

27 MAY 2025



**CMA MARKET INVESTIGATION INTO THE SUPPLY OF VETERINARY SERVICES FOR
HOUSEHOLD PETS**

RESPONSE TO THE CMA'S REMEDIES WORKING PAPER (OF 1 MAY 2025)

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Pets at Home Group Plc (**PAH**) welcomes the opportunity to comment on the Remedies Working Paper (**RWP**) published by the Competition and Markets Authority (**CMA**) on 1 May 2025.

This response (**Response**) builds on PAH's previous submissions and RFI responses to the CMA. Unless otherwise stated, defined terms in previous submissions have the same meaning in this Response.

Please note that this Response contains confidential information/business secrets, disclosure of which might significantly harm the legitimate business interests of the PAH group for the purposes of Section 244(3)(a), Part 9 of the Enterprise Act 2002 (**EA02**). This confidential information is indicated by **green highlight**.

This response is structured as follows:

- **Executive Summary**
- **Section 1 Introduction**
- **Sections 2-5** set out PAH's comments on specific themes in the RWP, in particular:
 - **Section 2** covers the potential remedies to help pet owners choose first opinion practices (**FOPs**), referral providers and treatments that are right for them and their pets;
 - **Section 3** covers potential remedies to increase price competition in the medicines market;
 - **Section 4** covers potential remedies to increase competition in outsourced OOH care and tackling high mark-ups in the price of cremations; and
 - **Section 5** covers potential remedies to the regulatory framework to protect consumers and promote competition.

Executive Summary

Guiding principles

In PAH's view, any eventual remedies package should seek to:

1. ensure that animal welfare continues to be prioritised, and enable and empower veterinary professionals to provide the best clinical care for pets;
2. support customer choice and the consumer interest;
3. support a market that is attractive for investment, growth, innovation and employment;
4. make sensible recommendations for necessary regulatory reform; and
5. ensure all remedies are proportionate, impose the minimum necessary cost and minimum necessary administrative and regulatory burden on veterinary businesses and professionals and reflect the real world that pet owners and veterinary professionals live and work in.

On the other hand, overly-complex, overly-prescriptive, highly expensive and/or administratively burdensome remedies, divorced from the real world of veterinary professionals and pet owners, from the realities of the work flow in a FOP clinic and/or from the dynamics of the vet-pet owner relationship, would be very counter-productive. Such remedies would be likely to only impose unachievable red tape and bureaucracy and additional costs on veterinary professionals and businesses, significantly drive up costs for pet owners and reduce the amount of time available for pet consultations and hands-on treatment. Such remedies could also adversely impact vet recruitment/retention levels and have other unintended consequences.

PAH supports a number of the CMA's remedies proposals, including many of the proposals to reform the regulatory framework. However, PAH is also concerned that a number of the remedies proposals set out in the RWP have features that conflict with the above principles and it is difficult to square some of the CMA's proposals with the UK Government's Strategic Steer to the CMA to the effect that where the CMA has discretion, it should use its tools proportionately, with growth and investment in mind.

PAH is also keen to ensure that any eventual remedies the CMA imposes are designed in a way that supports PAH's unique and highly pro-competitive business model and structure.

Potential remedies to help pet owners choose FOPs, referral providers and treatments that are right for them and their pets (Remedies 1-6)

Standardised price list (Remedy 1)

The CMA acknowledges the need to strike a balance between being prescriptive and flexible about what information must be published and in which format FOPs would need to provide that information. PAH's Practices have started rolling out the prominent provision on Practices' websites of the prices for the most frequently used services and PAH feels this level of detail

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does strike the right balance on what can be practically provided to pet owners that is useful to help them compare prices across FOPs.

However, PAH has serious misgivings with respect to the level of detail and complexity which the CMA is proposing should be included in a “*standardised*” price list, in particular the proposal to include indicative prices for complex and non-routine treatments/services. Given the high level of complexity and the fact that more advanced treatments will likely be less relevant for the majority of pet owners, in PAH’s view it would not be proportionate for FOPs to be required to provide prices for the specialist treatments and procedures set out in Appendix A, nor is this level of detail likely to be useful to the majority of pet owners.

Comparison website (Remedy 2)

It is not clear to PAH that this would in any meaningful way enhance pet owners’ ability to compare FOPs in terms of price, quality and other comparables. Once FOPs (as many PAH Practices already do) publish on their websites their prices (for the most frequently used services) and PSS accreditations etc., pet owners can (and already do) compare FOP offerings in their local area using the internet and to shop around if they wish to. Likewise, the existence and prominence of online pharmacies already means it is easy for pet owners to compare medicine prices online if they wish to. Imposing a mandatory price comparison platform will not materially enhance their position in that regard – but would risk being overly complex, burdensome and expensive for FOPs.

Pet care plans (Remedy 3)

PAH believes that its pet care plans offer superb value for money and reassurance to many of our pet owners, who highly value the products. PAH’s pet care plans are based on a subscription model that is both sustainable and fair to pet owners (with a high level of pricing and other information provided to pet owners to enable them to compare offerings in the market). The CMA’s proposals with respect to: (i) early cancellation rights without charge; (ii) the option to retrospectively convert historical usage to pay-as-you-go (**PAYG**); and (iii) annual individualized usage statements, have the potential to undermine the subscription model underpinning pet care plans and so to jeopardise the sustainability of pet care plans in their current form to the detriment of pet owners and animal welfare.

Referral services (Remedy 4)

The proposed obligation to provide information to FOPs on referral services should apply to dedicated referral providers only, so as not to create a disincentive for FOPs which are not dedicated referral providers to upskill and expand their offering and equipment.

Advance written treatment options/costs advice (Remedy 5)

PAH is concerned that the extent of the obligation which the CMA is considering imposing on veterinary surgeons is excessive, will be perceived by veterinary surgeons as exposing them

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to considerable regulatory risk, and risks imposing a huge administrative burden on them. In particular, the uncertainty as to the number of potential treatment options which need to be provided and the complexity of the information required to be provided (including entire treatment course pricing or estimates with assumptions detailed; comparison of the options; likely treatment timescales), is divorced from the reality of the workflow in a veterinary clinic.

Potential remedies to increase price competition in medicines (Remedies 7-11)

How consumers are informed about and offered prescriptions and prescription price controls (Remedies 7 + 10)

While it is important that FOPs can charge a prescription fee to recover the clinical costs involved with prescribing, PAH would support a reasonable cap on such fees.

PAH believes that an obligation on FOPs to provide a prescription in all cases (Option E) or an obligation to proactively offer a written prescription (Option C) would be disproportionate – pet owners are already prominently informed of their right to ask for a prescription and PAH is concerned that Option E or Option C will impose an unnecessary and time-consuming administrative burden on veterinary surgeons that will eat into the time they have for consultations with pet owners, and also that the increased level of administration will make the job less appealing with the potential to adversely impact on retention and recruitment rates.

Generic prescribing (Remedy 9)

This proposal raises a number of potential issues, in particular with respect to: (i) the need for the treatments to which a prescription relates to be specific and appropriate for the animal under care; (ii) possible complications flowing from differences in excipients in generics; and (iii) potential tension with the requirements of the cascade. All these issues would need to be carefully considered, absent which PAH is concerned at the potential for this remedy to result in worse outcomes for animal welfare and greater liability for prescribing vets, which could have the unintended consequence of raising insurance premiums for pet owners and vet businesses.

Interim medicine price controls (Remedy 11)

Once the real direct and indirect costs of prescribing, advising and maintaining a pharmacy are reflected, PAH believes that its net medicine margins are appropriate and its medicine prices are fair and competitive.

The interim medicine price controls which the CMA is considering would: (i) ignore the integrated nature and cost of managing medicines in FOPs; (ii) risk adding a significant additional financial burden, especially on independent FOPs; (iii) risk being grossly unfair and have the effect of distorting competition as different FOPs would have charged different prices for medicines and would have differing cost bases.

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OOH and cremations (Remedies 12-14)

Restriction on certain clauses in OOH contracts (Remedy 12)

[REDACTED].

Transparency on differences between communal -v- individual cremation fees (Remedy 13)

PAH would support pet owners of all FOPs being given an appropriate range of choices at the end of the life of their pets in written form, including via a published booklet and/or an online webpage to enable them to make informed decisions.

Price control on retail fees for cremations (Remedy 14)

The CMA has not disclosed any sufficient evidence base that would justify such a remedy. Further, any price control mechanism remedy in relation to individual cremations risks creating unintended consequences, such as leading to an increase in the price of communal cremations (which would hit less affluent pet owners) and/or charges for other services (e.g. euthanasia), as FOPs have integrated costs that need to be recovered somehow. Finally, such a remedy would expose non-vertically integrated FOPs to wholesale price increases by cremation service providers, including vertically-integrated LVGs.

Potential remedies to the regulatory framework to protect consumers and promote competition (Remedies 15-28)

Regulatory requirements on vet businesses (Remedy 15)

PAH supports extending the RCVS statutory remit from individual practitioners to FOP practices and practice owners but it is important that this remedy takes account of PAH's unique "hybrid" structure and business model.

Developing new quality measures (Remedy 16)

PAH supports the PSS Core Standards accreditation, strengthened in certain respects (but bearing in mind the imperative not to disproportionately increase FOP costs), being made a mandatory requirement for all FOPs in the UK.

Compliance monitoring (Remedy 18) and enforcement (Remedy 19)

In principle, PAH is open to remedies which bolster the ability of RCVS to monitor and enforce compliance with regulatory requirements and to impose sanctions in cases of clear and material proven infringements. The RCVS mandate in this regard should ensure its monitoring/enforcement is transparent, accountable, proportionate, consistent, targeted only at cases in which action is needed and not impose an undue compliance cost on FOPs.

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Complaints handling (Remedy 20)

PAH supports a requirement (e.g. as part of a mandatory PSS Core Accreditation) that FOPs have an effective in-house complaints handling process, as PAH already has.

VCMS (Remedies 21 – 23)

PAH supports the VCMS in its current form and supports the proposal that FOPs be required to register with the VCMS and to raise VCMS awareness with customers. However, a mandatory requirement to engage in VCMS mediation would not be appropriate, as not every complaint is necessarily suitable for mediation under the VCMS – for instance, it would be wrong to compel FOPs to go through VCMS mediation in the case of obviously unmeritorious claims, [REDACTED].

