

## Response to CMA Provisional Decision Report in the Veterinary Services for Household Pets Market Investigation, published on 15 October 2025

### About this document

1. This document forms the response from the Royal College of Veterinary Surgeons (RCVS) to the Competition and Markets Authority (CMA) Veterinary Services for Household Pets Market Investigation Provisional Decision Report (PDR), as published on 15 October 2025.
2. The document has been prepared by the RCVS Council's Competition and Markets Authority Working Group.

### Format

3. The document is structured in three parts:
  - a. Part one: Summary statement
  - b. Part two: Tables with specific comments against the numbered proposed remedies and recommendations
  - c. Part three: Detailed response to remedy 17

### Further information

4. For further information, please contact the RCVS CEO, Lizzie Lockett, on [l.lockett@rcvs.org.uk](mailto:l.lockett@rcvs.org.uk).

## Part one: Summary statement

5. The Royal College of Veterinary Surgeons regulates veterinary surgeons and veterinary nurses. Our primary purpose is to act in the interests of animal health and welfare, and public health, in the public interest. In common with all professional regulators, we work to ensure that the public has confidence in the professions that we regulate.
6. In our view a positive and trusting relationship between a veterinary professional and animal owner is necessary for good animal health and welfare. Animal owners must be able to trust that the vet or veterinary nurse who is looking after their animal is competent, appropriately skilled and has the best interests of the animal at heart.
7. The wider public must also be confident that veterinary professionals are competent and trusted to do the right thing – the role of a veterinary professional is far wider than treating small animals. Vets are trusted to work with animals and animal products in the production of our food, they are on the front line when it comes to detecting and treating zoonotic diseases, and in the ongoing work to address antimicrobial resistance and the environmental impact of parasiticides. We rely on them to deal with emergencies when a crisis occurs, such as foot and mouth disease or avian flu. Bearing in mind the importance of trust in the profession to animal health and welfare and public health, it is very good to see that the CMA's extensive research during this market investigation has found that trust and confidence in vets and vet nurses is at a very high level, ensuring that the interests of animal health and welfare and the public interest are maintained.
8. The CMA has, however, found that there is a great deal of concern regarding the pricing of some veterinary services and the RCVS shares that concern. We are very pleased to see that the CMA has proposed to recommend that the government introduce mandatory regulation of veterinary businesses and the practices they run. It is something that the RCVS first asked the government to implement at least 20 years ago, and we have been asking successive governments to implement it ever since. The RCVS urges the government to follow the recommendation of the CMA to introduce legislation that will enable the effective and enforceable regulation of veterinary practices, amongst other new provisions. Mandatory practice regulation, in our view, is the only effective way of tackling the concerns around pricing and competition highlighted during the market investigation in the long term. If the government does not follow this recommendation, then there is a risk that the market will be in a similar situation later as was the case following the Competition Commission's investigation in 2005.
9. We broadly support the recommendations for regulatory reform. The RCVS has asked for this for many years. However, we question the rationale for the reform of the governance structure of the RCVS that is proposed, which go beyond the recommendations for modernisation that we have already proposed to the Department for Environment, Food and Rural Affairs. We have covered this in further detail elsewhere in this document. We also note that there is no mention of veterinary nurses in the document. We are aware that this omission has disappointed many veterinary nurses who are keen for recognition of the title and development of the role of veterinary nurses which is currently limited by legislation. We would ask the CMA to seriously consider making appropriate recommendations to

government about changes to the legislation in relation to the role of veterinary nurses to strengthen the veterinary team.

