclude that a medicines price control would not be appropriate.
- 4.109 To determine whether a price control in medicines would be appropriate, we may consider a number of factors, including:
- (a) the strength of any competition concerns we identify in the supply of medicines;
 - (b) the extent to which other measures would sufficiently address these concerns;

¹¹⁹ Note that these potential price control remedies are separate from the possibility of regulating prescription fees (set out above in Remedy 10: Prescription price controls).

- (c) how long other measures would take to have an effect; and
- (d) the relative costs and benefits of a price control.

- 4.110 We shall set out a provisional view on the appropriateness of a price control in medicines when we publish our provisional findings this summer. At that stage in our investigation, we will have further information to assess competition in medicines and how to remedy any concerns we identify.
- 4.111 If we were to decide that it would be appropriate in principle to introduce a price control, we would need to consider whether it is feasible to design one that is implementable and capable of satisfactorily achieving the core objective of constraining medicine prices to consumers. In the following section we set out some of the factors we would consider in assessing this.

Design considerations

The duration of any price control regulation of medicines

- 4.112 The CMA's guidance states that the CMA will not generally use remedies that control outcomes, such as price controls, unless other, more effective, remedies are not feasible or appropriate. Where this class of remedy is employed, it is more likely to be used on a temporary basis unless there is no alternative to a continuing regulatory solution.¹²⁰
- 4.113 As noted above, in circumstances where we consider that the other remedies included in any package of measures to address competition problems in the supply of medicines will need some time to take effect, it could be appropriate to introduce a remedy to more immediately address the detriment caused by high medicines prices. Our current thinking is that any price control regulation would be time-limited, for example would be in force for a period of one to three years.

Breadth of applicability of any price control regulation

- 4.114 In considering whether to introduce a price control on medicines supplied by FOPs, we may assess the extent to which we see high medicine mark-ups across the sector, including by firms of different sizes, or the extent to which features leading to high prices and mark-ups of medicines apply to all FOPs. We may consider the extent to which these mark-ups on medicine purchasing costs exceed other costs incurred in stocking and dispensing medicines, and the contribution of medicines to overall FOP profits.

¹²⁰ CC3 (Revised), paragraph 333.

- 4.115 There are practical considerations relating to the size and number of providers that are subject to any price control regulation. In particular, the more firms to which we were to apply a price cap, especially where we are considering applying it to small firms, the greater the extent to which we would need to simplify the implementation and monitoring.

The form, level and scope of medicine price controls

- 4.116 Remedies which control outcomes, such as price controls, need to specify the design (form), the basis for the level of the price that is set (level) and the products or services that are subject to control (scope).

Form

- 4.117 We are considering various forms that a price control on medicines could take, should we judge a price control to be appropriate.
- 4.118 A time-limited price control could place restrictions on future price increases including:
- (a) Restricting FOPs from increasing the prices of their medicines. This could be implemented by requiring each FOP to charge no more than the price it charged as at a given date, for example 1 July 2024,¹²¹ for an individual medicine; and
 - (b) Restricting the maximum future price all FOPs can charge for an individual medicine based on the national average price consumers previously paid for the medicine at FOPs. The CMA could calculate this national average price based on the prices a set of FOPs charged for an individual medicine as at a given date (for example, the average price charged by LVG FOPs for a 100ml bottle of Metacam 1.5mg/ml oral suspension for Dogs as at 1 July 2024).¹²²
- 4.119 One of these price controls could be used alone or both could be applied in parallel. Applying both in parallel would require a FOP to charge no higher than the national average price in 2024 or no higher than the price the specific FOP charged for that medicine in 2024, whichever is the lowest.
- 4.120 Our current thinking is that, in the event that a restriction is appropriate, applying only the first of these options may be most appropriate. This option would have the effect of freezing prices for a short period in a way that FOPs may be able to

¹²¹ The date specified would be prior to the publication of this working paper to avoid the risk of the price controls we are consulting on leading to firms having incentives to increase prices now in order to increase the prices they can charge under any such future price control.

¹²² This average price is equivalent to the manufacturer list price, plus the average mark-up on this list price by LVG FOPs as at 1 July 2024.

readily implement if they retain information on their previous prices. We would expect that basing the price freeze on 1 July 2024 prices of each FOP would ensure each FOP can continue to recover their costs of retailing medicines. Even significant cost increases from 2024 levels could be accommodated by this approach given the high mark-ups we have observed.

- 4.121 However, if some FOPs do not retain historic pricing information, the second option may be more appropriate as all FOPs can ensure they are compliant with reference to the maximum price set by the CMA. As with the first option, we would expect FOPs to be able to recover their costs of retailing medicines under this type of interim price control.
- 4.122 We have considered other interim pricing measures, such as those based on controlling overall revenues or mark-ups, and consider that such approaches would not be capable of practical implementation and could lead to significant market distortions.

Level

- 4.123 If we find that medicine prices are significantly more than the levels we would expect in a well-functioning market, we may consider whether we should use an interim price control to reduce overall medicine prices. This could be based on applying a percentage reduction to the price control options noted above. For example, we could set a maximum price for an individual medicine based on applying a five percent reduction to the 1 July 2024 national average price of the medicine.
- 4.124 In setting the level of such a price reduction, we need to recognise the interplay between it and the other measures that could be introduced to address the competition problems, including market opening measures. Imposing large price reductions would risk undermining the longer-term effectiveness of our market opening measures. Consumers would have weaker incentives to shop around for medicines and, in response, online pharmacies and other providers may scale back investments in expanding their services. Therefore, our current thinking is that the level of any imposed price reductions should be limited and set at a stabilising level, to ensure that prices do not rise beyond current levels or reduce by a small amount.
- 4.125 A price control based on a stabilising level would have some constraining effect on prices and protect consumers, but would not significantly undermine the impact other remedies that should increase competition in the longer-term. This approach would also reduce the risk of unintended consequences such as the market exit of efficient FOPs (FOPs that should be able to thrive in a well-functioning market).

Scope

- 4.126 It will be important that the medicines in scope cover a substantial proportion of the market in terms of revenues. Evidence provided by LVGs shows the top 100 prescription medicine products account for 72% of all prescription medicine revenue on average.
- 4.127 Based on this understanding we consider that a price control applying to the top 100 medicines could be appropriate. This would ensure that a substantial proportion of medicine sales is covered by a price control. Our current view is that applying an interim price control to all medicines would be unlikely to be practicable given the vast number of available medicines. Including many medicines with low sales would make a price control more complex to administer with limited additional consumer benefit.

Compliance, monitoring and enforcement

- 4.128 The design of a price control needs to ensure that the firms that are subject to it understand the requirements in order that they can comply, and for them to know when they are not complying. Our view, at this stage, is that the price control options we have set out above could satisfy this condition and that the administrative costs of firms complying with the price control would be low.
- 4.129 As any price control on medicines would be for an interim period until the other remedies to address the competition problems became effective, this remedy could be monitored and enforced by the CMA. Such monitoring and enforcement would involve additional cost burdens on firms and the CMA, but we consider that there would be options for limiting these costs to acceptable levels, for example if we restricted the monitoring to a random sample of FOPs each year.
- 4.130 On the version of the price control based on the CMA setting and publicising a nationwide maximum price for a medicine (the second option), it may also be easier for consumers to complain if a FOP is not complying and for the consumer to be eligible for a full refund in such circumstances. This approach could help with monitoring and enforcing compliance.

Leading option based on current considerations

- 4.131 Our current view is that any price control on medicines should be an interim measure and limited in scope. It would aim either to limit further price increases or to reduce them by a limited amount (if we find that medicine prices are significantly more than the levels we would expect in a well-functioning market).

Consultation question: Remedy 11: Interim medicines price controls

- Question 60: What is the most appropriate price control option for limiting further price increases and how long should any restrictions apply for? Please explain your views.
- Question 61: If we aim to use a price control to reduce overall medicine prices, what would be an appropriate percentage price reduction? Please explain your views.
- Question 62: What should be the scope of any price control? Is it appropriate to limit the price control to the top 100 prescription medicines? Please explain your views.
- Question 63: How should any price control be monitored and enforced in an effective and proportionate manner? Please explain your views.

Implementation of remedies to increase price competition in the medicines market

Description

- 4.132 Our current view is that the medicines remedy package would include the following elements:
- (a) Mandatory prescriptions with limited exceptions.
 - (b) Price transparency, with prescriptions containing the average or lowest online price for the specific medicine.
 - (c) A form of generic prescribing.
- 4.133 This package of remedies would be likely to require significant changes to systems in order to deliver, as it will drastically increase the volume of prescriptions being issued (we calculate that up to 27.5 million prescriptions would have been issued had prescriptions been mandatory in 2023),¹²³ and require prices to be gathered by a price comparison tool and then displayed on the prescription. At this stage, we consider that implementation of this remedy package would require a system capable of meeting at least the following objectives:
- (a) prescriptions are secure and can be redeemed only once;
 - (b) prescriptions can be generated quickly and efficiently and issued to the customer in the consultation room;
 - (c) prescriptions can be quickly transmitted to pharmacies; and

¹²³ See [Competition in the supply of veterinary medicines](#) working paper, February 2025, Table 5.1, p.71.

(d) prescriptions contain pricing information.

4.134 Our preliminary work indicates that there are at least two broad ways of achieving these changes, in addition to the construction of a price comparison tool:

(a) System integration.

(b) A single e-prescription portal.

System integration

4.135 Vet practices typically operate a practice management system (**PMS**) to record patient details and maintain their clinical records. We understand that some PMS systems are set up to facilitate prescribing, whilst others are not. Where the PMS does not facilitate prescribing, we understand that prescribing is currently a manual process.

4.136 We understand that while each of the six LVGs uses a different PMS system. These are mostly standardised throughout their respective estates although there could be some variation (which may be material from the point of view of interoperability). Some LVGs have developed their own PMS, whilst others either currently use third party solutions, in some cases because of a legacy system. We do not have information on the PMS systems used by the 1000 or so independent FOPs, although they are more likely to be third party solutions. We do not know if such third party solutions are interoperable with each other or could easily be made to be.

4.137 In principle, it may be possible to integrate every FOP with every authorised online pharmacy in the first instance and not have any FOP to FOP integration. Although this would not permit consumers to take prescriptions to other FOP practices, we consider that it might be easier to implement.

4.138 If it were possible to integrate PMSs to deliver a secure prescription system there would need to be further integration between PMSs and a price comparison tool, in order that the required price comparison information could be added to the prescription.

4.139 Our initial view is that system integration is likely to be difficult, time consuming and costly to introduce. However, it may deliver a more efficient prescribing system as information would only need to be entered by vets into one place.

A single portal

4.140 An alternative approach to integrating PMS systems would be for a single new system to be built that is specifically designed for prescriptions. This e-prescription

portal would be separate from PMSs, so there would be no need to link different PMSs together.

- 4.141 The e-prescription portal would be integrated with a price comparison tool, to allow it to pull information on medicine prices in to display on the prescription.
- 4.142 We would envisage the e-prescription portal being designed in such a way as to make writing a prescription as efficient as possible, with medicine information automatically retrieved once the vet selects the relevant medicine. The portal could be set up to aid generic prescribing (see remedy 9: Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales), for instance, by highlighting the functionally equivalent medicines, or active ingredients, for the vet to assess.
- 4.143 The e-prescription portal would be separate from vets' PMS systems, but vet practices could choose to integrate their PMS with it through use of APIs.
- 4.144 When a vet wants to generate a prescription, they would log on to the portal and generate the prescription. The webportal then generates a unique prescription, with a single use code, that allows the consumer to quickly send it to any pharmacy.
- 4.145 The prescription contains information on the online selling price for the prescribed medication. Where a generic medication is prescribed, this could either be the average online price for the generic medicine, or the lowest price, similarly where a branded medicine is prescribed, this could be the average online price for that brand, or the lowest price. We would envisage that by default a paper version is printed, with the option of the customer requesting a paperless version by email, the prescription could contain information similar to this:



- 4.146 In order to redeem the prescription and dispense the medicine, the dispensary goes to the portal and enters that code to retrieve the prescription and mark it as fulfilled once dispensed.

Price comparison tool

- 4.147 A central part of the remedy package is the provision of pricing information to the pet owner. This requires that any prescription system is integrated with a price comparison tool that gathers information on medicine prices from different sources.
- 4.148 As a minimum we consider that, to be effective, a price comparison tool must contain accurate and up to date pricing information from a large number of authorised online pharmacies operating in the UK.
- 4.149 Additionally, the system should allow FOPs, community pharmacies, and any potential new entrants to provide pricing information on a voluntary basis.
- 4.150 The price comparison tool would provide information to the e-prescription system and be accessible for consumers with a prescription.

Our current view on implementation of remedies to increase price competition in the medicines market

- 4.151 Our current view is that an e-prescription portal is likely to carry both lower implementation risk and lower costs than attempting to integrate different PMSs.

As such, we have considered how an e-prescription portal and price comparison tool might be implemented.

4.152 Options for e-prescription portal and price comparison tool include:

- (a) Software is maintained and operated by an appropriate regulatory body, such as the RCVS.
- (b) Software is maintained and operated by a special purpose vehicle on a non-profit or for-profit commercial basis.
- (c) Vet businesses are responsible for independently providing price information to the operator of the software.