Adjudication/veterinary ombudsman (Remedies 24 – 25)

Supplementing mediation with a form of binding adjudication or establishing a veterinary ombudsman would add an additional layer of cost and complexity that would impose a heavy burden in terms of cost, time and energy. The likely outcomes would be higher insurance premiums for vet businesses and higher administrative costs, likely to be passed on to pet owners through the fees charged.

RVN (Remedies 26 – 28)

PAH supports a CMA recommendation to Government, to protect the vet nurses title in legislation and agrees with the CMA's current view that it would be appropriate to recommend that government seeks to legislate to expand the role of RVNs. As regards what could be done now, under existing legislation, to clarify the scope of Schedule 3 to the VSA, PAH believes that Schedule 3 of the VSA should be clarified in respect of areas reserved for veterinary surgeons.

1 INTRODUCTION

- 1.1 PAH is the UK's leading pet care business, providing pets and their owners with advice, products and care, and whose purpose is to create a better world for pets and the people who love them. Pet owners and their pets, together with our dedicated veterinary professionals, are at the heart of PAH's business.
- 1.2 PAH's joint venture (**JV**) model and structure are unique in the UK veterinary services space, in that the Vet Group has a "hybrid" model which PAH believes combines many of the efficiencies and economies of scale which can be achieved through a larger corporate group with local (Practice-level) clinical and operational autonomy including over pricing, services and referrals supporting optimal outcomes for pet owners and their pets. PAH is differentiated from the other five LVGs (collectively the **LVG5**) and should not be grouped with the LVG5. Our business model is unique and offers significant benefits to pet owners and the veterinary teams we work with.

PAH's comments are without prejudice to PAH's position on the AEC issue

- 1.3 PAH believes it is sensible, in the interests of not delaying the conclusion of the CMA's market investigation, for the CMA to already share its emerging thinking, set out in the RWP, on a potential package of remedies to improve outcomes in the vet sector. PAH welcomes the opportunity to comment on the RWP, but stresses that PAH's comments should not be taken as implicit support for the proposition that the market for veterinary services does in fact have any feature(s) which give rise to an adverse effect on competition (**AEC**), a necessary precondition to the CMA imposing any remedies under section 138 EA02.
- 1.4 This is an open question, indeed, it is not clear to PAH that the CMA has a sufficient evidentiary base to make any AEC findings. The CMA's own analysis shows a marketplace with a large number of players, a diversity of business models, surmountable entry barriers and high levels of customer satisfaction. Further, PAH (and our advisers within the confidentiality ring) are currently engaging with the CMA on its profitability analysis and have raised several issues about how the capital employed has been estimated and why certain parties should not be unfairly penalised for efficiency and innovation.

Guiding principles for any remedies package

- 1.5 In PAH's view, any eventual remedies package should seek to:
- (a) ensure that animal welfare continues to be prioritised and enable and empower vets to provide the best clinical care for pets. To this end, the CMA must ensure that all efforts are made to minimise all unnecessary burden of potential remedies on veterinary professionals and are properly thought through from the perspective of the veterinary professional's role and day-to-day

responsibilities in the real world;

- (b) support customer choice and the consumer interest. PAH supports proposals to enhance transparency and help pet owners make informed choices and compare costs and reasonable common treatment options – but emphasises that any transparency remedies need to be useful for pet owners and workable for veterinary professionals in the real world, c.f. overly-complex, overly-prescriptive, overly-broad in scope, highly expensive and/or administratively burdensome transparency remedies aimed at giving the pet owner in advance (whether wanted or not) “perfect” information on all options and their cost implications are likely to only impose unachievable red tape and bureaucracy and additional costs on veterinary professionals and businesses, significantly drive up costs for pet owners and lead to veterinary professionals having less time for consultations and hands-on treatment;
- (c) support a market that is attractive for investment, growth, innovation and employment. It is important that any final remedies package supports ongoing investment, innovation and growth in the sector in line with the UK Government’s Strategic Steer to the CMA¹, so that pets can continue to benefit from the best care at affordable prices. The veterinary sector has been and continues to be under severe pressure, in particular on account of rising costs and acute staff shortages, leading to increasing pressure on staff, increasing staff stress and, in consequence, high levels of veterinary surgeons and nurses simply leaving the profession. PAH believes that any remedies need to be mindful not to restrict the supply of clinical colleagues into or the retention of clinical colleagues within a market already under strain.

PAH supports remedies that encourage organic FOP growth and promote competition, investment and innovation in the FOP market. PAH does not support remedies that could crowd out growth of new independently-owned FOPs (including PAH FOPs) which would damage competition and [REDACTED];

- (d) make sensible, “real world”, recommendations for necessary regulatory reform: as a leading advocate of regulatory reform in the veterinary sector, PAH welcomes recommendations to update and upgrade the current regulatory framework but always ensuring that the regulatory framework does not expose veterinary professionals or businesses to unnecessary or excessive cost, burden or risk; and
- (e) are proportionate. PAH welcomes the CMA’s emphasis that any package of remedies be proportionate, and that all efforts are made to minimise any

¹ Strategic steer to the Competition and Markets Authority, [15 May 2025](#).

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resulting burden on veterinary professionals or cost on veterinary businesses.

- 1.6 Finally, PAH is also keen to ensure that any eventual remedies the CMA may adopt are designed in a way that supports PAH's unique and highly pro-competitive business model and structure.
- 1.7 Our comments on the RWP are focused on identifying where the proposals considered in the RWP fall short of or risk jeopardising the above objectives.

2 POTENTIAL REMEDIES TO HELP PET OWNERS CHOOSE FOPS, REFERRAL PROVIDERS AND TREATMENTS THAT ARE RIGHT FOR THEM AND THEIR PETS (REMEDIES 1 - 6)

A Require FOPs and referral providers to publish information for pet owners (Remedy 1)

- 2.1 PAH broadly welcomes proposals to support greater price, quality, choice and ownership transparency which in turn could help pet owners to compare costs and make informed decisions. However, it is important to ensure that the design and scope of a standardised price list and other types of information FOPs could be required to publish to support pet owner choice is effective and proportionate and does not impose an excessive burden on FOPs, particularly for smaller practices that have limited staff and resources available. PAH, therefore, welcomes the CMA's acknowledgement of the need to strike a balance between being prescriptive and flexible about what information must be published and in which format FOPs would need to provide that information.²

Standardised price list

- 2.2 PAH's Practices have recently started rolling out the prominent provision on PAH's Practice's websites of the prices for the most frequently provided services³ and PAH would support this being made a requirement of the RCVS Code and Supporting Guidance.⁴ PAH feels this level of price transparency does strike the right balance between what can be practically provided to pet owners that is useful to help them compare prices across FOPs.
- 2.3 The RWP instead proposes that the price list should cover "*more intensive treatments and procedures where they could feasibly be standardised*"⁵ and that the coverage of such treatments/procedures should be "*sufficiently wide to cover services which represent a sufficient share of pet owner spend*"⁶. The reason for this is that "*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*"⁷.
- 2.4 The RWP then proceeds to consider in some detail the range of variables and

² [RWP](#), para. 3.43.

³ See, by way of example, the main page on the [Altrincham Vets for Pets website](#). As at 26 February 2025, 291 Practices make available on their websites the prices for the most frequently provided services in this way.

⁴ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 6.13

⁵ [RWP](#), para.3.17

⁶ [RWP](#), para.3.45

⁷ [RWP](#), para.3.45

complexities that would need to be addressed to achieve the desired coverage including⁸:

- (a) costs and prices for the same product/service may vary depending on various factors, including:
 - (i) animal characteristics (inc. species; breed; weight; age; sex) - requiring separate prices for multiple animal profiles;
 - (ii) whether the product or service is part of a bundle – with respect to which the RWP states that the price list “*could allow scope for FOPs and referral providers to provide further details of what is included and excluded*”, although in PAH’s view it is misleading to present this as just an option (“*could*”), as without such details pet owners would struggle to understand the price information;
 - (iii) treatment complexity, including variables 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*”; and
- (b) the fact that different FOPs can use different medicines or approaches to treat the same condition based on clinical judgement or other local or organisational factors.

The RWP proposes that the solution to this level of complexity is the use of indicative prices (“starting from” or a range), with the way ranges/estimates are calculated needing 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*”⁹

- 2.5 While the RWP recognises 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*”¹⁰, in PAH’s view this characterisation could be made for most if not all of the complex treatments and procedures which the CMA is proposing to include in the list – indeed, just reading the CMA’s list of variables (summarised at paragraph 2.4 above) is enough to demonstrate this. This is why PAH views any requirement to include such complex treatments and procedures in a standardised price list as:

⁸ [RWP](#), paras. 3.19 – 3.20

⁹ [RWP](#), para. 3.44

¹⁰ [RWP](#), para. 3.20(e)

- (a) too complex for pet owners in the real world to effectively use, such that many pet owners will not engage with it and running the serious risk that the minority of pet owners who do try to engage with the list will struggle to understand it and so be just as likely to make poorly informed choices because of the price list.
 - (b) in a similar vein, for the specialist treatments and procedures set out in Appendix A, publishing a range of indicative prices that could be charged, or an average price, would be misleading as pet owners may expect to pay this price notwithstanding unexpected complications, which may put additional stress on the relationship between veterinary professionals and pet owners; and
 - (c) too complex substantively and too costly administratively for FOPs to comply with – the huge effort that would be required for each FOP (and, as PAH's JV Practices all have pricing freedom at the Practice level, each Practice would have to do this individually) produce (and continually update) such a complex price list would be out of all proportion to the benefit (as to which see (a) above).
- 2.6 In the real world that veterinary professionals and pet owners interact in, the reality is that the underlying conditions for most if not all of these complex treatments are likely to be part of potentially complex treatment pathways which would need to be explained to the pet owners and be tailored as regards to the presentation of the pet and potential complicating factors.
- 2.7 Therefore, given the potential complexity and the fact that more advanced treatments will likely be less relevant for the majority of pet owners, in PAH's view, it would not be proportionate or, indeed, useful for FOPs to provide prices for the specialist treatments and procedures set out in Appendix A.
- 2.8 PAH sets out its views in detail on the information to be provided in the CMA's proposed standardised price list in [Annex 1](#) below. One point worth noting in this regard is that some of our Practices' veterinary surgeons have experience of insurance companies refusing to cover dispensing fees when they are separately itemised in an invoice on the grounds that such fees are administration fees, so as a general point the CMA should consider the implications (in terms of recoverability of fees under pet insurance policies) of the standardised price list.