10. The RCVS has identified further need for reform of the legislative framework in previous years to address some of the shortcomings identified by the CMA. Our statutory remit is as a professional regulator, rather than a competition or economic regulator and so our powers and framework are limited with respect to issues that arise in those areas. We were also not established as a business or practice regulator, and so our powers are limited with respect to practices and businesses. We run a voluntary accreditation scheme for practices using our powers under our Royal Charter. We agree with the CMA that this does not operate how a mandatory regulatory framework would operate. The RCVS does not have the necessary legislative framework to operate the scheme in that way or to mandate that practices join the scheme. We do inspect some practices on behalf of the Veterinary Medicines Directorate (VMD), the body responsible for the regulation of veterinary medicines, but we do not have the power to enforce any breaches of veterinary medicines legislation – such power sits with the VMD.
11. The RCVS broadly welcomes the CMA's proposed remedies to address pricing and transparency issues. We have made more detailed comments regarding each remedy below. We are of the view that, in general, the individual veterinary surgeons and nurses that we regulate will be supported to comply with the RCVS Codes of Professional Conduct by the requirements on businesses. Should the CMA make an Order in the terms proposed, it will be able to enforce the requirements on businesses, which will support the professionals that we regulate in the workplace. However, we note with disappointment that there is no recommendation with respect to a senior appointed vet which is something that the RCVS has recommended several times in previous consultations and at our hearing with the CMA in March this year. The RCVS see this as an important role for clinical leadership to ensure high standards in practices and businesses.
12. The RCVS sets the Codes of Professional Conduct for individual veterinary surgeons and nurses and provides extensive supporting guidance to professionals to assist them to meet the requirements of the Codes. We note that the CMA has made recommendations to us to add some more detail to two existing provisions in the RCVS Codes so that the provisions in the Codes mirror the more detailed requirements in the proposed CMA Order. We will consider the recommendation as soon as possible in the event that the proposals are finalised.
13. As the CMA has noted, it is important that the remedies are proportionate. There are a range of practices and businesses working in the veterinary sector and not all practices have the administrative or financial resources to implement remedies quickly. We are of the view that broadly, the difference in the time for implementation may mitigate the different recourse to resources between some practices in setting up. However, the CMA should take into account ongoing costs of compliance as well as setting up. Business owners and practices will be able to respond to the CMA more fully on that point and we would urge the CMA to take those responses into account to ensure that independent practices are not disproportionately impacted by these proposals.

14. The RCVS has provided extensive support to the CMA throughout this market investigation, and we are prepared to continue to support the remedies should they become part of an order. The CMA has indicated that the costs of implementing and monitoring the remedies will be borne by practices and businesses and the final costs will depend on the level of monitoring required to be undertaken by the RCVS by the CMA. We look forward to the CMA providing more certainty regarding the level of monitoring required in due course.
  
15. We also note that any order will only be applicable to small animal businesses. As mentioned above, practices can be mixed and have large and production animal business as well as small animal work. The complexity of some businesses, particularly when considering costs of implementation and monitoring, should be borne in mind by the CMA. As highlighted in previous responses to the CMA, the RCVS is supportive of this investigation and appreciates the opportunities for improved consumer protection that it could bring. However, we are mindful of the risk of unintended negative impacts on animal health and welfare, including in areas not covered by the investigation (for example, the care of production, equine and exotic animals, and the charity sector). We are also mindful of unintended impacts on human health. The veterinary sector is intrinsically linked to One Health, which necessitates collaboration across disciplines (human, animal and environmental) to solve health issues that impact people, animals, plants and the environment, particularly in areas like disease prevention, food safety, biodiversity and climate change and care should be taken not to adversely impact that important role.