4.153 The effectiveness of the e-prescription portal and the price comparison tool in supporting pet owners to access and assess price of medicines would be dependent on the levels of participation from pharmacies. We envisage that there would be an incentive for pharmacies to participate in their development and operation as this would enable them to reach as many pet owners as possible.

4.154 There are various ways in which the portal and price comparison tool could be funded. For example, those pharmacies whose medicines are sold through the portal may want to fund and develop the requisite software. Other commercial operators may also have incentives to produce it.

4.155 In principle, there can be more than one e-prescription portal operating in the market, with competition between e-prescription portal providers to provide services to vet practices, as long as each portal had access to the same price comparison information. However, there could be disadvantages of multiple portals operating in the market:

- (a) Each authorised online pharmacy (or other dispensary) may have to access multiple portals over the course of a day. This may increase the risk of prescriptions being missed or errors made.
- (b) Pricing information may be gathered independently by each portal, which would increase the costs of FOPs, community pharmacies or other new entrants.

Consultation questions: Implementation of remedies 7 - 11

- Question 64: We welcome any views on our preferred system design, or details of an alternative that might effectively meet our objectives. Please explain your views.

- Question 65: What do you consider to be the best means of funding the design, creation and ongoing maintenance of an e-prescription portal and price comparison tool? Please explain your views.

5. Increasing competition in outsourced OOH care and tackling high mark-ups in the price of cremations

Aims of the potential remedies

- 5.1 In Section 2: Summary of potential issues in this market investigation, we highlighted several features of the market related to services which FOPs acquire from third parties and make available to pet owners by either directing pet owners to the service (in the case of OOH care) or selling the service on to pet owners (in the case of cremations) with these features potentially leading to pet owners paying more than necessary for these services.
- 5.2 This section outlines the following remedy options which seek to increase competition in outsourced OOH services and of cremation prices and to restrict retail prices:
- Remedy 12: Restrictions on certain clauses in contracts with third-party out of hours care providers.
 - Remedy 13: Transparency on differences between fees for communal and individual cremations.
 - Remedy 14: A price control on cremations.

Remedy 12: Restrictions on certain clauses in contracts with third-party out of hours care providers

- 5.3 As we set out in our summary of the potential issues in this market, our analysis indicates that many local vet practices have little choice of supplier if they choose to outsource their obligations to provide out of hours services. We have concerns that, where FOPs contract with third party out of hours providers, the contract terms may be contributing to suboptimal outcomes for pet owners in the form of higher prices or a worse out of hours service than they would receive if there were greater competition amongst suppliers of this service.
- 5.4 We have reviewed contracts between a number of parties and their out of hours provider and have found that they are typically rolling contracts. The contracts typically include notice periods, exclusivity clauses and early termination fees. In some cases, these notice periods exceed 12 months, with some contracts containing notice periods of up to 36 months. If a FOP wants to exit the contract before the end of the notice period, it must pay an early termination fee, which we understand is related to the remaining term of the notice period. This means that where notice periods are long, early termination fees can be high.

- 5.5 Notice periods and termination fees are typical in commercial contracts where a business procures services from a third party. In a well-functioning market, the contractual terms will reflect the underlying features present in the market. For example, where high set up costs are incurred by the third-party supplier to enable the provision of the service to the customer, the contract could include terms to require some upfront payment and/or notice periods to ensure that the supplier is able to recover those costs. We are concerned in the context of the provision of out of hours services to FOPs that the length of the notice periods and the level of early termination fees that we observe may not be justifiable and that they may act as a barrier to FOPs switching out of hours supplier. This will reduce FOPs' ability to use the threat of switching to discipline the performance of their current supplier, while also limiting the new entry or expansion by other providers, be that individual FOPs, conglomerates of FOPs or non-FOP third parties.
- 5.6 We are considering whether notice periods should be capped in new and existing contracts; for example at 3 or 6 months. Linked to this, we are considering whether any changes need to be made to how early termination fees are calculated. If we were to impose a remedy, our goal would be to ensure that notice periods and early termination fees were sufficient to give the out of hours provider certainty over decisions such as employment contracts, but did not inappropriately limit FOPs' ability to switch out of hours supplier.

Consultation questions: Remedy 12: Restrictions on certain clauses in contracts with third-party out of hours care providers

- Question 66: What would be an appropriate restriction on notice periods for the termination of an out of hours contract by a FOP to help address barriers to FOPs switching out of hours providers? Please explain your views.
- Question 67: What would be an appropriate limit on any early termination fee (including basis of calculation) in circumstances where a FOP seeks to terminate a contract with an out of hours provider? Please explain your views.

Cremation services

- 5.7 For the provision of cremation services by FOPs to pet owners, our current analysis suggests that there are high mark-ups between the price that the FOP pays the crematorium for the service and the price at which the cremation is sold to the pet owner, especially for individual cremations. Pet owners purchase cremation services at a time when they are emotionally distressed and may not find it easy to make price comparisons. We are therefore concerned that pet owners might be overpaying for cremation services.

5.8 To address high mark-ups in the price of cremations we have identified two potential remedies:

- Remedy 13: Transparency on the differences between fees for communal and individual cremations.
- Remedy 14: A price control on retail fees for cremations.

Remedy 13: Transparency on the differences between fees for communal and individual cremations

Key design considerations

- 5.9 A remedy which requires pet owners to be informed of the price of communal cremations and individual cremations will provide the pet owner with visibility of what can be significant differences in the level of fees charged for these two services and enable them to make better informed decisions. We discuss the provision of such information in Remedy 1: Require FOPs and referral centres to publish information for pet owners.
- 5.10 This pricing information could potentially be supplemented by revisions to the RCVS Code and its associated guidance to ensure that choice options are framed appropriately, to address the risk of pet owners feeling pressured into purchasing a more expensive cremation option.
- 5.11 While these requirements could enable some pet owners to make better informed decisions, we are concerned that such interventions could have limited effect due to pet owners often being in an emotionally distressed state when making such decisions which are taken either following the death of their pet or in anticipation of this event. This means pet owners will be in a vulnerable position and may not be well placed to make the decision that is in their own best interest, even if they have access to the requisite information and that information is provided to them in an appropriate manner.

Consultation questions: Remedy 13: Transparency on the differences between fees for communal and individual cremations

- Question 68: Do you agree that the additional transparency on the difference in fees between fees for communal and individual cremations could helpfully be supplemented with revisions to the RCVS Code and its associated guidance? Please explain your views.

Remedy 14: A price control on retail fees for cremations

Key design considerations

Which veterinary providers should be within the scope

5.12 If we were to introduce a price control remedy in relation to cremations, we would need to decide which veterinary providers it would, or would not, apply to. Key considerations to inform such decisions include:

- the extent to which we see high mark-ups across the market, including firms of different sizes, or the extent to which features leading to high mark-ups apply across the market;
- information on the level of profitability across the market may also be instructive in determining the breadth of applicability;
- the number and type of firms to which we were to apply a price cap, especially where we are considering applying it to small firms, which could have implications for monitoring and enforcement.

5.13 If we find that pet owners are overpaying for cremation services, we note that the vulnerability of customers at the point of purchase could be a factor that leads to such an outcome, and it applies to customers of all FOPs.

Duration of any price control on cremation services

5.14 The inherent and enduring nature of the features of the market in this area which could contribute to an AEC may mean that such price control measures, if considered necessary, would need to be on an enduring basis. However, it is possible that, if an initial price control reset the level of pricing to a more reasonable level, our proposed transparency remedy (which would require publication of cremation prices on websites) would make it more difficult for FOPs to increase prices significantly over the longer term following the termination of a price control.

5.15 The CMA would be able to put in place arrangements for initial price control requirements as part of the remedy implementation process of this market investigation. However, as the market evolves and underlying costs of provisions change, there will be a need, over a longer period, to review and revise the detailed requirements of any price control. Our current thinking is that such review and revision of price control arrangements would be best undertaken by another regulatory body, perhaps the RCVS. However, we recognise that this would require a change to the role and remit of the RCVS (or powers being given to an

alternative regulatory body) and will be a matter for government to consider and legislate for.

The form, level, and scope of a price control on cremations

- 5.16 Since any concerns emanate from the level of mark ups on the cost at which a FOP procures crematoria services, we consider that a price control which limits the scale of such mark-ups, either as a percentage or on an absolute basis, could be appropriate. This could be based on for example an estimate of the time/cost associated with providing support to customers purchasing crematoria services from a FOP. This would be informed by further analysis of relevant costs.
- 5.17 Turning to the scope of any price controls on cremations, there are two main types of cremations available from FOPs:
- communal cremations; and
 - individual cremations
- 5.18 Based on information currently available, our concern with high mark-ups is mainly around the price of individual cremations. We currently consider that any price control could be limited to the provision of individual cremations, rather than apply to all cremations. However, we will need to consider any unintended consequences which may arise from limiting the scope of any price control in this way and whether these would be avoided if a price control were to apply across the provision of all crematoria services.

Consultation questions: Remedy 14: A price control on cremations

- Question 69: If a price control on cremations is required, should this apply to all FOPs or only a subset? What factors should inform which FOPs any such price control should apply to?
- Question 70: What is the optimal form, level and scope of any price control to address the concerns we have identified? Please explain your views.
- Question 71: For how long should a price control on cremations be in place? Please explain your views.
- Question 72: If a longer-term price control is deemed necessary, which regulatory body would be best placed to review and revise such a longer-term price control? Please explain your views.

6. A regulatory framework which protects consumers and promotes competition

Aims of the potential remedies

- 6.1 In our Regulatory Framework for Veterinary Professionals and Veterinary Services working paper, we set out our emerging views that:
- (a) a well-functioning market for veterinary services for household pets is likely to require an effective system of regulation; and
 - (b) the existing system of regulation does not contain the right combination of substantive requirements and monitoring, enforcement and redress mechanisms to support the competitive processes and outcomes we would expect in a well-functioning market.
- 6.2 In this section, we set out our current thinking about the possible remedies if we find that the regulatory framework is one of the features contributing to an AEC. Those remedies are:

Reforming the statutory regulatory framework and the ways in which it operates:

- Remedy 15: Regulatory requirements on vet businesses.
- Remedy 16: Developing new quality measures.
- Remedy 17: A consumer and competition duty for a regulator.
- Remedy 18: Effective and proportionate compliance monitoring.
- Remedy 19: Effective and proportionate enforcement.

Effective complaints and redress mechanisms:

- Remedy 20: Requirements on vet businesses for effective in-house complaints handling.
- Remedy 21: Requirement for vet businesses to participate in the VCMS.
- Remedy 22: Requirement for vet businesses to raise awareness of the VCMS.
- Remedy 23: Use of complaints insights and data to improve standards.

- Remedy 24: Supplementing mediation with a form of binding adjudication.
- Remedy 25: Establishment of a veterinary ombudsman.

Effective use of veterinary nurses:

- Remedy 26: Protection of the vet nurse title.
- Remedy 27: Clarification of the existing framework.
- Remedy 28: Reform to expand the vet nurse role.

6.3 We think these remedies could help create a regulatory framework that protects consumers and promotes competition over the whole of pet owners' relationships with individual veterinary professionals and vet businesses.

Reforming the statutory regulatory framework and the ways in which it operates

The purpose of regulation

- 6.4 Professional services markets in the UK, such as those provided by healthcare and legal professionals, are usually regulated. These services are, in many cases, provided by private operators (individuals and organisations). In such circumstances, regulatory frameworks help ensure that commercial incentives are balanced with the public interest objectives that their professions serve (for example, public health or access to justice). They also contribute to building public trust by setting out standards of competence and appropriate monitoring and enforcement so that lay users and purchasers of services can be assured of the quality of the services that they are using.
- 6.5 Veterinary services in the UK are provided mainly by commercial operators. Their incentive and ability to make profits helps ensure those services are provided to meet consumer demand with the right level of quality. However, as we set out in our Regulatory Framework for Veterinary Professionals and Veterinary Services working paper,¹²⁴ those commercial incentives alone may not be enough to protect the relevant public and consumer interests.
- 6.6 Where consumers have less knowledge and experience than their vets (which is inevitably the position for the vast majority of consumers), they will not necessarily be able to effectively compare services and providers and make informed choices about those which best suit their and their pet's needs. This may have detrimental

¹²⁴ CMA, [Regulatory Framework for Veterinary Professionals and Veterinary Services](#), February 2025.

outcomes for consumers, for example in the form of higher prices or more limited choices than would be the case in a more effective market. It may also not align with the public interests in animal welfare and public health because higher prices and limited choices make it more difficult for pet owners to obtain optimal care for their pets. Regulation of veterinary services can, and should, protect relevant consumer and public interests by imposing requirements that aim to produce outcomes that an unregulated market on its own may not.

- 6.7 Put another way, regulation of veterinary services (and medicines) may be necessary in a well-functioning market to serve two broad purposes: first, to protect consumers where there is an asymmetry of knowledge and information between them and the professional supplier of the services; second, to protect and advance public interests in animal welfare and public safety. Effective regulation can help consumers make informed decisions about what they buy in a way that encourages service providers to offer a range of services to meet their needs (and those of their pets) at competitive prices.
- 6.8 It is important that regulation is set at the right level. Regulation can have an impact on the competitive process by shaping what products and services may be provided, by whom and how, as well as the information available to consumers. If it is set too narrowly, that risks insufficient protection for consumers and important public interests in animal welfare and public health and safety. If it is too broad, regulation can unduly restrict what services may be provided and by whom, or increase costs. That could mean that services that could benefit animals and their owners are limited, unavailable, or unaffordable for some consumers, and could result in some animals going untreated.
- 6.9 In a well-functioning market, we might expect that the regulatory system contains only the requirements and restrictions that are necessary to protect important public interests; while giving consumers the ability to make informed choices and providers the freedom to innovate and offer a range of products, services, business models and practices to meet differing consumer needs. The view we put forward in our working paper is that the current system of regulation of veterinary services may not ensure the effective protection of competition, consumer interest and public interest objectives.