Ownership and network information

- 2.9 PAH would support requirements for FOPs to display their ownership and network information clearly, both on their websites and at the practices to help pet owners make informed decisions based on transparent ownership. There is already clear and

common branding across all Practices within the Vet Group.¹¹ All FOPs are clearly branded under the Vet Group's national brands ("Vets4Pets", "Vets for Pets" and "Companion Care").

Customer feedback

- 2.10 As regards any requirement for FOPs to solicit customer feedback using a standardised methodology and being made to publish the results, it is not obvious that this would add further value to the pet owner experience as this information is already easily available to pet owners via the internet. In addition, in PAH's experience, clinical outcomes create extremes in terms of satisfaction and feedback. For example, if a pet passes away, pet owners are more inclined to submit negative feedback and conversely, if a pet recovers, pet owners will be more inclined to report positively on their experience. In other words, feedback is not necessarily reflective of price/quality/service levels etc. but can be driven by clinical outcomes. A pet owner's overall experience might be positive but clinical outcomes will impact satisfaction. PAH agrees with the CMA's view that requirements relating to standardised customer feedback or publishing complaints may not be effective in addressing concerns and could pose considerable practical challenges that may outweigh the potential benefits to pet owners.¹²

PSS accreditation

- 2.11 PAH is not opposed to a requirement on vet businesses to publish information on PSS accreditations and awards to help pet owners in assessing the quality of care provided. PAH also does not object to a requirement to publish information on the advanced skills and expertise of individual vets and vet nurses within a practice.

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

- 2.12 PAH does not support any remedy that would mandate the creation of regulated platforms for market price comparison. As competition between veterinary practices principally takes place at the local level,¹³ in PAH's view, if the CMA were to mandate that FOPs and referral providers be required to publish prices for a standardised list of common services, products and treatments, pet owners will be well able to use the internet to shop around if they wish to, and imposing a mandatory price comparison platform will not materially enhance their position in that regard but rather would carry very significant risks of being overly complex, burdensome, expensive for FOPs and

¹¹ PAH response to the CMA's Issues Statement ([30 July 2024](#)), para. 9(d).

¹² [RWP](#), para. 3.25.

¹³ A pet owner's choice of veterinary practice will be limited to those located within the geographic area where the pet owner is willing (and able) to travel. This is shown by 68% of respondents to the CMA's pet owners survey noting that location was a relevant factor when choosing a veterinary practice, with the highest proportion (34%) noting location was the main reason for their choice.

ineffective. Further, the existence of such a comparison website might incentivize loss-leading pricing by FOPs for certain procedures, which could be misleading for pet owners. Requiring FOPs to publish (on the FOPs website and in the clinic) prices for a standardised list of common services, products and treatments would be the least onerous effective measure to help pet owners to compare prices and make informed decisions.

- 2.13 Requiring FOPs and referral providers to submit the information specified by the CMA in Remedy 1 in a specific format to a portal administered by the RCVS or a commissioned third party would be an onerous undertaking by FOPs and referral providers and likely result in high administrative costs being incurred to set this up and maintain on an ongoing basis to ensure that the information is up-to-date – such additional costs are likely to be passed on to pet owners in the form of higher prices for veterinary services.
- 2.14 In PAH's view, a composite pricing measure would be meaningless and would not support pet owners to compare prices as averages cannot take into account differences in pet presentations between healthier and sicker pets. It would be difficult to accurately reflect underlying comorbidities and the characteristics of the pet in these price measures.
- 2.15 PAH agrees that, to be effective, any comparison website would need to be widely used by pet owners¹⁴, which would require heavy advertising. This would add to the expense of the remedy and FOPs and referral providers would likely attempt to offset these additional costs through the pricing of their services, which would have the unintended consequence of increasing the cost of veterinary services to pet owners and increasing insurance premiums. PAH does not believe that a sufficient number of pet owners and other stakeholders will use a comparison website such as to justify the imposition of such an onerous burden and high administrative cost to FOPs and referral providers.

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

- 2.16 Pet care plans are good for customers and pets and highly valued by many pet owners.¹⁵ As the CMA's own Pet Owners Survey shows, pet owners listed a range of reasons for taking up pet plans, and amongst the most important were to keep up with preventative care for their pet (53%), value for money (50%), the feeling of reassurance it could provide (46%), and help with financial planning (43%).¹⁶ This shows that many pet owners value pet care plans not only for their clinical and financial benefits, but

¹⁴ [RWP](#), para. 3.73.

¹⁵ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), paras. 5.6-5.11.

¹⁶ Demand WP, para 5.79.

also for the reassurance, predictability and peace of mind they provide.

- 2.17 PAH has already provided the CMA with evidence on the significant savings that customers can enjoy when using a PAH pet care plan.¹⁷ These savings are shown transparently to the customer via a bespoke calculator tailored to their pet.
- 2.18 A central component of PAH's pet care plan subscription model is that pet owners sign up for an initial minimum term (currently 12 months under PAH's Complete Care and Complete Care Plus plans) and pet owners who terminate the plan during this period pay a small (£60) Early Cancellation Charge, to compensate PAH for the loss of the expected revenues during the initial term (pet owners often utilise many of the benefits of pet care plans at the start and the preventative care received on pet care plans is discounted on the basis that a pet owner will use all of the benefits during the initial minimum term) and to cover onboarding and marketing expenses. After the initial minimum term, PAH's pet care plans can be terminated immediately (if paid upfront) or on one month's notice¹⁸ without charge. Should a pet die at any point during the term of a pet care plan, the pet care plan would be cancelled immediately with no additional costs to the pet owner.
- 2.19 PAH believes that its pet care plans offer superb value for money, based on a subscription model that is both sustainable and fair to pet owners. The terms are fully explained to pet owners before taking out a plan, they are notified ahead of renewal dates and given the option of whether to renew or not and, beyond the initial minimum term, can terminate immediately (if paid upfront) or on one month's notice.
- 2.20 PAH would welcome a requirement for FOPs to publish price information relating to each component alongside the pet care plan as this would enhance competition by improving the comparability of plans between providers and allow PAH to further demonstrate the value of its plans to pet owners.
- 2.21 However, PAH would not support any remedies that undermines the provision of pet care plans or the subscription business model underpinning pet care plans. A core feature of the subscription business model underpinning PAH's pet care plans is that they offer greater convenience, choice, and flexibility to pet owners enabling them to budget and pay for preventative care in instalments spreading the cost of preventative care over time, which results in a predictable workflow for PAH FOPs enabling PAH to offer the significant savings achievable under those plans. PAH is concerned that some of the possible remedies regarding pet care plans which the CMA considers in the RWP have the potential to significantly undermine outcomes for both pet owners and PAH so to jeopardise the sustainability of the plans in their current form.

¹⁷ PAH response to RF11, Question 23, Annex 12.

¹⁸ See cl.7.2 [Complete Care and Flea and Worm Health Plans terms and conditions](#).

Pet care plan termination notice periods and reimbursement

- 2.22 If the CMA proposal at paragraph 3.84(d) RWP (*“Requiring FOPs to allow pet owners to cancel pet care plans on a month’s or quarter’s notice being given”*) is intended to confer an early termination right without payment of any early termination fee, then PAH does not support this, as it would cause unnecessary disruption to PAH’s pet care plan subscription model, in particular, it is important to the sustainability of the model that customers signing up to the plan can be incentivized (by the Early Cancellation Charge) to continue at least for the minimum term.
- 2.23 For the same reason, PAH would be opposed to any measure requiring the reimbursement of any pet owners for services that they have not used if a pet owner cancels within the same year. Notwithstanding the CMA’s suggestion that 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, this proposal would undermine the predictability of the pet care plan revenues which underpins the sustainability of the plans and impose an administrative burden on PAH FOPs as they would have to calculate value of the preventative care not used on a case-by-case basis for reimbursement purposes.

Annual usage statement

- 2.24 PAH does not support a requirement on FOPs to send pet owners an annual statement of their pet care plan usage showing a comparison between what the pet owner would have spent had they used PAYG instead of the pet care plan and calculating the total saving or loss for the year using the plan.
- 2.25 In PAH’s view, this is a disproportionate remedy given that:
- (a) PAH is not aware that any other providers of subscription services are required to provide personalised annual usage statements (e.g., streaming media services such as Netflix, or gym memberships);
 - (b) calculating individual usage statements for each pet owner on a pet care plan each year would add significant extra administrative cost that would likely be passed on to pet owners; and
 - (c) PAH FOPs provide pet owners with a bespoke (to the specific pet) ‘savings illustration’ before they subscribe with colleagues using a detailed calculator tool and once pets owners subscribe, PAH FOPs proactively contact pet owners to remind them to make use of preventative treatments included in their

pet care plans.¹⁹

- 2.26 PAH's pet care plans are designed to focus on preventative care, which can save pet owners further money by avoiding more expensive curative care²⁰ and the sort of annual usage statement which the CMA is considering would not convey this and instead invite pet owners to focus solely on short term considerations. PAH is concerned that, for this reason, such a requirement would undermine the subscription model which underpins PAH's pet care plans and PAH would observe that subscription models in other industries are not typically characterized by the publication of individualized usage to subscribers with comparisons with PAYG options.
- 2.27 It would also be costly for PAH (and, no doubt, other FOPs, in particular independents) to comply with such a requirement. For instance, [REDACTED], so this would require PAH to invest to build this into its practice management system.
- 2.28 PAH would not object to a requirement for FOPs to publish the average number of services annually taken up by subscribers at an aggregate level. This would be less burdensome to comply with for PAH and would not cut across the pet care plan subscription model in the same way that an individualized usage statement combined with a PAYG comparison would.
- 2.29 In short, these proposals (early cancellation rights without charge; option to retrospectively convert historical usage to PAYG; annual individualized usage statements), have the potential to undermine the whole pet care plan model and vet businesses may gradually withdraw pet care plans from the market if, as a result of such measures, they become more costly and risky for FOPs. This may also have the unintended consequence of vet businesses changing what is included in their pet care plans, given the increased uncertainty, risk and cost of the plans for FOPs. Ultimately, pet owners should and do have a choice in respect of how they access preventative care, and in PAH's view these aspects of the remedies under consideration by the CMA would be overly burdensome and could jeopardise the model's viability to the detriment of pet owners and animal welfare.