Part two: Proposed remedies table with specific RCVS comments

Area	Remedy	RCVS response
Measures to increase consumer engagement and choice of most suitable FOP	1. Requirement to clearly display common ownership on websites, in premises and in communications	<p><i>The RCVS supports this proposed remedy to provide clarity of ownership for animal keepers and owners. We note that all veterinary businesses with more than one practice will be required to implement this remedy within three months of the Order.</i></p> <p><i>Our data indicates that smaller firms in the Practice Standards Scheme (PSS) already generally have common branding on their practices, so as far as practices in the PSS are concerned, the impact should not disproportionately affect smaller firms. We would ask the CMA to bear in mind any disproportionate impact that the time-frame may have on smaller firms that are not currently in the PSS.</i></p>
	2a. Requirement to publish basic service information including out-of-hours (OOH) provision, staff qualifications and accreditations on websites and in premises	<p><i>We support this proposed remedy in order to ensure that pet owners have all necessary information in the interests of the health and welfare of their pets.</i></p> <p><i>We would suggest that the qualifications are limited to easily recognisable qualifications that are recognised indicators of expertise and verifiable by the public, such as veterinary surgeon (MRCVS) and registered veterinary nurse (RVN) and the RCVS Specialist or Advanced Practitioner qualifications.</i></p> <p><i>The current Codes of Professional Conduct require veterinary surgeons and veterinary nurses to provide their clients with full details of their 24-hour emergency cover provision, including the details mentioned in the PDR, and to ensure that this information is publicly available. The Codes of Professional Conduct apply to all vets and vet nurses and this provision applies to the entire practice of the professional, which may include equine or farm animals. We are supportive of this obligation being placed on practices as proposed by the CMA, which will support those professionals that we regulate to meet their commitments under the Codes. We would ask the CMA to consider mirroring the more detailed requirements set out in in the Codes in respect of Out of Hours provision to provide full support to professionals to meet their obligations.</i></p>

Area	Remedy	RCVS response
		<p><i>The RCVS accredits practices as part of the PSS. As the CMA has noted, the PSS is not a regulatory scheme, as there is no legal power for the RCVS to regulate practices, but a voluntary scheme established by the RCVS to monitor the compliance with standards at those practices who voluntarily participate in the scheme and accredit those who comply.</i></p> <p><i>Practices in the PSS can obtain awards at good and outstanding levels in certain practice areas.</i></p> <p><i>There is no current obligation in the PSS standards for practices to display their accreditation or awards or make them known to the public. There is, however, considerable work involved for a practice to obtain an award and accreditation, and so practices are likely to display them and their accreditation. The RCVS offers official plaques for practices to display.</i></p>
	<p>2b. Requirement to publish a list of prices for standard services on websites and in premises</p>	<p><i>As mentioned above, the RCVS is supportive of measures that increase transparency for animal owners to make an informed decision about treatment, including this provision.</i></p> <p><i>The CMA is best placed to assess whether this remedy will address the adverse effect on competition that they have found in the sector and what is required of a price list in order to achieve the desired effect. In relation to the suggestion in paragraph 3.72, the RCVS agrees that guidance around the price list would be helpful, particularly to independent practices, to ensure that this remedy meets the requirements of the CMA to address its concerns. Our view is that the CMA would be best placed to provide this guidance, with the RCVS providing support.</i></p> <p><i>Under the RCVS Codes of Professional Conduct, veterinary surgeons and nurses are obliged to comply with consumer protection legislation around pricing, which will continue to be an obligation on individual professionals, although the CMA has noted the legal limitations on the RCVS in enforcing these provisions.</i></p>