The possible problem

- 6.10 The regulatory framework for veterinary services includes: the Veterinary Surgeons Act 1966 (**VSA**), the RCVS as the regulator of the profession, and the RCVS' Supplemental Royal Charter of 2015 (**the Charter**), its Codes of Professional Conduct for Veterinary Surgeons (**RCVS Code**) and Veterinary Nurses (**RCVS Nurses Code**) and accompanying guidance; and its (voluntary) Practice Standards Scheme (**PSS**). It also includes mechanisms for regulating medicines: the Veterinary Medicines Directorate (**VMD**) and the Veterinary

Medicines Regulations (**VMRs**); and non-statutory structures such as the Veterinary Client Mediation Service (**VCMS**).

6.11 The possible problems we have identified with the framework are that:

- (a) Its scope is too narrow. It binds only individual vets and nurses, but not vet businesses¹²⁵ and non-vets who own and work in them.
- (b) Its contents do not appear to result in consumers having good, relevant and timely information on price, quality and treatment options that would help them make informed decisions, drive competition and keep prices at the level we might expect if the market is working well.^{126 127}
- (c) It does not contain sufficient and appropriate mechanisms for the monitoring and enforcement of vets' and vet nurses' compliance with the RCVS Code and, given its voluntary nature, no such mechanisms in relation to vet practices¹²⁸ under the PSS. The RCVS relies on complaints being made to it about breaches of the Code, rather than monitoring compliance, and is unable, in any event, to take enforcement action for breaches that fall short of serious professional misconduct.
- (d) Provisions for consumer redress are limited. The VCMS, to which unresolved complaints may be escalated, is a voluntary mediation scheme, not a binding enforcement mechanism, and consumers appear to have limited awareness of and engagement with it. The numbers of complaints made to and resolved by the scheme appear to be low. The RCVS does not appear to use the insights and learning available from complaints processes in the sector¹²⁹ as effectively as it could to strengthen regulatory practice and drive standards up.¹³⁰

6.12 We have identified some concerns that the current system of regulation may not allow for the most effective use of veterinary nurses. Clarifying and amending the

¹²⁵ Whose practices would only be regulated if they joined the PSS.

¹²⁶ We noted in the [Regulatory Framework for Veterinary Professionals and Veterinary Services Working Paper](#) the provisions of the RCVS Code that require individual vets to give consumers 'appropriate information about the practice, including the costs of services and medicines....' and that they must communicate effectively with consumers and ensure they obtain their informed consent before treatments are carried out, provide independent and impartial advice and tell consumers about any conflict of interest, and be open and honest with consumers and respect their needs and requirements. Even so, as we set out in our working paper on How People Purchase Veterinary Services, consumers are in many cases not given, or do not have or act on, information about the price and quality of services, options for treatment or referral services, or the ownership of FOPs. There is evidence, for example, suggesting that information on clinical options is not always communicated effectively to pet owners and that the nature and timing of the information they are given about pricing may limit their ability to make informed choices.

¹²⁷ The framework also makes no provision to monitor or assess those outcomes.

¹²⁸ And the businesses who run them.

¹²⁹ Both from vet firms and the VCMS.

¹³⁰ CMA, [Regulatory Framework for Veterinary Professionals and Veterinary Services Vets Market Investigation Working Paper](#), February 2025, pp 107-108.

legislation and guidance that currently applies to them could have a positive impact on the veterinary profession and on consumers.

- 6.13 A significant part of the problems described in paragraph 6.11 appears to be that the existing framework does not reflect how the market has evolved. 60% of practices are currently owned by LVGs with shareholders, managers and senior executives who are not (or not necessarily) vets. Many smaller vet firms also now have practice owners or managers who are not vets but who may have influence over practices.
- 6.14 These developments mean that non-vets are now much more commonly in positions where they make or influence decisions that affect consumers' interactions with their vets and pet owners' choices. These decisions might involve setting prices, affect what information is provided to consumers (about, for example, services, prices, quality and treatment options), determine consultation times, create protocols and practice guidance, determine staffing levels and experience, training, equipment or other investment, or setting KPIs and how they are monitored.
- 6.15 The requirements of the regulatory framework do not, however, apply to these non-vets – who may not be physically proximate to or working closely with the vets practising in FOPs – or the vet businesses they work for. There may now be, at least in some cases, a disconnection between those with responsibilities under the current regulatory framework (individual vets) and those with much of the power to ensure that these responsibilities are met (non-vet owners and managers, and businesses).
- 6.16 In those circumstances, competition may be adversely affected because regulation does not currently ensure that consumers have the information they need, on services, prices and quality, to make informed choices about what they buy. In that case, vets and vet businesses are not incentivised to compete as hard as would be expected to in a well-functioning market, and prices of services and medicines, and profits, may be higher than we would expect.
- 6.17 The apparent shortcomings in monitoring, enforcement and redress are important. Effective regulation that contributes to a well-functioning market requires that appropriate substantive requirements are in place, and that they effectively discipline the conduct of veterinary professionals and vet businesses who know they face the threat of effective monitoring, and of enforcement and/or redress mechanisms, if they fall short. Those incentives, in turn, can drive good outcomes for consumers.

Possible remedies

- 6.18 The following paragraphs set out the remedies we are considering if we find that there is a competition problem to which the matters described above contribute. These remedies would likely largely take the form of recommendations to government to reform the statutory regulatory framework and the ways in which it operates (though elements of some of them may in the first place be implemented via a CMA Order, pending any reform of the regulatory framework).
- 6.19 The remedies we outline are a set of measures that would contribute to a new regulatory regime that enables pet owners to make more informed choices about the services they buy and incentivises veterinary businesses to offer prices and a range of services that would better meet the requirements and needs of consumers and their pets. While our principal focus has been on measures that promote competition and thereby the interests of pet owners, we are aware that, if such measures contribute to lower prices and better choices for consumers, this also helps ensure that pets are better cared for. We have sought to avoid making proposals that might adversely impact animal welfare.

Remedy 15: Regulatory requirements on vet businesses

- 6.20 Most of the main parties to our investigation in their responses to our earlier working papers¹³¹ and at the hearings we held with them, agreed in principle with our emerging views that:
- (a) there is inadequate information available to consumers to help them choose vet services; and
 - (b) one reason the regulatory framework is ineffective is because it does not impose requirements on vet businesses.
- 6.21 Our current thinking is that the appropriate package of remedies may include a set of regulatory requirements imposed on vet businesses (in addition to the regulatory provisions that already exist for individual veterinary professionals). Those requirements would include the transparency and market-opening measures described in Sections 4 and 5 of this paper, and we think would help consumers make well-informed decisions and drive greater competition amongst providers.

¹³¹ CMA, [Regulatory Framework for Veterinary Professionals and Veterinary Services](#) and [How People Purchase Veterinary Services](#), [CMA Market Investigation Working Papers](#) all published 6 February 2025 and main party hearings held in February and March 2025.

- 6.22 Those relevant requirements may, in the short-term be imposed by a CMA Order in order to take prompt effect.¹³² They should, however, ultimately form part of a statutory regulatory framework independent of the CMA and overseen by a regulator such as the RCVS, and we would be likely to make a recommendation to government to that effect.
- 6.23 It would be important for those requirements¹³³ to apply to vet businesses. That is, they should apply, at organisational level, to those carrying on a vet services business (whether a corporate entity, partnership or individual owner).
- 6.24 There are, in our emerging view, four reasons why that should be the case:
- (a) Those ‘carrying on a business’ are in a position to make decisions that direct the relevant businesses and shape their interactions with consumers. They will, for example, control the information that is provided to consumers via their websites, when those consumers are choosing their FOPs. Through contractual employment relationships, those persons direct the activities of those who work for them.
 - (b) They have legal personality. They can be the subject of responsibilities imposed by regulation and of action for non-compliance.
 - (c) Via their legal personality and their direction of their businesses and of those they employ, a set of enforceable provisions can be applied directly on a single ‘person’ and influence the interactions between individual pet owners and the vet businesses and vet professionals with whom they do business. Such regulation can complement that imposed on individual veterinary professionals.
 - (d) Such requirements would address the concerns we identified about the narrow scope of current regulation and its failure to ensure that consumers have good, relevant and timely information to help them make informed choices.
- 6.25 In forming that view, we take into account that individual vets are required (now), via the RCVS Code, to maintain practice standards equivalent to the ‘Core Standards’ under the PSS (see further below).¹³⁴ Those standards include, for example, effective communication with clients (including of their practice’s terms and conditions of business and of its complaints-handling process). However, these are not as full a set of requirements as we consider may be appropriate and,

¹³² It would also be our intention, where the requirements overlap with the RCVS Code, Supporting Guidance, or the PSS, to reflect and draw on these provisions. Where any requirements strengthen or go beyond what those provisions already contain, we will ask the RCVS to make corresponding updates. For example, the provisions of the PSS could be updated to include provision of information on business ownership.

¹³³ First via a CMA Order then as part of a reformed statutory regulatory framework.

¹³⁴ [RCVS Code](#) paragraph 4.3.

while they bind individuals, they are not a systemic way of regulating the businesses which employ them.

- 6.26 It would also be important for the relevant requirements to form part of a statute-based, system of professional services regulation under a properly equipped regulator.
- 6.27 As we have described,¹³⁵ professional services markets often require regulation. While the individual rules they contain will likely evolve over time,¹³⁶ these are systems of behavioural or conduct requirements that may be in place over the long-term to ensure that providers' commercial incentives are balanced with the public interest objectives that their professions serve.
- 6.28 The CMA can, and will where appropriate, put in place remedies following a market investigation that regulate parties' behaviour. Our guidance notes, however, that, '... the effectiveness of any remedy may be reduced if elaborate monitoring and compliance programmes are required. Remedies regulating behaviour generally have the disadvantage of requiring ongoing monitoring of compliance....'.¹³⁷
- 6.29 If it is necessary to impose behavioural requirements that would apply to thousands of vet businesses across the UK, and may be required for a substantial period of time, in our view it would be more appropriate for them to be applied, monitored and, where necessary, enforced by a dedicated specialist regulator, such as, possibly, the RCVS. Such a regulator would have the benefit of sectoral expertise and could be resourced to perform that role.
- 6.30 Such an approach would put the regulation of vet businesses and professionals on a similar footing to that of other regulated professions. It would also likely be more efficient for businesses, and liable to promote predictability for regulated businesses and professionals, to have a single system of regulation.¹³⁸

Consultation questions: Remedy 15: Regulatory requirements on vet businesses

- Question 73: Would regulating vet businesses as we have described, and for the reasons we have outlined, be an effective and proportionate way to address our emerging concerns? Please explain your views.

¹³⁵ Both at the outset of this Section and in our [Regulatory Framework for Veterinary Professionals Working Paper](#), 6 February 2025.

¹³⁶ As to which, see Remedy 17 below.

¹³⁷ [CMA3](#), paragraph 4.17.

¹³⁸ Rather than having to comply with obligations imposed and enforced by two bodies (eg the CMA and the RCVS) who may operate different regulatory policies.

Remedy 16: Developing new quality measures

- 6.31 The quality of services businesses offer can be a key differentiator between them and one of the bases on which they compete with one another. As discussed in Section 3: helping pet owners to choose FOPs, referral providers and treatments that are right for them and their pet, our emerging views are that:
- (a) It may be a relevant feature of the market for vet services for household pets that the quality of the services vet businesses offer is difficult to measure and to communicate to consumers.
 - (b) There are no straightforward measures of quality that we could readily identify that it would be appropriate for us to impose on vet businesses (save insofar as use is made of the PSS – see below).
 - (c) Were we to impose other requirements on vet businesses to improve the information available to consumers and drive competition, the businesses themselves could identify ways they could differentiate their services on the basis of quality and compete on that ground.
- 6.32 Even so, where there is a gap in the measures and signifiers of the quality of services businesses provide, there may be a role for proportionate regulation. Some of the main parties told us, in their responses to previous working papers and at the hearings we held with them, that the PSS could play an important part in this regard.¹³⁹
- 6.33 We are therefore considering whether and how a reformed regulatory system could help provide signals of service quality to consumers. In the paragraphs that follow, we describe what such a system could look like.
- 6.34 Our current view is that the system could have two parts:
- (a) The first could be a set of compulsory, core competence requirements that all vet businesses must meet.
 - (b) A second could provide for vet businesses voluntarily to seek additional quality accreditations and awards for aspects of their services which exceed the core competence requirements.

¹³⁹ For example, VetPartners submitted that ‘The PSS can help consumers recognise and distinguish quality’. VetPartners’ response to the CMA’s working paper on the regulatory framework for veterinary professionals and veterinary services of 6 February 2025, submitted 21 March 2025, pg 3. Medivet submitted that ‘the PSS accreditation system does not only reflect a minimum quality standard, but can also be used as a quality indicator to differentiate vet clinics, thereby enabling pet owners to choose a veterinary practice based on quality.’ Medivet Group Limited’s response to the CMA’s Working Papers published on 6 February 2025 in connection with the market investigation into veterinary services for household pets, pp 7.14.