D Provide FOP vets with information relating to referral providers (Remedy 4)

- 2.30 All practices within PAH's unique, pro-competitive business model are FOP-focused. PAH sold its specialist referral division in 2021, as PAH concluded that its JV Practice structure undermined the strategic logic of being vertically integrated in this way (the

¹⁹ For example, PAH FOPs contact pet owners when a pet's vaccination boosters are due to inform them and encourage them to book an appointment.

²⁰ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 5.7.

JV Practices being free to use or not use PAH's referral division).²¹

- 2.31 The CMA has recognised the high degree of variability around referral services, ranging from dedicated referral only centres and hospitals to, at the other end of the spectrum, FOPs which offer some level of advanced treatment services as a small part of their offering. Those PAH FOPs which offer advanced treatments fall into the latter category (for none of PAH's FOPs, including PAH's 5 accredited RCVS hospitals²², does advanced treatment make up a majority of the FOP's work).
- 2.32 It is not clear whether the CMA is considering, as part of this remedy, an obligation on "referral providers" to publish/provide to FOPs/submit to a central platform, price information for referral treatments/services, nor the extent of any such obligation, beyond that the RWP states (at paragraph 3.90) that the CMA anticipates "*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 RWP also does not specify whether the "referral providers" falling within this remedy would be limited to dedicated referral providers.
- 2.33 PAH would oppose any remedy which imposed an obligation on PAH's Practices (all of which are primarily FOPs and none of which are dedicated referral providers) to incur significant cost and administrative burden in publishing/providing pricing and availability information on its referral services. In addition, PAH would oppose any remedy which imposed an obligation on PAH's Practices to publish/provide pricing and availability information in relation to a third-party referral provider as it is [REDACTED] and cost is only one factor that both vets and pet owners consider when considering referral services.
- 2.34 In PAH's view, the CMA's remedies should be encouraging FOPs, including in particular independent FOPs, to continue to invest in know-how, skills, expertise and clinical equipment to stay competitive. One of the benefits of PAH's unique business model is that it incentivises and supports PAH's Practice Owners to do this. If FOPs which are not dedicated referral providers were subject to such a remedy, this might create a disincentive for FOPs to upskill and expand their offering and equipment.
- 2.35 Finally, the scope of this remedy is limited to information on the "*availability and prices of services and treatments*", however, the reality is that the veterinary surgeons in PAH's Practices, when deciding which referral providers to recommend to pet owners, often do not base this solely on cost but rather on the overall patient experience, including a referral provider's reputation for clinical and service quality and the FOP's

²¹ PAH response to the CMA's Issues Statement (30 July 2024), para. 9(b).

²² While these do offer more "advanced" treatments, they operate primarily as FOPs and do not employ "specialists".

referral experience in the past. If this remedy is limited to just price and availability, PAH is concerned that it may place a greater burden on referring veterinary surgeons in particular where the veterinary surgeon's recommendation is in part motivated by these non-price factors and could also place a greater strain on the relationship between veterinary surgeon and pet owner (e.g. as ultimately, the pet owner is likely to hold the FOP responsible if not happy with the referral service).

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

- 2.36 The RCVS 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. While JV Practices are ultimately free to determine how they provide estimates, the Vet Group provides guidance on providing estimates and how to create estimates in the practice management system.²³ PAH therefore believes that its Practices already provide pet owners with clear and accurate information about different treatment options and services in advance.
- 2.37 PAH has significant concerns with respect to the extent of the obligation which the CMA is considering imposing on veterinary surgeons in this respect, in particular as regards the uncertainty as to the number of potential treatment options which need to be referenced and the complexity of the information required to be provided (including entire treatment course pricing or estimates with assumptions detailed; comparison of the options; likely treatment timescales). This would place a lot of onus and liability on veterinary surgeons to detail various treatment options and there is a risk of human error or divergent views on what is required to be provided. This proposal is also divorced from the reality of the workflow in a veterinary clinic, especially the potential for this remedy to eat up a veterinary surgeon's time, leaving less time for consultations and hands-on treatment.
- 2.38 Further, in PAH's view, the proposal in its current form has the potential to be overly prescriptive, as it does not account for the practical reality that the point in time when it is appropriate for a veterinary surgeon to discuss treatment options beyond the most obvious one will depend on the specifics of the animal under care and the veterinary surgeon's clinical judgement. For instance, at the first appointment for an animal presenting with symptoms such as the treatment of ear disease or a lame dog, it may not be appropriate for the veterinary surgeon to discuss multiple treatment options – rather, the veterinary surgeon is more likely in such scenario to only discuss with the

²³ A number of Practice Owners provided PAH with examples of how they provide estimates – see PAH's response to Q14 of RFI1.

pet owner the most obvious option (e.g. for a lame dog, the veterinary surgeon would probably prescribe rest and anti-inflammatory treatment initially) and it is only if subsequently the animal's condition appears to be more complicated (e.g. because the animal has failed to respond to the initial treatment) that it would be appropriate for the veterinary surgeon to discuss other options. Therefore, the design of any such remedy should allow sufficient flexibility so that the veterinary surgeon can continue to exercise his/her clinical judgement as to the appropriate time to discuss options beyond the most obvious treatment, without risking breaching the obligation.

- 2.39 Further, if vets were required to provide such extensive information to pet owners, the price of veterinary services will likely increase to cover the cost of the additional administration required and potential increase in liability. PAH believes that vets should be able to exercise their professional discretion over the number of potential treatment options which are provided to pet owners as this requires clinical judgement to be applied in each individual case depending on how the pet is presenting, it is not a suitable matter for the sort of overly-prescriptive remedy the CMA is considering.
- 2.40 In any event, were the CMA to impose such a remedy, PAH agrees with the exceptional circumstances identified by the CMA.²⁴ Where immediate treatment is necessary to protect the health of the pet and the time taken to provide written information would adversely affect this, the requirement should fall away. Where all of the treatment options are one-off in nature and below a threshold price, while a vet is expected to support a pet owner by giving clear and accurate information about treatment options in accordance with the RCVS Code and Supporting Guidance, it may not always be appropriate or proportionate to impose a higher information requirement in these circumstances.
- 2.41 As regards the proposal that pet owners should be offered a period of 'thinking time' before deciding on the purchase of certain treatments or services, this will not be feasible in all cases (see paragraph 2.40 above) and PAH believes that veterinary surgeons should have a degree of discretion in determining when this is appropriate. It is customary for vets to allow pet owners the opportunity to have a period of 'thinking time' before deciding on the purchase of certain treatments or services.

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

- 2.42 As set out above, PAH's JV model means that JV Practices have local (Practice-level) clinical and operational autonomy including over pricing, services and referrals supporting optimal outcomes for pet owners and their pets. In addition, as PAH is not vertically integrated, the issue of self-preferencing is not an issue for PAH's Practices.

²⁴ [RWP](#), para. 3.96.

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- 2.43 It would be necessary to define the parameters of any remedy prohibiting business practices which limit or constrain the choices offered to pet owners to make it clear what business practices could inhibit vets' clinical freedom to provide or recommend a choice of treatments suited to the pet owner and the animal's unique circumstances.
- 2.44 For the reasons set out above, PAH is differentiated from the other five LVGs and should not be grouped with these LVGs. Should the CMA be minded to introduce 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, PAH should be excluded from enhanced compliance monitoring as its JV Practices operate independently.

3 POTENTIAL REMEDIES TO INCREASE PRICE COMPETITION IN THE MEDICINES MARKET (REMEDIES 7 - 11)

A Changes to how consumers are informed about and offered a prescription (Remedy 7)

- 3.1 PAH has concerns with the suggestion in the RWP 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. In PAH's view the status quo (that is, pet owners have the right to a prescription on request but the veterinary surgeon has no obligation to proactively offer one) with a price cap on prescription fees (Option A) or the status quo with a price cap on prescription fees and improved signage and communication (Option B) would both be less onerous effective measures to inform pet owners about their ability to request written prescriptions.
- 3.2 PAH believes its medicine pricing is fair, appropriate, and competitive (as it needs to be in what is a competitive FOP market). PAH faces strong competition from online pharmacies as customers can and do request written prescriptions to purchase medications online.²⁵ Even though there exists strong (and growing) price competition from online pharmacies, PAH understands that the CMA's pet owners survey evidence suggests not all customers are fully aware of online pharmacy options²⁶ (noting that all PAH FOPs do advertise this option, e.g., through signage within FOPs).²⁷ With this in mind, PAH supports improvements to access to alternative dispensing options (such as online pharmacies). In PAH's view, the CMA's suggestions for improved requirements around signage and digital communications²⁸ to try to increase awareness (Option B) would be effective in increasing pet owner awareness of their ability to request a prescription as they go considerably further than current requirements in the Supporting Guidance to the RCVS Code.²⁹ Given that the results of the CMA's pet owner's survey clearly indicates that over 50% of pet owners already know that they could obtain a prescription from their practice and get the medication elsewhere,³⁰ the additional suggestions for improved requirements around signage and digital communications should be sufficient to ensure that pet owners are aware of their ability to request a prescription for all types of medicines and that cost savings could be achieved through purchasing elsewhere.

²⁵ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.69.

²⁶ For instance, see Figure 5.1 on page 81 and paragraph 13(a) on page 10 of the CMA's Medicines WP.

²⁷ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.70.

²⁸ [RWP](#), paras 4.21 and 4.22.

²⁹ Supporting Guidance to the RCVS Code, para. 10.3.

³⁰ [RWP](#), para. 2.26(b).