Area	Remedy	RCVS response
	<p>2c. Requirement to publish prices for parasiticide (ie flea, tick and worming) medicine products on websites and in premises, along with a link to a list of approved online pharmacies</p>	<p><i>The RCVS is supportive of measures that increase transparency for pet owners to assist them to make an informed decision about the appropriate care for their pet. We agree that this provision is very likely to increase transparency and understanding around the costs of regular treatment of small animals with a particular practice, which is welcome.</i></p> <p><i>As the medicines regulator in this sector, the Veterinary Medicines Directorate (VMD) maintains a list of VMD-approved online pharmacies (which is called the “Register of Online Suppliers”). Neither the maintenance of the list nor the approval of pharmacies is the role of the RCVS. This is the list that the CMA proposes can be linked from websites of FOPs. The VMD, not RCVS, has the responsibility to ensure that the list is accurate and up to date and that the public has continued access to it.</i></p> <p><i>This requirement may be limited in ensuring that animal owners have the ability to compare treatments. As noted in paragraph 3.79, POM-V treatments may vary depending on the clinical context and preferred products of the vet or FOP.</i></p> <p><i>The level of information required to be displayed is set out in paragraph 3.87. Displaying a parasiticide by brand name only may not assist the animal owner to compare prices between FOPs if different FOPs and pharmacies stock different brands and so the RCVS agrees that there is a need for other information to be provided. There is, however, a real risk that animal owners may compare products based on the list of active ingredients, which is not the only consideration when deciding what is most suitable for an animal. There is, therefore, a risk that this remedy may work against vets who are prescribing parasiticides responsibly. If this remedy is implemented, vets will need to be prepared to discuss these issues with their clients so that the clients can make informed and responsible decisions.</i></p>
	<p>2d. Requirement to publish information about what services are</p>	<p><i>We support the additional clarity that this remedy will give to pet owners when they consider the services that they require and how best to buy them. We have made</i></p>

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	<p>included in pet care plans, how frequently they are typically used, and price if paid separately – on websites and in premises</p>	<p><i>further comments about the proposed role of the RCVS Find-A-Vet platform in relation to the proposed remedy 3. A more proportionate requirement than that set out in proposed remedy 3 may be to require practices to make this information and a calculator available on their websites.</i></p>
	<p>3. Requirement to provide the information set out in remedies 2a-d above plus ownership and basic practice information directly to the RCVS; an undertaking from the RCVS to collect the information set out above, make it publicly available on its Find a Vet platform, enhance the platform's functionality and share data with approved third parties</p>	<p><i>The RCVS supports the proposal that veterinary business operating FOPs and referral centres must directly provide the information specified in the PDR to the RCVS. We agree in principle with the proposal that we make the relevant information received publicly available on Find-A-Vet.</i></p> <p><i>Broadly we are prepared to develop the functionality of our Find-A-Vet platform. We have provided some indicative costs to the CMA, however, some of the proposals set out in this paper have not been previously disclosed and discussed and therefore have not been considered, costed or time estimates provided. Costs and timescales will therefore need to be revisited and it is likely that they will increase.</i></p> <p><i>We have concerns around some of the CMA's proposed requirements for the functionality of Find-A-Vet. We are particularly concerned about the proposed requirement for the RCVS to build and maintain a pet care plan value calculator as outlined. From the description provided, this is an extremely complex, costly and time-consuming tool to develop and keep up to date on Find-A-Vet and there may be alternative and less costly ways of achieving the CMA's desired outcome, including a requirement on FOPs to include a calculator on their websites. This is a solution that is likely to require third party specialist resource to build, test and maintain and will incur significant cost and time. The CMA is asked to consider the proportionality of this proposal in particular, the costs of which will fall on all practices.</i></p> <p><i>Further details are required on the other proposed requirements around the functionality of Find-A-Vet, including the level of comparison between FOPs to ascertain the level of development (and therefore the</i></p>

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		<p><i>cost and time) required. We note that there is a requirement for the ability to filter by “animal characteristics”. This has the potential to be very complex and costly, some clarity would be welcome about what is proposed.</i></p> <p><i>The RCVS also needs further details of what the CMA envisages in respect of making data available to third parties, in order to calculate the costs involved. This also applies to the costs of the support set out in paragraph 3.120 and will depend on the level of monitoring and support required.</i></p> <p><i>The CMA notes that some functionality can be developed by the RCVS over time – for example, links to a practice management system. This approach is likely to incur considerable extra costs including for the development of the necessary API and communication and any guidance tools that will be necessary to develop.</i></p> <p><i>We will consider the recommendation in paragraph 3.135, taking into account the costs and the RCVS strategic plan.</i></p>
	<p>4. Undertaking from the RCVS to commission and publish the results of a pet owner survey which compares each Large Veterinary Group (LVG) and independents (as a group), once every two years; and LVG FOPs to publish results on websites and in premises</p>	<p><i>The RCVS supports this remedy and agrees with the CMA’s view that the RCVS is the best placed organisation to commission the survey.</i></p> <p><i>Further discussions between the RCVS and the CMA would be required on the design of the survey, including around the time indicated for the planning stage, and with respect to value for money which appears to be low for the number of respondents envisaged.</i></p>
<p>Measures to help consumers choose the most suitable</p>	<p>5a. Requirement to provide pet owners with a written estimate of the total cost of any treatment which is likely</p>	<p><i>The RCVS supports any remedy for increased transparency and clarity on charges for animal owners and keepers, including when unexpected things happen.</i></p>