- 6.35 The first part would give pet owners confidence that a baseline level of quality has been met by all practices,¹⁴⁰ but would not distinguish them on the basis of their relative quality. The second part would provide that distinction. It would enable those businesses which offer higher quality or differentiated services to obtain recognition of that and enable them to compete for customers on that basis.

The Practice Standards Scheme

- 6.36 The existing voluntary PSS could provide a starting point for assessing and conveying the quality of services to consumers and promoting competition. It provides for vet practices to apply for accreditations and awards which could help consumers distinguish between practices¹⁴¹:
- (a) There are different levels of accreditation available, depending on the type of premises, services offered, and species treated.¹⁴² The accreditations relevant to veterinary services within the scope of our investigation are: Core Standards; General Practice (GP); Emergency Service Clinic (Small Animal); and Veterinary Hospital.
 - (b) Practices can also apply to be assessed for PSS Awards in team and professional responsibility; client services; patient consultation service; diagnostic service; in-patient service; emergency and critical care service; and environmental sustainability. Practices may be designated as 'Good' or 'Outstanding' within these Awards.¹⁴³
- 6.37 If we find a competition problem, we may impose a requirement that vet businesses inform consumers about any PSS accreditation and awards they hold. That would provide some signals to consumers about the quality of services on offer, helping them make choices and incentivising businesses to compete more on that ground.
- 6.38 There is also scope to enhance the PSS so that, among other things including its focus on clinical matters, it better provides signals of service quality to consumers. This is a point that was put to us by a number of main parties.¹⁴⁴
- 6.39 Enhancing the scheme could be the least costly and most proportionate way that the regulatory framework could be used to help deliver those quality signals. The scheme is already familiar to vet businesses and, as we stated in our Regulatory

¹⁴⁰ And that there has not been a 'race to the bottom' following the increased price competition that other remedies we may impose would seek to promote.

¹⁴¹ Several stakeholders have told us that the PSS could be used as a quality indicator and, with this in mind, suggested that some degree of participation should be made mandatory.

¹⁴² RCVS, [Practice Standards Scheme](#).

¹⁴³ RCVS, [Practice Standards Scheme Modules and Awards Small Animal Version 3.3 \(September 2024\)](#), pp7.

¹⁴⁴ In their responses to our previous working papers and at the hearings we held with them. Some suggested that participation in the scheme be made mandatory.

Framework working paper, around 69% of eligible practices have joined it.¹⁴⁵ Meeting the scheme's existing core standards is something veterinary surgeons are already required to do under the RCVS Code.¹⁴⁶

- 6.40 We may, therefore, recommend to government that the reform of the regulatory framework also includes the following elements.
- 6.41 First, those carrying on vet businesses should be required to ensure that each of their sites and practices meets a set of core standards (as to which see further below). The scheme should also provide for vet businesses to apply for optional additional accreditations and awards based on an assessment of the quality of the services they offer. In this way, the enhanced scheme could give pet owners confidence that a baseline of quality is met by all practices and a basis to distinguish those offering higher quality services.
- 6.42 Second, the contents of the scheme should place greater focus on protecting consumers and promoting competition. The compulsory core standards should, for example, include that practices comply with any transparency requirements we impose following this investigation (see Section 3: Helping pet owners choose FOPs, referral providers and treatments that are right for them and their pets)¹⁴⁷ and any requirements to operate particular complaints processes (see below).
- 6.43 The optional additional accreditations and awards, meanwhile, could take account of matters such as:
- (a) the equipment available and professional qualifications held by vets employed at a practice (for example, by reference to the list of RCVS Specialists¹⁴⁸);
 - (b) other elements which may indicate a higher quality clinical offering such as staffing levels, average wait times for consultation and consultation lengths; and
 - (c) measures indicating how well consumer complaints are dealt with and used to improve services.
- 6.44 The additional elements of an enhanced scheme could also incorporate inspection-based quality ratings of the kinds that operate in some regulated sectors. The Care Quality Commission (**CQC**), for example, operates a system of

¹⁴⁵ CMA, [Regulatory Framework for Veterinary Professionals and Veterinary Services working paper](#), 6 February 2025, paragraph 4.11.

¹⁴⁶ [RCVS Code](#) paragraph 4.3 says, 'Veterinary surgeons must maintain minimum practice standards equivalent to the Core Standards of the RCVS Practice Standards Scheme.' The RCVS views that provision as meaning that, 'Meeting Core Standards is a legal requirement for all UK veterinary practices, whether or not they're part of the PSS. This is laid out in the [Code of Professional Conduct](#).' See [Core Standards](#).

¹⁴⁷ And that we recommend are adopted as part of a reformed statutory regulatory framework in future.

¹⁴⁸ RCVS List of RCVS Specialists, [List of RCVS Specialists - Find A Vet](#), accessed 14/04/25.

inspections of health and social care providers,¹⁴⁹ and publishes reports and quality ratings (which the providers themselves must also display).¹⁵⁰ As part of any recommendation, we may encourage government and the RCVS to engage with the veterinary profession about the adoption of such a system.

- 6.45 It would be important that the precise design of the scheme did not have an unduly discriminatory effect. We have heard criticisms of the PSS in its current form that its requirements are too burdensome and input-focussed.¹⁵¹ The design of an enhanced scheme should avoid imposing requirements that are overly burdensome and operate as a barrier to participation, particularly for smaller independent FOPs which may not have centralised administrative functions.
- 6.46 It is not for us to comment on the appropriate clinical, animal welfare and public health elements of any scheme. An enhanced focus on signalling the relative quality of services should, as a matter of design, enable a range of different vet businesses to obtain awards and accreditations if their services merit them. The scheme should seek to measure and illustrate quality (perhaps by focussing on outcomes) rather than reflect businesses' ability to devote administrative resources to demonstrating compliance.
- 6.47 It would not be in the interests of competition, consumers or animal welfare if the impact of an enhanced PSS was to disproportionately increase the costs of operating a vet business, particularly for smaller practices or new entrants. A proportionate risk-based scheme might, while setting out required outcomes, differentiate between what was expected by way of internal compliance and organisational burdens between larger businesses with more remote management structures and smaller owner-operated businesses where owners and managers were more hands on in the day to day operation of the practice (particularly where the owner is a vet and therefore subject to individual regulation in that capacity). A more light-touch regulatory approach might be appropriate in the latter case unless there were specific indicators of business risk.¹⁵²
- 6.48 Third, improvements to the design and content of the scheme would be necessary, but not sufficient. The success of an enhanced scheme in protecting consumers and promoting competition would also require increased consumer awareness. Consumers would need to understand and use it as a 'go to' indicator of service quality. This would support well-informed decision making by them and incentivise vet businesses to improve their quality and to seek additional accreditations and

¹⁴⁹ The CQC inspections focus on five key questions for each provider: (i) Is it safe; (ii) Is it effective; (iii) Is it caring; (iv) Is it responsive to needs; and (v) Is it well-led?

¹⁵⁰ The ratings are: (i) Outstanding (for providers scoring 88%-100%); (ii) Good (63%-87%); (iii) Requires Improvement (39%-62%); and (iv) Inadequate (38% or lower).

¹⁵¹ As discussed in paragraphs 4.31 and 4.32 in the Regulatory Framework Working Paper.

¹⁵² And these would be further matters on which we would encourage Government and the RCVS to engage with all parts of the veterinary profession.

awards. To that end, a reformed regulatory framework should also include requirements for vet businesses to communicate their accreditations and awards to consumers.

- 6.49 Fourth, for an enhanced scheme to be seen by pet owners and businesses as a reliable signal of quality, compliance must be effectively monitored and enforced. Our view at this stage is that government and the RCVS would need to review how effective monitoring could be achieved, including the form(s) and frequency of monitoring. This is likely to require consideration of the resources available to the RCVS, the requirements placed on business, and whether the RCVS requires powers to compel vet practices to provide information or submit to inspection. Similarly, on enforcement, government and the RCVS should consider whether any sanctions beyond expulsion from the scheme may be appropriate.

Consultation questions: Remedy 16: Developing new quality measures

- Question 74: Are there any opportunities or challenges relating to defining and measuring quality which we have not identified but should take account of? Please explain your views.
- Question 75: Would an enhanced PSS or similar scheme of the kind we have described support consumers' decision-making and drive competition between vet businesses on the basis of quality? Please explain your views.
- Question 76: How could any enhancements be designed so that the scheme reflects the quality of services offered by different types of vet businesses and does not unduly discriminate between them? Please explain your views.
- Question 77: Are there any other options which we should consider?

Remedy 17: A consumer and competition duty

- 6.50 Although systems of regulation for professional services may be required for the long-term, that does not mean that the specific requirements they impose will be static. Requirements will need to be changed and adapted as processes, technologies and business models in the relevant profession evolve.
- 6.51 That need for adaptation can be observed in the market we are investigating. We have identified the changes in the structure of ownership of vet businesses and the failure of the regulatory framework to keep pace with those changes as one of the matters we are concerned about.
- 6.52 The remedies we have identified that may be relevant if we find there is an AEC would be designed to address that effect as quickly as possible and over a reasonable time period. Some of them, such as those ensuring that consumers

have information that helps them make good choices, may be enduring features of a reformed regulatory framework. That framework should, however, be flexible enough to adapt to changes in the market.

- 6.53 One way that flexibility can be created would be for a reformed statutory framework to include, among the duties imposed on a regulator such as the RCVS, a duty to protect consumers and promote competition for veterinary services. Alongside powers to adapt the regulatory framework, that would mean the regulator could, for example through the development of codes and guidance, seek to ensure that the framework remains fit for purpose. This would not be an alternative to the duties relating to animal welfare and public health but a supplementary obligation. For reasons described above we consider that the promotion of competition and consumer interests is consistent with, and in many cases supportive of, objectives relating to animal welfare.

Consultation questions: Remedy 17: A consumer and competition duty

- Question 78: Should any recommendations we make to government include that a reformed statutory regulatory framework include a consumer and competition duty on the regulator? Please explain your views.
- Question 79: If so, how should that duty be framed? Please explain your views.

Monitoring and enforcement

- 6.54 Our concerns about the monitoring and enforcement of the existing regulatory framework include that:
- (a) the process of annual renewal of registration for vets and nurses does not enable the RCVS to assess professional competence or quality;
 - (b) the RCVS operates a 'reactive, complaints-based system of investigation' under which enforcement activities are driven by complaints made to it by members of the public and the profession;
 - (c) the RCVS's ability to monitor and assess compliance with regulation is limited by its lack of statutory powers, including to gather information and enter and inspect premises;
 - (d) the formal scope of RCVS disciplinary action is limited to a narrow category of serious misconduct cases, and breach of the Code's consumer-facing requirements will often fall outside this.
- 6.55 If we find a competition problem, we are considering recommending to government that a reformed system of regulation includes provisions and powers

for monitoring and enforcement, relating to both individuals and businesses, that would address these concerns.

Remedy 18: Effective and proportionate compliance monitoring

- 6.56 Effective compliance monitoring helps regulators identify any individual cases of non-compliance and market-wide concerns. It provides an incentive for regulated individuals and businesses to meet their professional obligations and can give consumers signals about the quality of services and confidence about the providers they deal with.
- 6.57 Such monitoring requires that the regulator has accurate, timely and comparable information about those it regulates. Mechanisms through which regulators can obtain that information include periodic registration, self-auditing, reporting and certification, licensing and inspections.
- 6.58 These sorts of mechanisms exist in other regulated professions. The Financial Conduct Authority (**FCA**), for example, maintains the Financial Services Register, containing the names of individuals and firms and the activities they are authorised to conduct.¹⁵³ In human healthcare, service providers – who may be individuals, partnerships, companies or local authorities¹⁵⁴ – must be registered with the CQC.¹⁵⁵
- 6.59 Forms of periodic self-certification or self-auditing can be used as a condition of individuals' and businesses' ongoing registration or ability to practise:
- (a) The CQC requires service providers to complete a Provider Information Return in which they must provide information about how they ensure that their services are safe, effective, caring, responsive and well-led.¹⁵⁶
 - (b) For property conveyancing services, individuals must periodically renew their licences with the Council for Licensed Conveyancers (**CLC**) and, in doing so, must declare any changes in circumstances that might affect their right to a licence. Firms' licensed managers, meanwhile, must certify annually that there are no issues that might affect a firm's licence to practise. Those managers must also submit an Annual Regulatory Return to the CLC: a response to a questionnaire designed to probe ongoing or emerging risks within firms and across the sector.¹⁵⁷

¹⁵³ <https://register.fca.org.uk/s/>

¹⁵⁴ <https://www.cqc.org.uk/guidance-regulation/providers/registration/scope-registration/who-has-register>

¹⁵⁵ Pursuant to Part 1 of the Health and Social Care Act 2008.