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- 3.3 Option E (mandatory prescriptions) would also be wasteful (and so disproportionate) in cases where the pet owner has made clear that he/she intends to buy the medicine from the FOP, as to require the FOP to produce the prescription in such circumstances serves no purpose.
- 3.4 Should the CMA decide to mandate prescriptions for defined categories of medicines (Options D and E), PAH is opposed to the inclusion of medicines that require administration by a vet, including injectables (e.g., Librela (bedinvetmab)) and vaccines. This is because these medications could not properly be administered safely without a vet. Medications needed for inpatients would also need to be excluded as time may be of the essence and they may be given as part of the treatment journey. If prescriptions were mandatory for defined categories of medicines, PAH believe that there should be an option for vets to override this if time is of the essence for animal welfare purposes.
- 3.5 In PAH's view, there is a risk that if the veterinary industry became overly rigid in terms of mandating behaviours, for instance by mandating prescriptions, this could deter entry into the veterinary industry and potentially result in vets and veterinary nurses simply leaving the profession, which would put upwards pressure on salaries to attract and retain talent, the cost of which would ultimately be passed on to pet owners.

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

- 3.6 If Remedy 7 is implemented effectively and pet owners are aware of their ability to request a prescription for all types of medicines and that cost savings could be achieved through purchasing elsewhere, in PAH's view pet owners will be well able to use the internet to shop around if they wish to, and imposing a mandatory price comparison platform will not materially enhance their position in that regard but rather would carry very significant risks of being overly complex, burdensome, expensive for FOPs and of not being used by most pet owners. PAH believes that the existence of online pharmacies already mean that prices are transparent, and it is easy for pet owners to price compare.³¹
- 3.7 Making vet businesses responsible for independently providing price information to the operator of an e-prescription portal and price comparison tool would impose a heavy burden in terms of cost, time and energy, particularly on independent FOPs. PAH's unique JV model means that JV Practice Owners have local (Practice-level) clinical and operational autonomy including over pricing. Given that the pricing of medicines at JV Practices within the Vet Group varies for each Practice, each JV Practice would be responsible for independently providing price information. This would result in a not

³¹ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.75.

insignificant burden on JV Practices given that PAH sells over a thousand medications.

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

- 3.8 The CMA is proposing to mandate clinically appropriate (or therapeutically equivalent) generic prescribing to facilitate pet owner choice. This proposal raises a number of potential issues, in particular with respect to: (i) the need for the treatments to which a prescription relates to be specific and appropriate for the animal under care; (ii) possible complications flowing from differences in excipients in generics; and (iii) potential tension with the requirements of the cascade. All these issues would need to be carefully considered, absent which PAH is concerned at the potential for this remedy to result in worse outcomes for animal welfare and greater liability for prescribing vets, which could have the unintended consequence of raising insurance premiums for pet owners and vet businesses.

Animal welfare requires “prescriptive” prescribing

- 3.9 Even when products share active ingredients, vets must be specific in the prescription to ensure that the animal under care receives the most appropriate treatment. For example, both Osurnia (florfenicol, terbinafine, betamethasone acetate) and Neptra (florfenicol, terbinafine, mometasone furoate) are designed to treat acute canine outer ear infection and both treatments contain the antibiotic, florfenicol, and the antifungal, terbinafine, but different steroids. If the prescription were to specify only the two active antimicrobials and not the steroid, then the treatment would not be tailored to the animal under care specifically, which could result in adverse or unintended outcomes. Treatments need to be specific and appropriate to both the animal under care and the condition being treated.
- 3.10 Trilostane is a medication primarily used to treat Cushing's syndrome (hyperadrenocorticism) in dogs. Trilostane comes in two formulations available, a capsule and a divisible tablet. In circumstances where a dog requires a dose that does not conform with the manufactured strengths of the tablet, it may be appropriate to either prescribe multiple tablet strengths or to divide a tablet within the remits of the licence. Written prescriptions require the prescribing vet to add dispensing and dosing information onto the product label. In this scenario, the dosing information would ultimately define the product that needs to be prescribed otherwise there is a risk of incorrect dosing which could result in adverse or unintended outcomes. A dog requiring 45mg of Trilostane once daily for 30 days could be prescribed the below combinations:
- (a) 30x5mg Vetoryl + 30x10mg Vetoryl + 30x30mg Vetoryl with the label on each product would reading “administer one capsule once daily”; or
 - (b) 45x10mg Trilotab + 30x30mg Trilotab with 10mg Trilotab label reading

“administer one and a half a tablets once daily” and the 30mg Trilotab label reading “administer one tablet once daily”.

- 3.11 If the CMA were to mandate generic prescriptions that stated the active ingredient rather than the brand name, dosing instructions would still need to be provided. These instructions would need to define which product would be dispensed as Trilotab tablets are divisible in accordance with their licence, Vetoryl capsules are not. If the prescription were to read “administer 45mg Trilostane once daily” then there is a high risk of clients administering an incorrect dose, which could result in suboptimal clinical outcomes or an increased cost for the pet owner if the animal under care has an adverse reaction and requires further treatment.

Difference in excipients leading to adverse effects and palatability issues

- 3.12 Even when the active ingredient is the same, the excipients in generics can vary and may not be safe for certain species. For example, a human generic preparation of paracetamol might contain sweeteners like Xylitol which is toxic to dogs (e.g. Calpol). If a vet writes a prescription for paracetamol using only the generic active ingredient, a pharmacy might dispense a formulation with Xylitol, risking poisoning.
- 3.13 Veterinary-authorised medicines can be formulated in multiple ways to increase palatability which may not be appropriate for use in all cases. For example, Apoquel comes in two formulations, a film-coated tablet and a chewable tablet formulated with pork liver powder to increase palatability and acceptance by dogs. The active ingredients listed in the written prescription would be the same, but dogs with allergies to pork or pork liver powder may experience allergic skin reactions, such as itching, redness, and rash, if given Apoquel chewables instead of the film-coated tablet.

Conflict between mandatory generic prescribing and the cascade

- 3.14 In PAH’s view, the CMA’s proposal to mandate generic prescribing may inadvertently conflict with the VMD’s prescribing cascade, a framework that prioritises the use of authorised veterinary medicines before considering alternatives. Under the cascade, if a veterinary medicine authorised for a particular species and indication exists it must be prioritised. For example, Reconcile is a veterinary-authorised fluoxetine for dogs and must be prescribed over a human generic equivalent. If a vet writes a prescription using only the generic active ingredient (i.e., fluoxetine) a pharmacy may legally dispense a human generic form of fluoxetine rather than the veterinary-authorised product. This would be a breach of the cascade, as it bypasses the requirement to use the licensed veterinary product first. This illustrates how mandatory generic prescribing could unintentionally:
- (a) Undermine the cascade’s legal and clinical safeguards;
 - (b) Lead to inappropriate dispensing of human generics;

- (c) Create compliance risks for prescribers and dispensers;
 - (d) Compromise animal health and welfare, where veterinary-specific formulations (e.g. palatability, dosing) are clinically necessary.
- 3.15 PAH therefore believes that it is essential that any move towards generic prescribing in the veterinary sector aligns with the VMD's regulatory framework, and that exceptions or safeguards are clearly defined to maintain adherence to the cascade.

Potential unintended consequences

- 3.16 As illustrated by the examples outlined above, if vets were mandated to prescribe generic alternatives based on an 'active ingredient', this could compromise animal health and welfare, which could result in increased costs for pet owners in the form of further consultations and treatments. Given that the prescribing vet must accept overall responsibility for the animal under their care, as set out by the CMA at paragraph 4.83 of the RWP, "[t]his 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". As a result, vets may face increased scrutiny and liability due to increased incidents of adverse reactions, which will in turn increase the insurance premiums of vet businesses and costs for pet owners. In a similar vein, if more animals had adverse reactions and required additional treatment, this would increase insurance premiums for pet owners. In addition, this could have the unintended consequence of increasing pressure on prescribers which could result in vets leaving the profession. Mandating the prescription of generic alternatives based on an 'active ingredient' would necessitate prescribers reviewing multiple data sheets for every possible generic of a medication to ensure that it would be appropriate in the circumstances. This would significantly increase the time needed to prescribe medications and necessarily result in higher costs being passed on to pet owners. It will also have the effect of decreasing patient contact time in consultations decreasing animal welfare.
- 3.17 PAH is also concerned that this remedy could lead to a reduction in the extent of technical support available to pet owners. The experience of some of the PAH Practices's veterinary surgeons is that generic companies tend to provide only limited technical support and that originator pharmaceutical companies are reluctant to provide technical support to their generic counterparts in particular in complicated cases. This explains why some veterinary surgeons currently have a preference for prescribing first line products for some drugs (e.g. Vetoryl).
- 3.18 Finally, a possible unintended consequence of this remedy is that it may adversely impact on the incentives of pharmaceutical companies to invest in R&D for new animal pharmaceuticals.

D Prescription price controls (Remedy 10)

- 3.19 Providing a written prescription is a bespoke process which requires time, consideration and professional judgement. It therefore adds work relative to dispensing within the FOP.³² It is important for FOPs to charge a prescription fee to recover the clinical costs involved with prescribing. In PAH's view, a prohibition on charging for prescriptions (Option C) would risk price increases on other products or services offered by FOPs to offset the prohibition on charging for prescriptions as the prescribing process would no longer be a revenue generating activity.³³ In PAH's view, a standardised prescription fee is reasonable to allow for cost recovery without unduly affecting a pet owner's ability to request a prescription in the context of the clinical input surrounding a prescription.
- 3.20 A price freeze at current levels (Option A) would need to allow sufficient recovery of clinical costs involved with prescribing in order to ensure that costs are not recovered elsewhere. FOPs should be permitted to increase prescription fees in line with inflation so that they remain constant in real terms. As acknowledged by the CMA at paragraph 4.98 of the RWP, freezing prescription fees at the level which applied in the recent past, for example 1 July 2024, would have the unintended consequence of enabling FOPs currently charging relatively high prescription fees to continue to do so. This would have the effect of distorting competition at the local level as FOPs currently charging lower prescription fees would be more likely to recover a loss in revenues through the pricing of other services. In PAH's view, freezing prescription fees at the level which applied in the recent past rather than the current level would have disproportionate impacts on individual FOPs depending on the time at which the price freeze is fixed.
- 3.21 Setting a price cap based on cost recovery (Option B) would be difficult to monitor and to enforce and would impact FOPs differently, which may have the effect of distorting competition at a local level for other services as FOPs seek to recover a loss in revenues through the pricing of other services.
- 3.22 PAH believes that any price control on prescription fees should take into account the costs of writing a prescription and any follow-on activities. PAH provided a summary of the activities associated with prescribed veterinary medicines in its response to Question 2 of RFI17.