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<p>treatments, referrals and diagnostics and to support vets to provide appropriate and timely advice.</p>	<p>to be £500 or more (including VAT) and give them an update if the estimated cost increases by 20% or £500 (whichever is lower), and recommendation for the RCVS to reflect this in Codes and Guidance</p>	<p><i>Our Codes and Guidance currently provide an obligation on veterinary professionals to discuss all reasonable treatment options with animal owners and sets out that informed consent to treatment can only be obtained from someone who has had all the information explained to them, including costs, and that the client should be kept informed of any changes.</i></p> <p><i>We have noted the recommendation in paragraph 4.6 and will consider the recommendation via our Standards Committee. The current obligation on individual vets in the Code is to update the animal owner regularly and is not subject to a financial threshold. The CMA is right in paragraph 4.11 that the Code states that the estimate should preferably be in writing, rather than mandating it. This is because the Code applies to all vets and it is not practicable or necessary for vets in some circumstances, a farm vet, for example, to provide an estimate in writing.</i></p> <p><i>The RCVS will consider this recommendation and whether it is appropriate to apply a mirror provision at all or to all or a limited section of veterinary practice.</i></p> <p><i>We welcome the clarity in paragraphs 4.19 and 4.20, that a written estimate is not required when it would have an adverse effect on animal health and welfare or where the owner has stated they do not want to receive one. We also agree that written estimates should not apply to all treatment options that are discussed as set out in paragraph 4.20. To do otherwise would be a disproportionate burden and may discourage vets from complying with their Code requirements to discuss all reasonable treatment options to obtain informed consent.</i></p>
	<p>5b. Requirement to provide pet owners with itemised bills for their pet's treatments and other services they receive and recommendation for the RCVS to reflect this in Codes and Guidance</p>	<p><i>The RCVS supports this proposed remedy.</i></p> <p><i>The Codes of Professional Conduct already oblige veterinary professionals to provide itemised bills to animal owners. This CMA requirement on practices will support professionals to meet these requirements.</i></p>

Area	Remedy	RCVS response
	<p>6. Requirement to have in place written policies and processes to ensure that vet professionals are able to act in accordance with relevant provisions of the RCVS Codes and Guidance including giving pet owners independent and impartial advice and a range of treatment options where appropriate.</p>	<p><i>The RCVS supports this requirement, which would provide support for veterinary professionals and enable them to comply with their obligations under the Codes of Professional Conduct. The current Codes of Professional Conduct and Supporting Guidance at Section 2 and Chapter 11 respectively, address the provision of independent and impartial advice and appropriate and timely information on a range of treatment and referral options and costs. The RCVS agrees that this remedy will help build these obligations into the way veterinary businesses provide veterinary services for household pets.</i></p> <p><i>The RCVS is willing in principle to be involved in the monitoring of compliance by veterinary businesses. Some details around the nature of spot checking without access to veterinary practices and the potential for the RCVS to receive complaints about non-compliance by veterinary businesses will need to be worked out. We note that veterinary professionals working in practices outside the scope of the CMA's market investigation will not have the benefit of similar mandatory support from their employers.</i></p>
<p>Measures to open the medicines market to greater competition and help consumers get the best prices</p>	<p>7. Requirement to make pet owners aware they can get a prescription and buy medicines online more cheaply through standardised notices in waiting rooms and by including standardised messages in a range of communications. Vets would need to tell pet owners about written prescriptions in consultations. Undertaking from the RCVS to produce and distribute standardised notices and</p>	<p><i>The RCVS generally supports measures designed to open the veterinary medicines market to greater competition and help consumers get the best value care for their household pets. However we consider it will be important for the CMA to engage with the VMD, which has responsibility for the Veterinary Medicines Regulations and veterinary medicines prescription requirements to ensure animal health and welfare and the public interest are not compromised. In particular, we consider it is important to ensure appropriate safeguards are in place to prevent or mitigate a potential increase in fraud or misuse that could result from an increase in written and/or digital prescriptions.</i></p> <p><i>We also note the VMD's role in authorising online veterinary medicine pharmacies and consider that it will be important not to blur the lines of responsibility for this important function. It is the role of the VMD to produce and maintain a list of approved pharmacies and to</i></p>