¹⁵⁶ In accordance with regulations made under Part 1 of the Health and Social Care Act 2008. See

<https://www.cqc.org.uk/adult-social-care-provider-information-return>

¹⁵⁷ <https://www.clc-uk.org/regulation/our-approach-to-regulation/>

- 6.60 Other regulated professionals are also required to report certain complaints data to their regulator. Dentists, for example, are required to provide summaries of complaints to the CQC on request; and firms regulated by the FCA must submit to it a report of complaints that exceed a certain threshold. This information can be used by the regulator to monitor regulatory compliance.
- 6.61 Inspections are another feature of some regulatory systems:
- (a) The CQC, for example, periodically subjects 10% of dental practices to comprehensive assessments of whether they are safe, effective, caring, responsive and well-led. It also conducts focused inspections on areas of concern.¹⁵⁸ The results of inspections are published online.¹⁵⁹
 - (b) The General Pharmaceutical Council (**GPhC**) inspects pharmacies, assessing their governance, staff, premises, services and facilities. It may make one of four findings – “standards not all met”, “standards met”, “good practice” and “excellent practice” – ¹⁶⁰ and publishes reports alongside improvement action plans and details of any related enforcement action.¹⁶¹
- 6.62 These mechanisms can help the market work better in several ways. A comprehensive register of individuals and vet businesses who have met minimum standards can improve consumer confidence. Together with the completion of annual regulatory returns, a register can also ensure the regulator has information about those practising, and the risks that attach to their activities, that helps it target compliance monitoring and enforcement activity. Systems of complaints reporting and inspection perform a similar function, as well as measuring the quality of services provided. The publication of inspection results can help consumers choose the individuals and businesses from whom they buy services.¹⁶² Those points can, in turn, motivate those who are regulated to comply with their obligations.
- 6.63 Such mechanisms are lacking in the veterinary sector.¹⁶³ The RCVS is largely reliant on complaints made to it, rather than proactive forms of monitoring. Only practices which choose to join the PSS complete annual declarations of compliance (with the voluntary provisions of that scheme). They are reassessed for compliance only every four years, with limited oversight at other times and the RCVS has no powers to compel vet practices to provide information or submit to inspection (though it has recommended that it be given powers of entry to support

¹⁵⁸ Which may arise following a comprehensive inspection or in response to complaints. A focused inspection may also be undertaken when there is a change in the legal entity of the service provider. See <https://www.cqc.org.uk/guidance-providers/dentists/what-we-will-inspect-primary-care-dental-services>

¹⁵⁹ For example: <https://www.cqc.org.uk/location/1-190740363/inspection-summary>

¹⁶⁰ <https://www.pharmacyregulation.org/pharmacies/inspections>

¹⁶¹ For example: <https://inspections.pharmacyregulation.org/pharmacy/detail/paydens-pharmacy-9011754>

¹⁶² In the same way as other information we may require vet businesses to provide about their services.

¹⁶³ The RCVS does host the Find a Vet website (see <https://findavet.rcvs.org.uk/find-a-vet-practice/>). However, it is not a complete list of vet practices which demonstrate regulatory compliance.

regulation of vet practices).¹⁶⁴ The only inspections that do occur are those undertaken by or on behalf of the VMD every four years and which are limited to an assessment of the storage and dispensing of medicines.

- 6.64 Accordingly, if we find a problem with competition to which deficiencies in the regulatory system contribute, we are considering recommending to government that it work with the RCVS and vets and business to design a reformed statutory framework that includes mechanisms for registration, self-auditing and declarations of compliance by individuals and businesses, complaints reporting and systems of inspection of practices that assess regulatory compliance (by individuals and businesses) as well as quality.

Consultation questions: Remedy 18: Effective and proportionate compliance monitoring

- Question 80: Would the monitoring mechanisms we have described be effective in helping to protect consumers and promote competition? Please explain your views.
- Question 81: How should the monitoring mechanisms be designed in order to be proportionate? Please explain your views.
- Question 82: What are the likely benefits, costs and burdens of these monitoring mechanisms? Please explain your views.
- Question 83: How could any costs and burdens you identify in your response be mitigated and who should bear them? Please explain your views.

Remedy 19: Effective and proportionate enforcement

- 6.65 An effective regulatory system also requires that the regulator can take appropriate action against individuals and businesses who do not meet their obligations. The regulator needs proportionate investigative and adjudication powers and the ability to impose a range of sanctions. Where the regulatory obligations placed on individuals and businesses are designed, amongst other things, to protect consumers and promote competition, the ability effectively to enforce those obligations can contribute to a well-functioning market.
- 6.66 Our current view is that any recommendation we make to government about a reformed regulatory framework should include the following matters relating to enforcement:
- (a) scope;

¹⁶⁴See Part 3 (Assuring practice standards) at pp. 26 – 34 of the Report of the RCVS Legislative Reform Consultation 2021.

- (b) information gathering;
- (c) entry and inspection; and
- (d) sanctions.

- 6.67 On scope, we have identified our concern that the RCVS's formal powers are limited to cases of serious professional misconduct. Those would often exclude cases in which individuals and businesses fail to comply with requirements designed to protect consumers and promote competition. A balanced and effective system should contain provision for the regulator to investigate, and impose a range of sanctions (see below) for, breaches of these requirements.
- 6.68 Powers to require the production of information are a common, and important, feature of effective regulatory systems. Evidence of compliance and non-compliance will usually¹⁶⁵ be held by regulated individuals and businesses (not least because regulation often requires effective record-keeping).
- 6.69 Most professional regulators have some form of statutory information-gathering power. These include the VMD,¹⁶⁶ the General Medical Council (**GMC**), the CQC and the Health and Care Professions Council (**HCPC**),¹⁶⁷ and the FCA.¹⁶⁸
- 6.70 Those powers also often have an important counterpart in powers of entry and inspection. The GPhC has these in respect of pharmacies, as does the CQC for hospitals and the VMD can inspect veterinary practices to ensure compliance with the VMRs.¹⁶⁹
- 6.71 The RCVS does not have such powers. It lacks these important elements of an effective regulatory toolkit, which should include the power to compel the production of relevant information, and to enter premises, at least where it has reasonable grounds to suspect breach of a regulatory obligation.
- 6.72 Effective and proportionate regulatory systems should also provide for a range of sanctions for non-compliance by regulated individuals and businesses. They often contain lighter touch elements for relatively minor breaches, where the emphasis may be on raising standards, and more punitive sanctions for serious offences. Some of the outcomes may be publicised, providing an important deterrent effect for businesses and helping consumers choose the businesses with whom they deal.

¹⁶⁵ Or at least it is more likely to be held by them than consumers.

¹⁶⁶ <https://assets.publishing.service.gov.uk/media/5a8017a7e5274a2e87db7ce8/VMGNote10.PDF>

¹⁶⁷ https://www.hcpc-uk.org/globalassets/meetings-attachments3/council-meeting/2003/october/council_meeting_20031008_enclosure14

¹⁶⁸ <https://www.handbook.fca.org.uk/handbook/EG/3.pdf>

¹⁶⁹ <https://www.gov.uk/guidance/registration-and-inspection-of-veterinary-practice-premises>

- 6.73 Towards one end of the scale, VMD and the CLC, for example, issue forms of advisory and warning letters.^{170 171} More seriously, the GPhC can require pharmacies who fall below regulatory standards to implement improvement action plans and can sanction a failure to do so by imposing conditions that ensure that pharmacies operate safely and effectively.¹⁷² The CQC has the power to issue statutory warning notices to healthcare providers who fail to meet relevant requirements.¹⁷³ The Royal Institute of British Architects (**RIBA**) is able to issue a public reprimand on any chartered practice which contravenes its code of conduct.¹⁷⁴
- 6.74 The ability to accept attestations or undertakings from individuals and businesses is an important part of some regulators' powers. The FCA, for example, can request the former,¹⁷⁵ which it publishes formally, and of which it says:
- An attestation is a firm's formal statement that it will take, or has taken, an action we require. We use attestations as a supervisory tool to ensure that regulated firms – and senior individuals within them – are clearly accountable for taking the actions we require, often without our ongoing regulatory involvement.¹⁷⁶
- 6.75 More serious sanctions often include fines and modification, suspension, or removal of individuals' or firms' rights to practise. Fining powers are common to several regulatory systems. The General Optical Council's (**GOC**) Fitness to Practise Committee, for example, can impose fines on opticians of up to £50,000.¹⁷⁷ The regime overseen by the CQC, meanwhile, includes a number of offences for which the regulator can serve fixed penalty notices.¹⁷⁸
- 6.76 The modification or removal of individuals' or firms' rights to practise or operate is a powerful sanction where a regulatory breach impairs their fitness to practice. The CQC has powers to issue Notices of Proposal and Decision where¹⁷⁹ it considers that it should, for example, impose or vary conditions on a service provider's registration or suspend or cancel that registration. The VMD is also able to vary, suspend or revoke the authorisations of businesses that breach the VMRs.¹⁸⁰

¹⁷⁰ <https://www.clc-uk.org/how-we-regulate/>

¹⁷¹ <https://www.gov.uk/guidance/enforcement-policy-for-animal-medicines>

¹⁷² <https://www.pharmacyregulation.org/pharmacies/inspections/inspection-outcomes>

¹⁷³ Enforcement - Care Quality Commission and Warning Notices - Care Quality Commission

¹⁷⁴ https://www.architecture.com/-/media/gathercontent/work-with-us/additional-documents/riba-code-of-practice--may-2019pdf.pdf?srsId=AfmBOooOrFh2bNperVYy77WyV0l64wa9XQaekk1RNcBnFG5Q_AlhoTUu

¹⁷⁵ Attestations are requested by the FCA when (a) there is an emerging risk which the most appropriate individual within a firm attests to appropriately monitor; (b) the most appropriate individual within a firm undertakes to complete actions within a specified timescale but do not need to confirm to the FCA that these have been actioned; (c) as with (b) but with self-certification to the FCA that the required actions have been completed; (d) as with (c) but with verification that the risks identified have been mitigated and resolved.

¹⁷⁶ <https://www.fca.org.uk/about/how-we-regulate/supervision/attestations>

¹⁷⁷ Sanctions we can impose | GeneralOpticalCouncil

¹⁷⁸ Penalties and fines for offences - Care Quality Commission

¹⁷⁹ Notices of Proposal, Notices of Decision and urgent cancellation orders - Care Quality Commission

¹⁸⁰ <https://www.gov.uk/guidance/enforcement-policy-for-animal-medicines>

Similar powers exist in other regulated professions such as accountancy¹⁸¹ and solicitors.^{182 183}

- 6.77 The RCVS has some of these sanctions. It can, for example, remove an individual's rights to practise as a vet where it finds them guilty of serious professional misconduct. It has also developed processes for issuing informal warnings in less serious cases.
- 6.78 In some cases, however, removing the right to practise of an individual would be a disproportionately strong sanction while an informal warning would not be sufficient. The RCVS lacks a full set of formal powers that enable it to consider a range of regulatory breaches and to impose proportionate and binding sanctions. Those include powers to issue warning and improvement notices to individuals and firms, and to impose fines on them, and to impose conditions on, or suspend or remove, firms' rights to operate (as well as individuals' rights to practise). If we find that flaws in the system of regulation, including as to its enforcement, are distorting competition, we are likely to recommend to government that the regulator be given these powers.

Consultation questions: Remedy 19: Effective and proportionate enforcement

- Question 84: Should the regulator have powers to issue warning and improvement notices to individuals and firms, and to impose fines on them, and to impose conditions on, or suspend or remove, firms' rights to operate (as well as individuals' rights to practise)? Please explain your views.
- Question 85: Are there any benefits or challenges, or unintended consequences, that we have not identified if the regulator was given these powers? Please explain your views.

Effective complaints and redress mechanisms

- 6.79 Effective complaints and consumer redress mechanisms play an important role in the operation of a competitive market because they can discipline businesses providing services, encourage compliance with regulatory rules, give consumers confidence to spend their money, and improve standards of professional conduct.¹⁸⁴
- 6.80 In the following paragraphs, we set out potential remedies for our concerns that, in the veterinary services market, firms' internal complaint handling processes may

¹⁸¹ <https://www.frc.org.uk/library/enforcement/enforcement-overview/>

¹⁸² <https://www.sra.org.uk/solicitors/standards-regulations/regulatory-disciplinary-procedure-rules/>

¹⁸³ <https://www.sra.org.uk/consumers/solicitor-check/approval-denied/>

¹⁸⁴ CMA, Regulatory Framework for Veterinary Professionals and Veterinary Services Vets Market Investigation Working Paper, February 2025, p 60-61.

be inconsistent and operate poorly, and that the external redress mechanism provided by the VCMS is not as effective as it could be.

Remedy 20: Requirements on vet businesses for effective in-house complaints handling

- 6.81 The RCVS Code (with Supporting Guidance) places some requirements on individual vets relating to complaints handling. Those include obligations to respond promptly, fully and courteously to clients' complaints and criticism,¹⁸⁵ and to have a means of recording and considering client complaints.¹⁸⁶ The Supporting Guidance, meanwhile, says vets should provide clients with their complaints handling policy in writing.¹⁸⁷
- 6.82 The RCVS Code does not, however, impose requirements on those carrying on vet businesses, who may be better placed to ensure effective processes are in place across their practice(s).¹⁸⁸ Neither does it specify any principles that should shape those processes or the form the processes should take, nor impose requirements about how the processes should be communicated to consumers. The effect of these shortcomings may include that consumers are unaware of how to complain and that, even where they do complain, they are subject to inadequate processes.
- 6.83 We are considering imposing a CMA Order that would require vet businesses to have a written complaints handling process that meets a defined set of criteria¹⁸⁹ (and which requirement we would also recommend that government includes in a reformed system of statutory regulation). This would provide for a clear, consistent and fair process based on minimum industry-wide standards, with set timescales for each part of the process, a commitment to uphold and resolve complaints that are found to be justified and clarity over what would trigger referral to any external redress scheme.
- 6.84 The minimum standards could relate to matters such as:
- (a) a common definition of a complaint and a common set of steps for understanding complaints, exploring their causes and determining outcomes;

¹⁸⁵ RCVS Code, paragraph 2.7.

