

VETERINARY SERVICES FOR HOUSEHOLD PETS MARKET INVESTIGATION

Summary of hearing with VetPartners Limited held on 28 February 2025

Introduction

1. VetPartners said it was encouraged by the comments in the CMA's recent working papers around the profession and the dedication of those working in the sector.
2. VetPartners said it is a Large Veterinary Group (LVG) that was founded by vets and considers itself to be a heterogeneous group, and a collection of independent vet practices. VetPartners noted it puts a lot of investment into people and practices and that the whole model is designed to increase the quality level of practices over time, while giving as much autonomy to practice leaders as possible, ensuring they have clinical freedom.

Choice of care

3. VetPartners said it considered many of the perceived issues to be historic and that there had been improvement in areas the CMA has raised as concerns, such as client awareness and online pricing. VetPartners said that the CMA should consider carefully the long-term impacts of any decisions, particularly on those working in practices.
4. VetPartners stated that quality is made up of lots of individual factors, many of which are captured by the Practice Standards Scheme (PSS). VetPartners said that mandatory uptake of PSS, with some improvements to the PSS, would allow for quality to be measured consistently across the sector, since price, without information on quality, was not a good indicator and could be misleading.
5. VetPartners said that the LVGs had contributed to higher quality in practices, a better employee proposition and greater transparency. VetPartners also said that price increases are closely linked to quality improvements.

6. VetPartners said it kept local branding at the first opinion practice's (FOP) request. VetPartners said it had conducted its own survey and found that corporate ownership ranks very low in the list of relevant factors considered by clients when choosing a FOP. VetPartners said that whilst local branding meant a lot to pet owners and local practices, it would potentially be open to having co-branding.
7. VetPartners does not set central pricing, and FOPs have freedom to determine their own prices. VetPartners noted that the information available to consumers was an area that was improving in the sector, and said it was working on increasing the level of pricing information and consistency on their websites. It said that pricing information is already available on the websites of virtually all the VetPartners small animal and mixed practices.
8. VetPartners distinguished low switching rates from the ability to access alternative services. A client can access alternative services without switching, by going to multiple practices for different services. VetPartners considered low switching rates indicated clients continue to value continuity of care.
9. VetPartners said it has a national standardised pet care plan but most FOPs join VetPartners with their existing pet care plan. VetPartners told the CMA that it reviews the pet care plan periodically with a range of stakeholders and that other pet care plans provide competitive pressure on the services provided as part of those pet care plans.

Veterinary medicines

10. VetPartners told the CMA that it was slightly concerned that the CMA's focus on medicines and the importance of revenues derived from medicines was misplaced. VetPartners also said medicine pricing is not set in isolation and that publishing a list of medicine prices would be possible for some medicines but not all. VetPartners also said that such a list of medicine prices would require some thought to ensure consistency and to be helpful to clients.
11. VetPartners said it did not consider there to be substantial differences in rebates and discounts between LVGs and independent practices and that if the whole market changed and practices reduced mark-ups on medicines, VetPartners would be worried that this could have a knock-on effect on what clients pay for other services.
12. VetPartners said that its online pharmacy allowed VetPartners to reach a proportion of the pet owning public that do not go to a veterinary practice but shop online, as well as those seeking less expensive or alternative products

(the bulk of sales being non-prescription products and medicines). VetPartners does not look at medicine pricing or profitability in isolation, to disaggregate the margins on its non-medicine business from its medicine business. VetPartners also said that without the medicine dimension in full, and if prescriptions could not be charged for, in its view most FOPs would be loss-making.

Crematoria

13. VetPartners has its own crematoria provider, PCS which provides services to other LVGs and independently owned FOPs. VetPartners said that there were important benefits to pet owners using the cremation service provided by the FOP. VetPartners also said its experience is that clients are really content with the service they receive in difficult circumstances.
14. VetPartners said that cremations are not charged on a mark-up basis, and the fee charged for cremation at its FOPs normally also includes the cost of the euthanasia procedure and the time spent by the professionals involved including, for example, the time spent by a veterinary nurse. VetPartners also said that the charges vary by practice and for individual cremations charges can vary further depending on the options chosen by the client.

Regulation

15. VetPartners said that mandatory membership of the PSS could be a recognisable quality kite mark, with some improvements to the PSS.
16. VetPartners said that there could be improvements in regulation and that regulation should apply to businesses as well as individuals. VetPartners also said that the current framework did not give the RCVS a proportionate range of sanctions and that there was some logic in potentially separating the regulatory and the Royal College roles the RCVS currently holds.
17. VetPartners told us it supported expanding the role of veterinary nurses, as well as better clarity on what clinical procedures registered veterinary nurses (RVNs) should be able to carry out. VetPartners said that a large number of vet nurses leave the profession a few years after qualifying and that improving career paths for vet nurses could potentially help with retention.
18. VetPartners said that it had a group wide complaints policy and that when FOPs join the LVG this is checked as part of the integration process. VetPartners said it includes training around complaint handling in its learning management system and that clients can and do escalate complaints to its central team if they have already exhausted the complaints process at the

relevant local FOP. VetPartners noted it tracked those complaints that get escalated, looked for themes and liaised with the relevant FOP where there were learning points.