E Interim medicines price controls (Remedy 11)

- 3.23 PAH sees its Practices as providing an '*integrated service*', as medicines dispensed in a FOP cannot be disconnected from the overall clinical service delivery given that there

³² [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.58.

³³ [RWP](#), para. 4.120.

are important interlinkages between dispensing, prescribing and other clinical services.³⁴ Where appropriate, PAH Practices offer customers the option to take a prescription to an online dispensing service, but there remains real customer value in the convenience and immediacy of combined prescribing and dispensing. In the round, medicine prices need to be contextualised against the consumer benefits of purchasing medicines from a FOP, as well as all the direct and indirect costs incurred by a FOP to supply medicines. Once the real direct and indirect costs of prescribing, advising and maintaining a pharmacy are reflected, PAH believes that its net medicine margins are appropriate and its medicine prices are fair and competitive.³⁵

- 3.24 The CMA's proposed interim price control regulation of medicines would ignore the integrated nature and cost of managing medicines in FOPs³⁶. It is also likely to introduce distortions given that the costs of providing medications can vary, e.g., due to different requirements of associated clinical input, the extent of wastage, and differing storage conditions. A price control would also risk adding a significant additional financial burden, especially on independent FOPs.
- 3.25 Restricting FOPs from increasing the prices of their medicines by requiring each FOP to charge no more than the price it charged as at a given date, for example 1 July 2024, for an individual medicine or 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 as at a given date, would be grossly unfair and would have the effect of distorting competition as different FOPs would have charged different prices for medicines and would have differing cost bases. Moreover, in PAH's view, this approach would be contrary to the UK Government's Strategic Steer to the CMA³⁷ which recommends that where the CMA has discretion, it should use its tools proportionately, with growth and investment in mind. Vet businesses will have made investment decisions based on the expected revenues of current pricing models, so some may be disadvantaged if they need to recoup costs through other services.
- 3.26 While PAH does not have a strategy to cross-subsidise treatment prices via its medicine prices, PAH believes there is likely a '*waterbed effect*'.³⁸ This means that an intervention that would significantly lower medicine prices would very likely flow on to affect the prices of 'non-medicine services'. If the CMA artificially capped medicine prices, it would likely mean that the prices of other services would need to rise to allow the FOP to cover all its economic costs (such as the significant costs in running and maintaining a dispensary within each FOP) and be able to invest for the future. Further,

³⁴ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.5.

³⁵ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), see Section 2 – Medicines.

³⁶ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.13.

³⁷ Strategic steer to the Competition and Markets Authority, [15 May 2025](#).

³⁸ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 2.9.

to the extent FOPs do use profit margins on medicine sales to cross-subsidise other elements of their services, such FOPs could lose significant revenue which may even result in the closure of some FOPs.

- 3.27 Should the CMA proceed to impose a price control on medicines, the level of any price control should be sufficient to enable FOPs to recover their costs and allow for a reasonable return. Otherwise, as acknowledged by the CMA, this would risk undermining the longer-term effectiveness of the CMA's market opening measures and 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.³⁹
- 3.28 Applying an interim price control to all medicines would be unlikely to be practicable given the vast number of available medicines, but equally, in PAH's view, limiting the scope to the top 100 prescription medicine products will not necessarily be beneficial for all pet owners and may distort the market as FOPs may recover lost revenue from medicines not included within the price control.
- 3.29 PAH believes that exploring, designing and moving towards a system of price regulation for medicines would be costly. The administrative costs of complying with a price control on medicines could potentially be high given there is a variation of around 1,500 different veterinary practice owners to price regulate.⁴⁰ Not all FOPs will retain historic pricing information and practice management systems will vary. This huge variation and complexity would not be well suited to a third-party regulator monitoring and enforcing price regulation, particularly if FOPs cannot charge more than the price charged at a given date, as historic prices will vary for each FOP.

³⁹ [RWP](#), para. 4.124.

⁴⁰ The CMA's [Issues Statement](#) (paragraph 29) notes: "There are around 5,000 vet practices in the UK and around 1,500 owners of these, ranging from large groups to independent vets with a single practice".

4 INCREASING COMPETITION IN OUTSOURCED OOH CARE AND TACKLING HIGH MARK-UPS IN THE PRICE OF CREMATIONS (REMEDIES 12-14)

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

4.1 PAH recognises that delivering these OOH services cost-effectively requires locally exclusive provision to give reasonable certainty and scale across an inherently variable OOH caseload. As set out in paragraph 3.4 of the PAH response to the set of Working Papers published by the CMA on 6 February 2025, PAH believes that dedicated, contracted-out OOH provision has also resulted in better care from both the FOP (through better staff retention, mental health and wellbeing in the FOP) and the OOH provider (via more emergency and critical care (**ECC**) services specialisation and better facilities at the OOH site). [REDACTED].

4.2 [REDACTED]. [REDACTED].⁴¹ [REDACTED].

4.3 Based on the evidence in the CMA's working papers, PAH does not consider that further intervention is required (e.g. price controls of OOH) as there is an insufficient evidence base to understand what consequences would result in OOH provisions. Extreme caution is needed to prevent widespread withdrawals of OOH providers or OOH market collapse. Such an outcome would result in FOPs having to provide full 24/7 provision, which would apply new and additional pressure on the FOP teams, and which would harm pets, owners and vets.⁴²

B Transparency on the differences between fees for communal and individual cremations (Remedy 13)

4.4 The death of a pet is a difficult and emotional time for customers and a delicate balancing act for vets. PAH believes that transparency regarding the price of communal cremations and individual cremations is both important and beneficial to pet owners. However, any mandatory verbal discussions with pet owners regarding choices around cremation options risks causing additional distress to both the pet owner and veterinary professionals involved. It takes time, experience, and sensitivity to support distressed, grieving owners through this time. The problem would be exacerbated if the discussion was required to be mandatory as a grieving pet owner may not be able or indeed willing to have such a discussion and pet owners may become more emotionally distressed as a result.

4.5 Nonetheless, PAH would support pet owners of all FOPs being given an appropriate

⁴¹ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 3.14.

⁴² [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 3.15.

range of choices at the end of the life of their pets in written form, including via a published booklet and/or an online webpage to enable them to make informed decisions. This would allow pet owners the ability to peruse and consider the available options at a time of their choosing and away from the clinical environment. Such a measure would respect the increasing trend towards the humanisation of pets, enable pet owners to choose a preferred cremation option privately and not put any additional stress on the relationship between veterinary professionals and pet owners at a time of grief. The remedy should be designed in such a way to allow for price ranges to reflect that exact prices will depend on the size of pet as well as casket type etc. Given that customers are already exercising choice, including choosing lower cost options⁴³, PAH believes that giving pet owners an appropriate range of choices in written form, including via a published booklet and/or an online webpage, would be the least onerous effective measure to enable pet owners to make informed decisions.

C A price control on retail fees for cremations (Remedy 14)

4.6 PAH has serious reservations about the CMA introducing a price control remedy in relation to cremations, particularly given that the evidence base does not support the need for such a remedy. As explained in detail in our consolidated response to the set of Working Papers published by the CMA on 6 February 2025:

- (a) The Vet Group recommends to its Practices that they charge the customer the same (or lower⁴⁴) price than the customer would receive when taking the pet to the crematoria itself.
- (b) Appendix B of the CMA's Demand WP presents a "cremations mark-ups analysis". As the CMA recognises in its Demand WP, the CMA's "simple calculation" does not take into account that the LVGs incur other costs in organising a cremation on behalf of their clients,⁴⁵ and overstates the 'bottom line' margins earned when providing these services.⁴⁶ PAH Practices incur significant integrated costs throughout the cremation process, and any measure of the profitability of cremation services should take these costs into account.⁴⁷

4.7 In PAH's view, Practices price fairly and competitively to reflect significant integrated costs of offering cremations.⁴⁸ In PAH's response to RFI17, PAH's best estimates of

⁴³ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 4.5 and Figure 8: Breakdown of PAH's end-of-life customer choices in FY24.

⁴⁴ For example, in April 2024, the Vet Group's preferred cremation provider, [REDACTED], but PAH chose to recommend to the Practices not to increase the fees charged to end customers.

⁴⁵ [Demand WP](#), para 9.8.

⁴⁶ [Demand WP](#), para. 9.11.

⁴⁷ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 4.12.

⁴⁸ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), paras. 4.6-4.13. By 'integrated' cost, we are referring to, for example, the salaries of employees. But for the avoidance of doubt,

indirect financial costs suggest that PAH's cremation margins could possibly be negative, in particular for communal cremations.⁴⁹ As the local crematoria walk-in prices are not based on PAH's own indirect costs of supporting the provision of cremations, it is not surprising that charging customers in line with these walk-in prices could lead to negative margins for FOPs when all indirect costs associated with cremation provision are properly accounted for.

- 4.8 Any price control mechanism remedy in relation to cremations risks creating unintended consequences.
- 4.9 Firstly, such a remedy could lead to increased pricing for other FOP services, because a FOP has integrated costs and sets charges across its services to recover these costs. For instance, the price of euthanasia services might well increase in response.
- 4.10 Secondly, if crematoria and vertically integrated LVGs that own crematoria respond by charging higher wholesale prices to FOPs, this would expose PAH and other FOPs who do not have in-house crematoria. Therefore, if the CMA were to adopt this remedy, for it to be effective and to mitigate the risks of unintended consequences such as higher wholesale prices to FOPs, PAH believes that it would also be necessary to cap the wholesale price of individual cremations for all crematoria and all FOPs, alongside the mark-up of individual cremations for all FOPs. However, such a measure would remove much flexibility and would need to be set at levels that ensure both crematoria and FOPs can cover the costs of supplying cremation services and retain incentives to invest in service improvement (which would be challenging in practice given the lack of information on the upstream markets for the provision of cremation services, as noted in paragraph 4.11 below). If price caps are relatively low, then economic incentives may result in the price of all individual cremations near the allowed cap. Investment in service improvement may be undermined. If the price caps are set too low, then it can have the unintended consequence of crematoria exiting the market.
- 4.11 PAH is also concerned that the CMA's Demand WP provides no data, description, or analysis of the upstream markets for the provision of cremation services, including the identity and number of pet cremation providers in the UK (not just those crematoria vertically integrated with LVG5s but also independent crematoria), shares of the upstream cremation market at the national level, evidence of entry and exit, the degree of concentration in the provision of cremation at the local level, or the profitability of these cremation providers etc.⁵⁰ This information would assist in considering the dynamics of cremation provision and whether any AEC is present. This information would also assist in informing the appropriate level for an accompanying cap on the

the employee's time spent on cremations is clearly incremental to offering cremations services (rather than common to multiple services).