¹⁸⁶ See RCVS Code, paragraph 4.3 and RCVS PSS Small Animal Modules and Awards, Core Standards, point 3.1.3. See also RCVS Code, Supporting Guidance, Chapters 6.3(c).

¹⁸⁷ Supporting Guidance, Practice Information, paragraph 9.2(c). The RCVS has also published a new chapter of the RCVS Code (Chapter 10) which pulls together the consumer-facing aspects of the existing RCVS Code. This chapter makes no mention of how vets should manage complaints, including which processes to have in place.

¹⁸⁸ The PSS sets out some standards in this area, similar to the Code's requirements, but their effectiveness is limited by the PSS's voluntary status and lack of monitoring and enforcement mechanisms.

¹⁸⁹ This would be in addition to the Code's requirements relating to individual vets, who would continue to have an important role to play in resolving consumers' complaints.

- (b) effective communication to consumers throughout the process, including timescales, likely outcomes and consumers' options if their complaint is unresolved;
- (c) keeping records of complaints and responses;
- (d) improvement plans for acting on complaints in order to improve services;
- (e) standard requirements for staff awareness of, and training in, the complaints process; and
- (f) using multiple methods to promote consumer awareness of the complaints process (eg online, in practices, emails).

6.85 One key purpose of these standards would be to help consumers understand where, to whom and how they can pursue complaints. That sort of information should be part of the material vet businesses give consumers so that they are better able to make decisions about the services they buy. The RCVS (and the VCMS or any operator of a third-party redress scheme) could also play an important role by publicising and promoting their roles in relation to complaints and redress.

6.86 Some stakeholders have indicated support for the sorts of measures we have described:

- (a) Most LVGs support the development of mandatory requirements for practices to operate effective complaints processes. Some have suggested that the PSS Core Standards could be strengthened to include such requirements, and that these should be made mandatory for all vet practices.¹⁹⁰
- (b) We received a joint submission from the BVA, British Small Animal Veterinary Association (**BSAVA**), Society of Practising Veterinary Surgeons (**SPVS**), Veterinary Management Group (**VMG**) and BVNA which expresses support for a 'formal, agreed and consistent complaints process for the veterinary sector'.¹⁹¹

¹⁹⁰ CVS response to CMA Working Papers of 6 February 2025 (at p 6-7), IVC response to CMA Working Papers of 6 February 2025 (at slide 60), Linnaeus response to CMA Working Papers of 6 February 2025 (at p 46), VetPartners response to CMA Working Paper on the Regulatory Framework for Veterinary Professionals and Veterinary Services of 6 February 2025 (at p 5-6), and PAH response to CMA Working Papers of 6 February 2025 (at p 54-55).

¹⁹¹ Joint response from the British Veterinary Association (BVA), British Small Animal Veterinary Association (BSAVA), Society of Practising Veterinary Surgeons (SPVS), Veterinary Management Group (VMG) and British Veterinary Nursing Association (BVNA) to the CMA working papers of 6 February 2025, at p 5.

Consultation questions: Remedy 20: Requirements on businesses for effective in-house complaints handling

- Question 86: Should we impose a mandatory process for in-house complaints handling? Please explain your views.
- Question 87: If so, what form should it take? Please explain your views.

Effective third-party redress mechanisms

- 6.87 If in-house complaints processes do not deliver acceptable outcomes for consumers, independent or third-party alternative dispute resolution (**ADR**) schemes offer another way for them to seek redress. Such schemes can help overcome asymmetries of information between consumers and businesses in relation to disputes and provide an alternative to lengthy and expensive court proceedings.
- 6.88 Our concern is that the existing scheme for veterinary services, the VCMS, may not be operating as effectively as it could because:
- (a) Vets and firms do not have to participate in mediation at all, are able to walk away from the process at any stage and are not bound by any outcome. This means some consumers will not have access to an effective means of escalated dispute resolution, and the scheme may provide only a limited incentive for vets and firms to ensure their in-house complaints processes work well.
 - (b) There is a lack of consumer awareness. Our Pet owners Survey found that only 5% of participants were aware of the VCMS, and that a very low number had complained to it.¹⁹² For redress schemes to be effective, consumers must be aware of, and understand how to access, them.
 - (c) Limited use is made of complaints data. As we describe below, limited use appears to be made of complaints data from the VCMS to improve regulation or service standards across the sector.
- 6.89 We are considering remedies that may address these concerns.

¹⁹² Pet owners survey, Q120. Among those who were aware, 67% of respondents had heard of it but not used its services (pet owners survey, Q121). Only a minority of the small proportion who had heard of it reported having had direct engagement with the VCMS: 12% by accessing materials, 9% by contacting directly, and 9% by referring complaints (pet owners survey, Q121). Of the respondents who thought about complaining, the majority (65%) did not ultimately file the complaint (pet owners survey, Q117a).

Remedy 21: Requirement for vet businesses to participate in the VCMS

- 6.90 Our current thinking, if we find an AEC to which weaknesses in regulation relating to complaints and redress contribute, is that we may require vet businesses to participate in mediation via an accredited ADR scheme (which could be the VCMS). An order could require all vet businesses to register with the scheme and to engage in good faith with mediation in cases where a consumer's complaint is not resolved under an in-house process and the consumer elects to use the scheme.
- 6.91 This sort of remedy has been suggested to us by several stakeholders (in particular, the majority of the LVGs in their responses to our February working papers). It has also found some support in a review by the Civil Justice Council.¹⁹³ Its advantages could include the following.
- 6.92 First, mediation is a flexible and confidential process. It can be an effective dispute resolution tool particularly where consumer complaints may be emotionally charged and where there is some desire or need to preserve an ongoing relationship with the service provider. It can benefit consumers and businesses.
- 6.93 Second, the requirements could build on an existing scheme with which at least some vets are already familiar and for which some of the necessary dispute resolution processes and infrastructure are already in place. Stakeholders who supported a remedy along these lines advocated that that regulatory reform should build on the existing framework to minimise disruption and uncertainty.¹⁹⁴ Some expressed 'caution against the creation of another process for consumers to obtain redress on the basis that an additional layer would have little benefit and lead to increased costs of regulation, which may ultimately be passed on to consumers'.¹⁹⁵
- 6.94 Third, mandatory participation could incentivise the successful resolution of complaints. Vets and firms will know that consumers have access to the scheme. That should encourage them to seek to resolve more complaints at practice level. A requirement to participate in mediation (and invest the time that requires) may encourage vets and firms to do so constructively.

¹⁹³ [Civil-Justice-Council-Compulsory-ADR-report.pdf](#)

¹⁹⁴ Medivet response to CMA working papers of 6 February 2025 at p 69-70, PAH response to CMA working papers of 6 February 2025 at p 7 and p 49, BVSA/BVA/BVNA/SPVS response to CMA working papers of 6 February 2025 at p 6.

¹⁹⁵ Joint response from the British Veterinary Association (BVA), British Small Animal Veterinary Association (BSAVA), Society of Practising Veterinary Surgeons (SPVS), Veterinary Management Group (VMG) and British Veterinary Nursing Association (BVNA) to the CMA working papers of 6 February 2025, at p. 6.

Consultation questions: Remedy 21: Requirement for vet businesses to participate in the VCMS

- Question 88: Would it be appropriate to mandate vet businesses to participate in mediation (which could be the VCMS)? Please explain your views.
- Question 89: How might mandatory participation in the VCMS operate in practice and are there any adverse or undesirable consequences to which such a requirement could lead?
- Question 90: How might any adverse or undesirable consequences be mitigated?

Remedy 22: Requirement for vet businesses to raise awareness of the VCMS

- 6.95 For the VCMS or any third-party redress scheme to be effective, pet owners must be aware of it sufficiently early on in their engagement with the vet or business they are complaining to/about and know how to access it. At present, such knowledge is limited and vets and vet businesses are not required to make pet owners aware of the scheme.
- 6.96 We understand that the VCMS plans in 2025 to promote awareness of the scheme.¹⁹⁶ Effective promotion of the scheme is likely, however, to require the involvement of vets and vet businesses, particularly at times where the scheme is most likely to be relevant to consumers (for example, when they are engaged with a vet and becoming dissatisfied with the services they are receiving). A requirement for vets and vet businesses to publicise the scheme in particular ways could, we currently think, be an important counterpart to a requirement to participate in mediation.
- 6.97 Accordingly, to help fill a material gap in the existing regulatory framework, we are considering requiring vet businesses to:
- (a) communicate clearly on their websites, in correspondence with consumers and in practices,¹⁹⁷ the availability of the VCMS and other key information such as: when and about what may pet owners contact the VCMS; that the scheme is free to use; that the service provided is mediation (and what that means); and that vet businesses are required to participate; and
 - (b) include in their in-house complaint handling processes information about when and how disputes may be escalated to the scheme.

¹⁹⁶ By issuing consumer-facing resources in collaboration with RCVS and working with charities and representative groups to gain greater insight into improving accessibility of the service, particularly for vulnerable consumers. VCMS response to RFI 1, Question 14. [3<]

¹⁹⁷ For example, in signs or leaflets in receptions and / or consulting rooms

Consultation questions: Remedy 22: Requirement for vet businesses to raise awareness of the VCMS

- Question 91: What form should any requirements to publicise and promote the VCMS (or a scheme of mediation) take?

Remedy 23: Use of complaints insights and data to improve standards

- 6.98 Complaints processes can be a rich source of data that may be used to improve services or identify the need to adapt the regulatory framework. In its April 2021 report on ADR, Which? suggested that regulation should require data from disputes to be collected, analysed and published in a consistent and usable way, together with meaningful recommendations for how services can be improved and complaints reduced.¹⁹⁸
- 6.99 We understand that the VCMS does share some information on the performance of, and learning from, its mediation scheme with the RCVS.¹⁹⁹ This includes complaints data, quarterly and annual reports, and insights reports. We are also aware that LVGs collect some limited complaints data, and that at least some of them use the VDS to assist with complaints handling, including using its Vetsafe reporting tool.
- 6.100 We see scope for the regulator to play a bigger role in using complaints data to drive improvements in services and to ensure that regulation remains appropriately targeted. Alongside any recommendation we make to government that in a reformed regulatory framework the RCVS should be subject to a duty to protect consumers and promote competition for veterinary services, we are also considering whether to include a recommendation that the regulator should use complaints data in this way.

Consultation questions: Remedy 23: Use of complains insights and data to improve standards

- Question 92: How should the regulatory framework be reformed so that appropriate use is made of complaints data to improve the quality of services provided?

Alternative consumer redress systems

- 6.101 One reason we think it may be appropriate, in the shorter-term, to require vet businesses to participate in a mediation scheme is that doing so would make use of existing processes and structures. There may, nonetheless, be longer-term

¹⁹⁸ Which?, [Are Alternative Dispute Resolution schemes working for consumers?](#), April 2021, p 9

¹⁹⁹ See our Regulatory Framework Working Paper, paragraph 5.44.

improvements to the system of third-party redress that, as part of any package of remedies, we recommend to government.

6.102 In that connection, we recognise that mediation can impose a heavy burden in terms of cost, time and energy on the parties to a dispute.²⁰⁰ The process does not produce binding outcomes and, even though mandatory participation could encourage constructive engagement in mediation, it cannot compel that engagement (by regulated business, or by consumers who may behave unreasonably). We are considering two possibilities²⁰¹ that, in the longer term, might address these disadvantages:

(a) Supplementing mediation with a form of binding adjudication.

(b) Establishment of a veterinary ombudsman.

Remedy 24: Supplementing mediation with a form of binding adjudication

6.103 A system of mediation could be supplemented by the possibility that disputes which remain unresolved could be further escalated to a binding adjudication process. This approach would recognise, but also build on, the benefits that mediation can offer in resolving disputes about veterinary services.

6.104 Adjudication would involve an independent party considering complaints and making binding determinations of how they should be resolved. The adjudication element of any third-party redress scheme would require careful design, including on matters such as the need to appoint suitably qualified decision makers (or expert advisors to the decision makers), whether participation (by vet businesses) is voluntary or compulsory, and fair and proportionate procedural rules and powers of sanction.²⁰²

6.105 The inclusion of such an element in the scheme could, though, increase the incentives for businesses to offer good levels of service, and to seek to resolve complaints under their in-house process or in mediation. It would also mean that consumers would have a means of obtaining definitive outcomes in disputes that cannot otherwise be resolved, without the need to take court action.

²⁰⁰ [Civil-Justice-Council-Compulsory-ADR-report.pdf](#) at paragraph 86

²⁰¹ We note that one stakeholder suggested that where referral to the VCMS for mediation does not resolve a dispute, there could be legally binding arbitration. We do not currently intend to take forward this idea, on the basis of concerns about the costs of arbitration, that the formalities and procedures involved may be difficult for individuals to navigate, and that agreement to arbitrate could limit the ability of consumers to challenge the arbitrator's decision or resolve the complaint in court.