⁴⁹ PAH response to RFI17, para. 40.12.

⁵⁰ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para 4.16.

wholesale price of individual cremations were the CMA to adopt a price control remedy.

- 4.12 Although PAH's best estimates of indirect financial costs suggest that PAH's cremation margins could possibly be negative, in particular for communal cremations as set out above, to address any concerns that the CMA may have regarding high mark-ups in the price of individual cremations, PAH could consider lowering the costs of individual cremations and rebalancing such costs with those of communal cremations. However, PAH recognises that communal cremations offer a cheaper alternative to vulnerable less affluent pet owners. PAH believes that any such rebalancing would increase the costs of communal cremations and thus detrimentally impact pet owners that can least afford cremation, so PAH does not consider that this would be effective since, as set out above, customers are already exercising choice, including choosing lower cost options.

5 A REGULATORY FRAMEWORK WHICH PROTECTS CONSUMERS AND PROMOTES COMPETITION (REMEDIES 15-28)

A Regulatory requirements on vet businesses (Remedy 15)

- 5.1 PAH supports extending the RCVS' statutory remit from individual practitioners to FOP businesses and their owners.⁵¹ Extending the regulatory framework to bring vet businesses within its remit (in addition to the regulatory provisions that already exist for individual veterinary professionals) would be an effective and proportionate way of ensuring that there is a connection between those with responsibilities under the regulatory framework and the FOP owner.
- 5.2 In the case of PAH, given its unique JV model, under which JV Practice Owners have local (Practice-level) clinical and operational autonomy including over pricing, services and referrals etc. [REDACTED]. Accordingly, [REDACTED]. On the other hand, [REDACTED].

B Developing new quality measures (Remedy 16)

- 5.3 PAH believes that the PSS offers FOPs a framework of good practice standards which does have an important role in any reformed regulatory framework and PAH would support the PSS Core Standards accreditation, strengthened in certain respects, being made a mandatory requirement for all FOPs in the UK.⁵²
- 5.4 PAH agrees with the CMA's view that 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.⁵³ Accordingly, rather than the required outcomes differentiating between what is expected by way of internal compliance and organisational burdens between larger businesses with more remote management structures and smaller owner-operated businesses, PAH believes that the CMA and/or RCVS should first consider whether all of the Core requirements in the Core Standards scheme are strictly necessary for setting regulatory/clinical standards before considering any ways in which the scheme could be enhanced to develop quality signals given that practices must meet the Core requirements in all relevant modules to achieve Core Standards accreditation.
- 5.5 Once a set of compulsory, core competence requirements that all vet businesses must meet has been defined (based on the PSS Core Standards but excluding any unnecessary aspects, such as with respect to environmental sustainability), vet

⁵¹ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 6.18.

⁵² [ibid](#), para. 6.12.

⁵³ [RWP](#), para. 6.47

businesses should be able to voluntarily seek additional quality accreditations and awards for aspects of their services which exceed the core competence requirements. PAH agrees that 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.⁵⁴ The PSS should continue to offer higher levels of accreditation and PAH believes that many FOPs would have competitive incentives to obtain such higher accreditations and to promote that they have them, including by displaying their higher levels of accreditation online and in practice.⁵⁵

C A consumer and competition duty (Remedy 17)

- 5.6 The RWP notes that “*the promotion of competition and consumer interests is consistent with, and in many cases supportive of*” the existing regulatory framework objectives. As such, PAH tends to view such an additional duty as unnecessary, added to which, there are clear benefits to FOPs of certainty and predictability in the regulatory regime and adding an additional consumer and competition duty in order to empower the RCVS to adapt the regulatory framework going forward, would potentially introduce an element of uncertainty.

D Effective and proportionate compliance monitoring and enforcement (Remedies 18 and 19)

- 5.7 In principle, PAH is open to remedies which bolster the RCVS’ ability to monitor and enforce compliance with regulatory requirements and to impose sanctions in cases of clear and material proven infringements.⁵⁶ RCVS’ mandate in this regard should ensure its monitoring/enforcement is transparent, accountable, proportionate, consistent, targeted only at cases in which action is needed and not impose an undue compliance cost on FOPs.⁵⁷ In order to be proportionate, monitoring systems should be designed so that there should be a presumption in favour of constructive engagement with FOPs, with intrusive enforcement action (e.g. unannounced inspections) reserved for the most serious cases and where there is a genuine concern that constructive engagement will not be productive. Further, it will be very important that any such new enforcement powers are introduced sensitively and with full and ongoing consultation of FOPs as to how they are used, given that FOPs will inevitably be alarmed at some of the new enforcement powers being proposed.

- 5.8 In a similar vein, PAH has a concern that the range of additional sanctions which the

⁵⁴ [RWP](#), para. 6.46.

⁵⁵ [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.23.

⁵⁶ [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.25.

⁵⁷ [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.26.

CMA is considering⁵⁸ has the potential to significantly add to the costs of running a FOP business, which would likely deter new entry, particularly by independent FOPs and so could actually [REDACTED]. As such, it is important that any remedy (including recommendations to Government on recommended regulatory reforms) to give the RCVS “a full regulatory toolkit”⁵⁹ contain safeguards to ensure that, in the interests of promoting growth and investment, there is a bias in favour of light touch regulation wherever possible.

- 5.9 PAH recognises that an enhanced RCVS with an expanded role will need an appropriate budget and resources. That said, it will be important that the budgetary implications for the RCVS and industry stakeholders (including FOP businesses and businesses in related markets) are fully thought-through and consulted on.⁶⁰ In a similar vein, the additional compliance costs which FOPs may incur (e.g. to comply with any requirements 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) need to be kept to a minimum.

E Requirements on vet businesses for effective in-house complaints handling (Remedy 20)

- 5.10 PAH would support a requirement (for instance, as part of a mandatory PSS Core Accreditation) that FOPs have an effective in-house complaints handling process and PAH already has such processes in place. If an improved Core Standards accreditation was made mandatory for all veterinary practices in the UK, this could be used to ensure that a formal, agreed and consistent complaints process which sets out the expectations on veterinary businesses (for example, on outcomes and timescales) is in place, and ensure that all veterinary businesses operate complaints procedures to that standard.⁶¹

F Requirements on vet businesses for effective in-house complaints handling (Remedy 21)

- 5.11 PAH considers that the veterinary sector’s third-party redress system, the VCMS, in many cases offers consumers an effective means to pursue complaints they are unable to resolve with their veterinary practice⁶², as demonstrated by the fact (acknowledged by the CMA) that almost all complaints to the scheme in 2022 to 2023

⁵⁸ [Regulatory Framework WP](#), para 2.67 notes that the RCVS does not have the power to order vets to “carry out additional treatments; apologise to consumers; refund or cancel fees; give clinical advice about treatments; pay compensation; or resolve issues relating solely to negligence”.

⁵⁹ [Regulatory Framework WP](#), para 2.52.

⁶⁰ [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.30.

⁶¹ [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.34.

⁶² [PAH’s consolidated response to the CMA’s Working Papers published on 6 February 2025](#), para. 6.35.

reached a conclusion.⁶³ Therefore, if an effective inhouse complaints procedure were to become a regulatory requirement, in PAH's view it is preferable to retain the VCMS in its current form rather than institute a mandatory independent or third-party redress scheme, thereby avoiding an additional layer of cost and complexity to the reformed regulatory framework.⁶⁴

- 5.12 PAH supports effective and proportionate redress appropriate to the individual circumstances of the case. Mandatory participation in the VCMS would not be appropriate in all cases. Not every complaint is necessarily suitable for mediation under the VCMS. [REDACTED]. The problem is exacerbated by the wide remit of scheme.⁶⁵ In addition, mandatory participation in mediation in these circumstances could lead to increased costs of regulation, which may ultimately be passed on to pet owners, and would likely increase stress levels for the veterinary professionals concerned, which would ultimately adversely impact on recruitment/retention levels.
- 5.13 Accordingly, if a general principle of mandatory VCMS participation for unresolved complaints were implemented, it would be necessary to develop criteria allowing vet businesses and practice owners to opt-out of VCMS mediation in specific cases where resolution is not possible or highly unlikely (inc. where the complaint is obviously meritless) in order to mitigate some of the adverse or undesirable consequences. In addition, should participation be made mandatory, limiting the scope of the VCMS would have the effect of mitigating some of the adverse or undesirable consequences. Notwithstanding this, PAH does not believe that participation in the VCMS should be made mandatory for the reasons set out above.

G Requirement for vet businesses to raise awareness of the VCMS (Remedy 22)

- 5.14 PAH agrees with the CMA that 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.⁶⁶ As regards the form that any requirements to publicise and promote the VCMS should take, PAH agrees with the CMA that vet businesses could be required to communicate clearly on their websites, in correspondence with consumers and in practices, the availability of the VCMS and other key information such as: when and about what pet owners may contact the VCMS; that the scheme is free to use; that the service provided is mediation (and what that means).⁶⁷ PAH also agrees with the CMA that information about when and how disputes may be escalated to the VCMS should be

⁶³ [Regulatory Framework WP](#), paras 5.27 and 5.30; VCMS Insight Report 2022-23 (available [here](#)), page 19.

⁶⁴ [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 6.35.

⁶⁵ [Regulatory Framework WP](#), para 5.23.

⁶⁶ [RWP](#), para. 6.95.