²⁰² For example, the Independent Sector Complaints Adjudication Service (ISCAS), which considers complaints about providers of privately funded healthcare, can award up to £5,000 and can make recommendations about how the provider operates but cannot direct it to take specific action. Our current thinking is that an adjudicator in the veterinary sector should have similar powers.

Consultation questions: Remedy 24: Supplementing mediation with a form of binding adjudication

- Question 93: What are the potential benefits and challenges of introducing a form of adjudication into the sector?
- Question 94: How could such a scheme be designed? How might it build upon the existing VCMS?
- Question 95: Could it work on a voluntary basis or would it need to be statutory? Please explain your views.

Remedy 25: Establishment of a veterinary ombudsman

- 6.106 An alternative longer-term possibility is the replacement of the existing redress scheme with a veterinary ombudsman. An ombudsman is a free and independent service that investigates and makes decisions on consumer complaints.
- 6.107 Ombudsman schemes are designed to be user-friendly. The processes are usually investigative and inquisitorial, rather than reliant on adversarial hearings, and complainants do not normally need legal representation. Although their specific powers depend on the terms on which they are appointed, an ombudsman can often require or recommend forms of redress including financial compensation, apologies or improvements to a business's processes.²⁰³ Ombudsman schemes can also include the power to set standards for complaint handling. Our current thinking, were we to recommend the establishment of a veterinary ombudsman scheme, is that it should be a statutory scheme that includes each of these elements.

Consultation questions: Remedy 25: The establishment of a veterinary ombudsman

- Question 96: What are the potential benefits and challenges of establishing a veterinary ombudsman?
- Question 97: How could a veterinary ombudsman scheme be designed?
- Question 98: Could such a scheme work on a voluntary basis or would it need to be statutory? Please explain your views.

²⁰³ Ombudsmen also can and often do recommend changes in policies and practices within a business and across a sector. In that way, an ombudsman scheme can provide some of the benefits that can be derived from using complaints to improve businesses' behaviour and improve services for consumers more widely.

Effective use of veterinary nurses

- 6.108 We have identified some concerns that the current system of regulation may not allow for the most effective use of veterinary nurses. Clarifying and changing the legislation and guidance that currently applies in relation to veterinary nurses could have a positive impact on the veterinary profession and on consumers.

Remedy 26: Protection of the vet nurses title

- 6.109 Despite recognition and regulation by the RCVS of the role of Registered Veterinary Nurse (**RVN**), the title ‘veterinary nurse’ is not recognised in statute. That means unqualified persons may refer to themselves as a ‘veterinary nurse’ in practice.
- 6.110 Our current view is that a recommendation to Government, to protect the vet nurses title in legislation, may be appropriate. Transparency and consumer confidence, and consumers’ abilities to compare offerings between firms, could be enhanced, encouraging competition between rival vets and businesses.
- 6.111 There are three reasons for that view:
- (a) Consumers should be confident that a qualified professional is caring for their pet (or be clear where this is not the case), and that the fees charged reflect this.
 - (b) Protection of the title could increase morale in the profession and drive up standards. It would confirm the professional status of those who qualify for it and operate as a signal of the quality of services in those practices which employ RVNs.
 - (c) Recognition of the title would facilitate the delegation of tasks to RVNs under Schedule 3 of the VSA (which allows certain treatment and operations to be performed by people other than veterinary surgeons, and as to which see immediately below). It would give vets more confidence and encouragement to make use of those delegations and broaden the group of persons by whom services are provided.

Remedy 27: Clarification of the existing framework

- 6.112 We are concerned about the lack of clarity around the activities vet nurses may perform under Schedule 3 of the VSA, and that this may mean vet nurses are under-utilised.²⁰⁴ Addressing this and enabling vet nurses to offer further services

²⁰⁴ As discussed in our Regulatory framework for veterinary professionals and veterinary services working paper (see paragraphs 3.18-3.25).

could release vets' capacity and broaden access to clinical services. This may result in lower prices for some services and foster a more competitive market.

- 6.113 The RCVS has published guidance including case studies and a checklist on what activities may be delegated to vet nurses and how.²⁰⁵ Associations such as the BVNA have also developed guidance to support their members.²⁰⁶
- 6.114 However, there may be scope for the RCVS to go further and create a clearer indicative list of routine procedures that vet nurses may carry out. There may also be scope for a more detailed framework, which might, for example, specify qualifications or training modules which, if completed by an RVN, may give vets greater confidence in delegating specified tasks. More regularly updated guidance, containing examples and case studies, to encourage consistency in the approach to delegation by vets may also be of value. Responses to our regulation working paper, including from the RCVS, agreed that vet nurses could be better utilised and that further guidance for practitioners would be beneficial.

Remedy 28: Reform to expand the vet nurse role

- 6.115 There is appetite for legislative reform to expand the role of vet nurses and, with appropriate training, to give them more autonomy. A 2017 RCVS consultation, for example, indicates that 92% of RVNs and 71% of vets agreed that vet nurses should be able to undertake additional areas of work.²⁰⁷
- 6.116 Advanced specialisms for nurses could be developed, and roles such as nurse practitioners or prescribers could increase opportunities for career progression for vet nurses who wish to advance clinically. Responses to our February working papers broadly supported this, suggesting expansion of the role could support animal welfare, improve job satisfaction and career progression, and lessen the burden on vets. Enabling vet nurses to support vets more often with their workload could ease workforce-related pressures on the sector as a whole and improve the efficiency of practices. It may also enable new ways of accessing services to emerge and facilitate more cost-effective forms of services.
- 6.117 Our current view is that it may be appropriate to recommend that government seeks to legislate to expand the role of RVNs. While the exact scope of any expanded duties is not for the CMA to prescribe, it appears to us that this could have a positive impact on the veterinary profession, animal welfare, competition and consumers.

²⁰⁵ RCVS, Advice on Schedule 3.

²⁰⁶ BVNA guidance, Maximising the RVN Role under current legislation.

²⁰⁷ RCVS internal document, March 2020, submitted in response to RF11 [X]

Consultation questions: Remedies 26 - 28

- Question 99: What could be done now, under existing legislation, by the RCVS or others, to clarify the scope of Schedule 3 to the VSA?
- Question 100: What benefits could arise from more effective utilisation of vet nurses under Schedule 3 to the VSA, in particular for the veterinary profession, vet businesses, pet owners, and animal welfare? Might this result in any unintended consequences?
- Question 101: What benefits could arise from expansion of the vet nurse's role under reformed legislation, in particular for the veterinary profession, vet businesses, pet owners, and animal welfare? Might this result in any unintended consequences?

Proportionality

- 6.118 An enhanced system of regulation would require additional resources for the regulator and additional funding. Those costs, if borne by vets and vet businesses, would likely be passed on to consumers. We would want a reformed regulatory framework to contribute to improvements to the operation of the market that leave consumers better off.
- 6.119 We anticipate that the obligations we may impose on vet businesses, that would be designed to increase transparency and open the market to competition, would significantly enhance the way the market operates and result in levels of price and quality we might expect in a well-functioning market. Likewise, that they would continue to do so were they made part of a reformed statutory regulatory framework enforced by the regulator.
- 6.120 Measures such as requirements to meet the core standards of an enhanced PSS could be funded by fees, as is the case now (and a cost incurred already by c.70% of practices).²⁰⁸ Vet businesses should be incentivised to obtain additional accreditations and awards that reflect the quality of their services and to benefit from their ability to distinguish themselves on that basis. We might anticipate that, were those awards (and related inspections) funded by fees paid by businesses, the cost of such fees to consumers would be equalled or outweighed by the benefits of enhanced competition.
- 6.121 The kinds of monitoring measures we envisage, such as mechanisms for registration, self-auditing and declarations of compliance could, to a significant extent, be online and automated, which may serve to limit their costs. They might be funded by a system of registration and renewal fees (and such a system of funding already operates).

²⁰⁸ And those fees could be set in proportion to the size of practices.

- 6.122 There would be costs involved in a reformed system of complaints and redress. Insofar as they relate to a third-party redress scheme, those costs could be met by businesses who are the subject of unresolved complaints referred to the scheme; for example, by those businesses paying a fee in respect of each complaint. This is how ADR schemes in some other sectors²⁰⁹ work and, in that way, businesses that attract and fail to resolve the most complaints pay more (and might be seen as making their fair and proportionate contribution to the costs of regulation). That form of funding can provide incentives for businesses to improve their services and their handling of complaints. Those would be improvements from which businesses and consumers would benefit.
- 6.123 We might expect therefore that a reformed system of regulation, like that contemplated in this section of this paper, could make an effective and proportionate contribution to a well-functioning market.

Consultation questions: Proportionality

- Question 102: Do you agree with our outline assessment of the costs and benefits of a reformed system of regulation? Please explain your views.
- Question 103: How should we develop or amend that assessment?
- Question 104 How could we assess the costs and benefits of alternative reforms to the regulatory framework?
- Question 105: How should any reformed system of regulation be funded (and should there be separate forms of funding for, for example, different matters such as general regulatory functions, the PSS (or an enhanced scheme) and complaints-handling)?

²⁰⁹ Such as the [Independent Sector Complaints Adjudication Service](#) (ISCAS) in the private healthcare sector, the [Financial Ombudsman service](#), the [Energy Ombudsman](#) and the [Communications Ombudsman](#).

7. Consultation

Responding to our Remedies Working Paper.

- 7.1 The consultation questions set out throughout this working paper are repeated in in this section for ease of reference. **We welcome responses to these questions from any interested parties by 5:00pm on Tuesday 27 May 2025.** Please email written submissions to VetsMI@cma.gov.uk.
- 7.2 We intend to publish all responses from businesses and other organisations on our case page except those marked as confidential. Please clearly highlight any confidential information in your submission and provide a non-confidential version of your submission for publication.
- 7.3 We may also decide to publish anonymised submissions from individuals on our case page. Please clearly mark your submission as confidential if you do not want it to be published and let us know if you would prefer not to be named.
- 7.4 We will redact, summarise, or aggregate information in published reports where this is appropriate to ensure transparency whilst protecting legitimate consumer or business interest. While the information you provide will primarily be used for the purposes of this investigation, where appropriate, we may also use information provided as part of this consultation in relation to the CMA's other functions. For example, we may share your information with another enforcement agency (such as local Trading Standards Services) or with another regulator for them to consider whether action is necessary.
- 7.5 Personal data received in the course of this consultation will be processed in accordance with our obligations under the UK GDPR, the Data Protection Act 2018, and other legislation designed to protect individual privacy.

Consultation questions

Implementation of remedies

- **Question 1:** We welcome comments regarding our current thinking on the routes to implementing the potential remedies set out in this working paper.

Trialling of information remedies

- **Question 2:** We invite comments on whether these (or others) are appropriate information remedies whose implementation should be the subject of trials. We also invite comments on the criteria we might employ to assess the effects of trialled measures. Please explain your views.

Remedy 1: Require FOPs and referral providers to publish information for pet owners

- **Question 3:** Does the standardised price list cover the main services that a pet owner is likely to need? Are there other routine or referral services or treatments which should be covered on the list? Please explain your views.
- **Question 4:** Do you think that the 'information to be provided' for each service set out in Appendix A: Proposal for information to be provided in standardised price list is feasible to provide? Are there other types of information that would be helpful to include? Please explain your views.
- **Question 5:** Do you agree with the factors by which we propose FOPs and referral providers should be required to publish separate prices for? Which categories of animal characteristics would be most appropriate to aid comparability and reflect variation in costs? Please explain your views.
- **Question 6:** How should price ranges or 'starting from' prices be calculated to balance covering the full range of prices that could be charged with what many or most pet owners might reasonably pay? Please explain your views.
- **Question 7:** Do you think that the standardised price list described in Appendix A: Proposal for information to be provided in standardised price list would be valuable to pet owners? Please explain your views.
- **Question 8:** Do you think that it is proportionate for FOPs and referral providers to provide prices for each service in the standardised price list? Please explain your views.
- **Question 9:** Could the standardised price list have any detrimental consequences for pet owners and if so, what are they? Please explain your views.
- **Question 10:** Could the standardised price list have any detrimental consequences for FOPs and referral providers? Are you aware of many practices which do not have a website? Would any impacts vary across different types or sizes of FOP or referral provider? Please explain your views.
- **Question 11:** What quality measures could be published in order to support pet owners to make choices? Please explain your views.

Remedy 2: Create a comparison website supporting pet owners to compare the offerings of different FOPs and referral providers

- **Question 12:** What information should be displayed on a price comparison site and how? We are particularly interested in views in relation to composite price measures and medicine prices.
- **Question 13:** How could a price comparison website be designed and publicised to maximise use and usefulness to pet owners? Please explain your views.
- **Question 14:** What do you think would be more effective in addressing our concerns - (a) a single price comparison website operated by the RCVS or a commissioned third party or (b) an open data solution whereby third parties could access the information and offer alternative tools and websites? Why?
- **Question 15:** What are the main administrative and technical challenges on FOPs and referral providers in these remedy options? How could they be resolved or reduced?
- **Question 16:** Please comment on the feasibility of FOPs and referral centres providing price info for different animal characteristics (such as type, age, and weight). Please explain any specific challenges you consider may arise.
- **Question 17:** Where it is appropriate for prices to vary (eg due to bundling or complexity), how should the price information be presented? Please explain your views.
- **Question 18:** What do you consider to be the best means of funding the design, creation and ongoing maintenance of a comparison website? Please explain your views.