⁶⁷ [RWP](#), para. 6.97(a).

included in vet businesses' in-house complaint handling processes.⁶⁸

H Supplementing mediation with a form of binding adjudication (Remedi 24) and the establishment of a veterinary ombudsman (Remedy 25)

- 5.15 Supplementing mediation with a form of binding adjudication would have a disproportionate impact on vet businesses as it would add an additional layer of cost and complexity that would impose a heavy burden in terms of cost, time and energy, which would likely result in additional costs being passed on to pet owners in respect of additional administrative costs incurred and costs as a result of higher insurance premiums for vet businesses. The replacement of the existing redress scheme with a veterinary ombudsman would similarly impose a heavy burden and have a disproportionate impact on vet businesses. In addition, given that the veterinary sector has been and continues to be under severe pressure, in particular on account of rising costs and acute staff shortages, leading to increasing pressure on staff, increasing staff stress and, in consequence, high levels of vets and veterinary nurses simply leaving the profession⁶⁹, supplementing mediation with a form of binding adjudication or establishing a veterinary ombudsman could have the unintended consequence of disincentivising entry into the veterinary profession. These measures may also result in defensive medicine which could lead to unnecessary or over-treatment, which may not be in the best interest of the animal and also increase costs for pet owners. In any event, if the CMA were to impose requirements for effective in-house complaints handling on vet businesses, given the VCMS and the RCVS complaints and disciplinary procedures, PAH believes that supplementing mediation with a form of binding adjudication or establishing a veterinary ombudsman would impose a disproportionate impact on vet businesses, particularly independent FOPs.

I Effective use of veterinary nurses (Remedies 26-28)

- 5.16 PAH agrees with the CMA's current view that a recommendation to Government, to protect the vet nurses title in legislation would be appropriate for the reasons set out in paragraph 6.111 of the RWP.⁷⁰
- 5.17 PAH agrees with the CMA's current view appropriate that it would be appropriate to recommend that government seeks to legislate to expand the role of RVNs. In its response to the CMA's Issues Statement, PAH proposed that the delegation procedures in Schedule 3 of the VSA be extended to enable registered veterinary nurses or student veterinary nurses (with appropriate supervision) to carry out more clinical duties, which should help in increasing retention levels within the profession of

⁶⁸ [RWP](#), para. 6.97(b).

⁶⁹ PAH response to the CMA's Issues Statement ([30 July 2024](#)), para 5.

⁷⁰ [RWP](#), para. 6.110; [PAH's consolidated response to the CMA's Working Papers published on 6 February 2025](#), para. 6.39.

both veterinary nurses (as this will likely increase veterinary nurse job satisfaction and career progression) and veterinary surgeons (as this will lessen the burden on veterinary surgeons).⁷¹ PAH would support the RCVS Council's recommendation to increase the role of veterinary nurses in the induction and maintenance of anaesthesia via reform of Schedule 3 of the VSA, on condition that such veterinary nurses are required to undertake additional training in anaesthesia.⁷² PAH believes that such reform would expand the application of advanced specialisms for veterinary nurses, which are currently available but limited in application due to Schedule 3 restrictions. PAH is also in favour of nurse practitioner roles working in a similar way as those existing in human nursing (one possible example being 'nurse prescribers', working in a similar way to supplementary or independent nurse prescribers in the NHS).⁷³

- 5.18 As regards what could be done now, under existing legislation, to clarify the scope of Schedule 3 to the VSA, PAH believes that Schedule 3 of the VSA should be clarified in respect of areas reserved for veterinary surgeons. For instance, veterinary nurses cannot perform surgery entering into "*a body cavity*";⁷⁴ however, the definition of "*a body cavity*" is left to interpretation which leads to concern from practitioners. PAH believes that the framework should be expanded with more areas of prescriptive advice to clearly guide practitioners.

⁷¹ PAH response to the CMA's Issues Statement ([30 July 2024](#)), pages 6-7.

⁷² [Regulatory Framework WP](#), para 3.30(a).

⁷³ [Regulatory Framework WP](#), para 3.30(b).

⁷⁴ VSA, Schedule 3, para. 1.

Annex 1 – Specific comments on the CMA’s proposed standardised price list

Category	Service, product, treatment or procedure	Comments
1. Consultation and preventative care	First, repeat and OOH vet consultation (including duration)	This information could be published.
	Nurse consultation (including duration)	This information could be published.
	Nursing care (including duration)	Nursing care is generally associated with another service (e.g., part of a surgical procedure or care of hospitalised patients), so is not often charged distinctly.
	Nail clipping	The fee for nail clipping will depend on whether this is being carried out by a vet or nurse as the costs for each would be different at some FOPs.
	Anal gland expression	The fee for anal gland expression will depend on whether this is being carried out by a vet or nurse as the costs for each would be different at some FOPs.
	Microchipping	This information could be published.
	Animal health certificate	Only veterinary surgeons who are Official Veterinarians (OVs) can issue these so not all FOPs will offer this service. As this is not a service common to all FOPs, PAH does not believe including this in a standardised price list is necessary.
	Vaccinations primary course and consultation	This information could be published.
	Vaccinations booster and consultation	This information could be published.
2. Prescription, dispensing and administration	Prescription fees	This information could be published.
	Dispensing fees	This information could be published (and would need to clearly distinguish between dispensing fees for acute-v-chronic mediations) but requiring this to be specifically itemised could result in the

		cost not being covered by insurance.
	Administration/injection fees	This information could be published.
3. Medications and chronic conditions	Flea treatment	PAH believes that flea, tick and worming treatments are hugely variable across species and weight category of animal, and notes that the treatment protocol often depends on a pet's specific clinical situation. It might be misleading to provide price in this way given that a vet may recommend alternative treatments depending on the pet's specific clinical situation. The prohibition on the direct promotion of POM-V and POM-VPS to the public makes it difficult to provide pricing for flea, tick and worming treatments, as providing pricing based on specific prescribed veterinary medicines could be contrary to the prohibition. Also, there are significant challenges in how this information would be displayed. Many products such as spot-ons and tablets cover multiple parasites and cannot meaningfully be separated. Additionally, some products include added benefits such as protection against lungworm.
	Tick treatment	
	Worming treatment	
	Chronic diabetes treatment (insulin) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)	It is effectively impossible to represent the true cost of managing diabetes due to the complexity and unpredictability of the condition. Further, the prohibition on the direct promotion of POM-V and POM-VPS to the public makes it difficult to provide pricing for chronic diabetes treatments, as providing pricing based on specific prescribed veterinary medicines could be contrary to the prohibition.
	Chronic dermatitis treatment (corticosteroids, cyclosporine) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)	No two cases are the same for chronic dermatitis treatment as different animals will respond differently and have different complications. A vet will recommend alternative treatments depending on the pet's specific clinical situation. Given the complexity and range of treatment pathways, PAH believes that it would not be proportionate for FOPs to provide prices for the treatment of

		chronic dermatitis. The prohibition on the direct promotion of POM-V and POM-VPS to the public makes it difficult to provide pricing for chronic dermatitis treatments, as providing pricing based on specific prescribed veterinary medicines could be contrary to the prohibition.
	Chronic arthritis treatment (NSAIDs) (consultation + initial course of medicines + dispensing fee, repeat course of medicines + dispensing fee)	A vet will recommend alternative treatments depending on the pet's specific clinical situation. The information that the CMA is proposing be published in a standardised price list does not include any diagnostic work or monitoring and blood work in the suggested treatment components. Different medications require varying levels of follow-up and blood monitoring and in some cases, lower cost medications require more frequent testing due to a higher risk of complications, which would not be reflected in the proposed scope of the price, with the real risk of undermining patient care if these additional factors are not properly considered. Given the complexity and range of treatment pathways, PAH believe that it would not be proportionate for FOPs to provide prices for the treatment of chronic arthritis. The prohibition on the direct promotion of POM-V and POM-VPS to the public makes it difficult to provide pricing for chronic arthritis treatments, as providing pricing based on specific prescribed veterinary medicines could be contrary to the prohibition.
	Chronic pain relief treatment	The scope of what is covered by chronic pain relief treatment is unclear. PAH believes that the price would vary on a case-by-case basis. PAH notes that chronic pain relief treatment is often multi-modal with medicines being added/removed based on the response of the sick pet.
4. Surgeries and	Routine dentistry (initial examination of	This information could be published.

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treatments	mouth, scale and polish, anaesthetic)	
	Routine surgeries (lump removal, laceration repair, anaesthetic)	PAH believes that the price would vary based on severity of condition or complications.
	Castration	This information could be published.
	Spay	This information could be published.
	Physiotherapy session	Not all FOPs offer physiotherapy as a distinct service. As this is not a service common to all FOPs, PAH does not believe including this in a standardised price list is necessary.
	Laser therapy	Not all FOPs offer laser therapy as a distinct service. As this is not a service common to all FOPs, PAH does not believe including this in a standardised price list is necessary.
5. Diagnostics & laboratory tests (excluding interpretation)	X-ray	This information could be published. Note – the majority of radiographs are taken under chemical restraint, so this item should be designated as “(including sedation)” (similar to CT and MRI Scans)
	Ultrasound	This information could be published.
	Cytology test	This information could be published.
	Basic urine screen	This information could be published.
	CT scan (including sedation)	Not all FOPs offer a CT scan as a distinct service. As this is not a service common to all FOPs, PAH does not believe including this in a standardised price list is necessary.
	MRI scan (including sedation)	Not all FOPs offer an MRI scan as a distinct service. As this is not a service common to all FOPs, PAH does not believe including this in a standardised price list is necessary.
6. End-of-life	Euthanasia	This information could be published.

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care	Cremation: communal	This information could be published.
	Cremation: individual	This information could be published.
7. Specialist treatments & procedures	Heart murmur	PAH would not regard cherry eye surgery or video otoscopy as particularly “ <i>specialist</i> ” as these procedures are often performed in general practice.
	PDA occlusion	
	Pacemaker placement	
	Root canal therapy	These conditions (generally) as more advanced will be likely less relevant for the majority of pet owners and part of a potentially complex care pathway which would need to be explained to the pet owner and be very specific depending on the presentation of the pet and potential complicating factors.
	Vital pulp therapy	
	Intradermal skin testing	
	Video otoscopy	Given the potential complexity and the fact that more advanced treatments will likely be less relevant for the majority of pet owners, in PAH’s view, it would not be proportionate for FOPs to provide prices for these specialist treatments and procedures.
	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	

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	Total ear canal ablation	
	Laryngeal paralysis	
	BOAS surgery	

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