Remedy 3: Require FOPs to publish information about pet care plans and minimise friction to cancel or switch

- **Question 19:** What would be the impact on vet business of this remedy option? Would the impact change across different types or sizes of business? Please explain your views.
- **Question 20:** How could this remedy affect the coverage of a typical pet plan? Please explain your views.
- **Question 21:** What are the main administrative and technical challenges on FOPs and referral providers with these remedy options? How could they be resolved or reduced?

Remedy 4: Provide FOP vets with information relating to referral providers

- **Question 22:** What is the feasibility and value of remedies that would support FOP vets to give pet owners a meaningful choice of referral provider? Please explain your views.
- **Question 23:** Are there any consequences which may be detrimental and if so, what are they?
- **Question 24:** What do you consider are likely to be the main administrative, technical and administrative challenges on referral providers in this remedy? Would it apply equally to different practices? How could these challenges be reduced?
- **Question 25:** If you are replying as a FOP owner or referral provider, it would be helpful to have responses specific to your business as well as any general replies you would like to make.
- **Question 26:** What information on referral providers that is directly provided to pet owners would effectively support their choice of referral options? Please explain your views.

Remedy 5: Provision of clear and accurate information about different treatments, services and referral options in advance and in writing

- **Question 27:** If a mandatory requirement is introduced on vet businesses to ensure that pet owners are given a greater degree of information in some circumstances, should there be a minimum threshold for it to apply (for example, where any of the treatments exceed: £250, £500, or £1,000)? Please explain your views.
- **Question 28:** If a requirement is introduced on vet businesses to ensure that pet owners are offered a period of 'thinking time' before deciding on the purchase of certain treatments or services, how long should it be, should it vary depending on certain factors (and if so, what are those factors), and should pet owners be able to waive it? Please explain your views.
- **Question 29:** Should this remedy not apply in some circumstances, such as where immediate treatment is necessary to protect the health of the pet and the time taken to provide written information would adversely affect this? Please explain your views.
- **Question 30:** What is the scale of the potential burden on vets of having to keep a record of treatment options offered to each pet owner? How could any burden be minimised?

- **Question 31:** What are the advantages and disadvantages of using treatment consent forms to obtain the pet owner's acknowledgement that they have been provided with a range of suitable treatment options or an explanation why only one option is feasible or appropriate? Could there be any unintended consequences?
- **Question 32:** What would be the impact on vet businesses of this remedy option? Would any impacts vary across different types or sizes of business? What are the options for mitigating against negative impacts to deliver an effective but proportionate remedy?
- **Question 33:** Are there any barriers to, or challenges around, the provision of written information including prices in advance which have not been outlined above? Please explain your views.
- **Question 34:** How would training on any specific topics help to address our concerns? If so, what topics should be covered and in what form to be as impactful as possible?
- **Question 35:** What criteria should be used to determine the number of different treatment, service or referral options which should be given to pet owners in advance and in writing? Please explain your views.

Remedy 6: Prohibition of business practices which limit or constrain the choices offered to pet owners

- **Question 36:** Are there any specific business activities which should be prohibited which would not be covered by a prohibition of business practices which limit or constrain choice? If so, should a body, such as the RCVS, be given a greater role in identifying business practices which are prohibited and updating them over time? Please explain your views.
- **Question 37:** How should compliance with this potential remedy be monitored and enforced? In particular, would it be sufficient for FOPs to carry out internal audits of their business practices and self-certify their compliance? Should the audits be carried out by an independent firm? Should a body, such as the RCVS, be given responsibility for monitoring compliance? Please explain your views.
- **Question 38:** Should there be greater monitoring of LVGs' compliance with this potential remedy due to the likelihood of their business practices which are rolled-out across their sites having an impact on the choices offered to a greater number of pet owners compared with other FOPs' business practices? Please explain your views.

- **Question 39:** Should business practices be defined broadly to include any internal guidance which may have an influence on the choices offered to pet owners, even if it is not established in a business system or process? Please explain your views.

Remedy 7: Changes to how consumers are informed about and offered prescriptions

- **Question 40:** We would welcome views as to whether medicines administered by the vet should be excluded from mandatory prescriptions and, if so, how this should be framed.
- **Question 41:** Do these written prescription remedies present challenges that we have not considered? If so, how might they be best addressed?
- **Question 42:** How might the written prescription process be best improved so that it is secure, low cost, and fast? Please explain your views.
- **Question 43:** What transitional period is needed to deliver the written prescription remedies we have outlined? Please explain your views.

Remedy 8: Transparency of medicine prices so pet owners can compare between FOPs and other suppliers

- **Question 44:** What price information should be communicated on a prescription form? Please explain your views.
- **Question 45:** What should be included in what the vet tells the customer when giving them a prescription form? Please explain your views.
- **Question 46:** Do you have views on the feasibility and implementation cost of each of the three options? Please explain your views.

Remedy 9: Requirement for generic prescribing (with limited exceptions) to increase inter brand competition for medicine sales

- **Question 47:** How could generic prescribing be delivered and what information would be needed on a prescription? Please explain your views.
- **Question 48:** Can the remedies proposed be achieved under the VMD prescription options currently available to vets or would changes to prescribing rules be required? Please explain your views.
- **Question 49:** Are there any potential unintended consequences which we should consider? Please explain your views.

- **Question 50:** Are there specific veterinary medicine types or categories which could particularly benefit from generic prescribing (for example, where there is a high degree of clinical equivalence between existing medicines)? Please explain your views.
- **Question 51:** Would any exemptions be needed to mandatory generic prescribing? Please explain your views.
- **Question 52:** Would any changes to medicine certification/the approval processes be required? Please explain your views.
- **Question 53:** How should medicine manufacturers be required to make information available to easily identify functionally equivalent substitutes? If so, how could such a requirement be implemented?
- **Question 54:** How could any e-prescription solution best facilitate either (i) generic prescribing or (ii) the referencing of multiple branded/named medicines. Please explain your views.

Remedy 10: Prescription price controls

- **Question 55:** Do you agree that a prescription price control would be required to help ensure that customers are not discouraged from acquiring their medicines from alternative providers? Please explain why you do or do not agree.
- **Question 56:** Are there any unintended consequences which we should take into consideration? Please explain your views.
- **Question 57:** What approach to setting a prescription fee price cap would be least burdensome while being effective in achieving its aim of facilitating competition in the provision of medicines?

If we were to decide to impose a cost based price control for prescriptions, we need to fully understand the costs involved with prescribing and dispensing activities. We are seeking to understand:

- **Question 58:** What are the costs of writing a prescription, once the vet has decided on the appropriate medicine?
- **Question 59:** What are the costs of dispensing a medicine in FOP, once the medicine has been selected by the vet (i.e. in effect after they have made their prescribing decision)?

Remedy 11: Interim medicines price controls

- **Question 60:** What is the most appropriate price control option for limiting further price increases and how long should any restrictions apply for? Please explain your views.
- **Question 61:** If we aim to use a price control to reduce overall medicine prices, what would be an appropriate percentage price reduction? Please explain your views.
- **Question 62:** What should be the scope of any price control? Is it appropriate to limit the price control to the top 100 prescription medicines? Please explain your views.
- **Question 63:** How should any price control be monitored and enforced in an effective and proportionate manner? Please explain your views.

Implementation of remedies 7 – 11

- **Question 64:** We welcome any views on our preferred system design, or details of an alternative that might effectively meet our objectives. Please explain your views.
- **Question 65:** What do you consider to be the best means of funding the design, creation and ongoing maintenance of an e-prescription portal and price comparison tool? Please explain your views.

Remedy 12: Restrictions on certain clauses in contracts with third-party out of hours care providers

- **Question 66:** What would be an appropriate restriction on notice periods for the termination of an out of hours contract by a FOP to help address barriers to FOPs switching out of hours providers? Please explain your views.
- **Question 67:** What would be an appropriate limit on any early termination fee (including basis of calculation) in circumstances where a FOP seeks to terminate a contract with an out of hours provider? Please explain your views.

Remedy 13: Transparency on the differences between fees for communal and individual cremations

- **Question 68:** Do you agree that the additional transparency on the difference in fees between fees for communal and individual cremations could helpfully be supplemented with revisions to the RCVS Code and its associated guidance? Please explain your views.

Remedy 14: A price control on cremations

- **Question 69:** If a price control on cremations is required, should this apply to all FOPs or only a subset? What factors should inform which FOPs any such price control should apply to?
- **Question 70:** What is the optimal form, level and scope of any price control to address the concerns we have identified? Please explain your views.
- **Question 71:** For how long should a price control on cremations be in place? Please explain your views.
- **Question 72:** If a longer-term price control is deemed necessary, which regulatory body would be best placed to review and revise such a longer-term price control? Please explain your views.

Remedy 15: Regulatory requirements on vet businesses

- **Question 73:** Would regulating vet businesses as we have described, and for the reasons we have outlined, be an effective and proportionate way to address our emerging concerns? Please explain your views.

Remedy 16: Developing new quality measures

- **Question 74:** Are there any opportunities or challenges relating to defining and measuring quality which we have not identified but should take account of? Please explain your views.
- **Question 75:** Would an enhanced PSS or similar scheme of the kind we have described support consumers' decision-making and drive competition between vet businesses on the basis of quality? Please explain your views.
- **Question 76:** How could any enhancements be designed so that the scheme reflects the quality of services offered by different types of vet businesses and does not unduly discriminate between them? Please explain your views.
- **Question 77:** Are there any other options which we should consider?

Remedy 17: A consumer and competition duty

- **Question 78:** Should any recommendations we make to government include that a reformed statutory regulatory framework include a consumer and competition duty on the regulator? Please explain your views.
- **Question 79:** If so, how should that duty be framed? Please explain your views.

Remedy 18: Effective and proportionate compliance monitoring

- **Question 80:** Would the monitoring mechanisms we have described be effective in helping to protect consumers and promote competition? Please explain your views.
- **Question 81:** How should the monitoring mechanisms be designed in order to be proportionate? Please explain your views.
- **Question 82:** What are the likely benefits, costs and burdens of these monitoring mechanisms? Please explain your views.
- **Question 83:** How could any costs and burdens you identify in your response be mitigated and who should bear them? Please explain your views.

Remedy 19: Effective and proportionate enforcement

- **Question 84:** Should the regulator have powers to issue warning and improvement notices to individuals and firms, and to impose fines on them, and to impose conditions on, or suspend or remove, firms' rights to operate (as well as individuals' rights to practise)? Please explain your views.
- **Question 85:** Are there any benefits or challenges, or unintended consequences, that we have not identified if the regulator was given these powers? Please explain your views.

Remedy 20: Requirements on businesses for effective in-house complaints handling

- **Question 86:** Should we impose a mandatory process for in-house complaints handling? Please explain your views.
- **Question 87:** If so, what form should it take? Please explain your views.

Remedy 21: Requirement for vet businesses to participate in the VCMS

- **Question 88:** Would it be appropriate to mandate vet businesses to participate in mediation (which could be the VCMS)? Please explain your views.
- **Question 89:** How might mandatory participation in the VCMS operate in practice and are there any adverse or undesirable consequences to which such a requirement could lead?

- **Question 90:** How might any adverse or undesirable consequences be mitigated?

Remedy 22: Requirement for vet businesses to raise awareness of the VCMS

- **Question 91:** What form should any requirements to publicise and promote the VCMS (or a scheme of mediation) take?

Remedy 23: Use of complains insights and data to improve standards

- **Question 92:** How should the regulatory framework be reformed so that appropriate use is made of complaints data to improve the quality of services provided?

Remedy 24: Supplementing mediation with a form of binding adjudication

- **Question 93:** What are the potential benefits and challenges of introducing a form of adjudication into the sector?
- **Question 94:** How could such a scheme be designed? How might it build upon the existing VCMS?
- **Question 95:** Could it work on a voluntary basis or would it need to be statutory? Please explain your views.

Remedy 25: The establishment of a veterinary ombudsman

- **Question 96:** What are the potential benefits and challenges of establishing a veterinary ombudsman?
- **Question 97:** How could a veterinary ombudsman scheme be designed?
- **Question 98:** Could such a scheme work on a voluntary basis or would it need to be statutory? Please explain your views.

Remedies 26 – 28: Effective use of veterinary nurses

- **Question 99:** What could be done now, under existing legislation, by the RCVS or others, to clarify the scope of Schedule 3 to the VSA?
- **Question 100:** What benefits could arise from more effective utilisation of vet nurses under Schedule 3 to the VSA, in particular for the veterinary profession, vet businesses, pet owners, and animal welfare? Might this result in any unintended consequences?

- **Question 101:** What benefits could arise from expansion of the vet nurse's role under reformed legislation, in particular for the veterinary profession, vet businesses, pet owners, and animal welfare? Might this result in any unintended consequences?

Proportionality

- **Question 102:** Do you agree with our outline assessment of the costs and benefits of a reformed system of regulation? Please explain your views.
- **Question 103:** How should we develop or amend that assessment?
- **Question 104:** How could we assess the costs and benefits of alternative reforms to the regulatory framework?
- **Question 105:** How should any reformed system of regulation be funded (and should there be separate forms of funding for, for example, different matters such as general regulatory functions, the PSS (or an enhanced scheme) and complaints-handling)?