Area	Remedy	RCVS response
	<p>information about the written prescription process and for it to host a copy of literature on its website.</p>	<p><i>approve the pharmacies that appear on the list and this proposed remedy would cut across the statutory role of the VMD. The RCVS would not be able to undertake this role. We recommend that the CMA discusses this remedy with the VMD.</i></p> <p><i>Generally, we believe careful consideration should be given to the potential impact of this remedy on veterinary businesses and veterinary professionals by increasing consultation length and therefore cost to the consumer. We understand that medicines sales are considered alongside other products and services when practices are looking at the turnover required to be sustainable, and if this proposed remedy reduces medicines sales in veterinary businesses, income may have to be met through higher prices elsewhere. The provision of written prescriptions may require investment in equipment and resource by veterinary businesses might disproportionately affect smaller businesses. Ultimately this remedy may serve to drive medicines purchases away from veterinary practices, which could impact on the economic viability of those practices maintaining stocks of medication that they use at short notice. We also note some LVGs also operate online pharmacies, which may benefit from this proposed remedy even with transparency around veterinary business ownership.</i></p> <p><i>We would agree to work with the CMA and VMD to produce standardised literature as proposed, assuming sufficient resources are made available to enable the RCVS to meet the proposed deadline. We also agree that the RCVS could play a role in monitoring compliance with this proposed remedy by veterinary businesses as suggested by the CMA.</i></p>
	<p>8. Requirement to give pet owners written prescriptions by end of consultation (hard copy) or end of day (digital)</p>	<p><i>As with proposed remedy 7, the RCVS supports the provision of a written or digital prescription in a timely manner and our comments should be read in conjunction with our response to proposed remedy 7. We consider it will be important to take account of the potential impact of this proposed remedy on the practical operation of veterinary businesses. We are concerned that there is potential for veterinary businesses within the scope of the CMA's market investigation to provide</i></p>

Area	Remedy	RCVS response
		<p><i>separate prescriptions for each medicine needed and therefore apply the capped prescription charge more than once or require separate consultations for each condition or medication required.</i></p> <p><i>We agree that the RCVS could play a role in monitoring compliance with this proposed remedy by veterinary businesses as suggested by the CMA.</i></p>
	<p>9. Requirement to be clear that there are alternatives to own-brand medicines and provide information on active ingredients so those alternatives can be found</p>	<p><i>We support the aim of this proposed remedy to increase consumer awareness about the alternatives to own brand medication. We note that there are relatively few veterinary businesses that offer own brand medication and therefore query the proportionality of this remedy and the role that own-brand remedies play in meeting consumer need for veterinary medicines. We consider it important that this proposed remedy does not in any way undermine the prescribing Cascade and suggest the CMA discusses the potential risks with the VMD, which is responsible for the Cascade.</i></p> <p><i>We agree that the RCVS could play a role in monitoring compliance with this proposed remedy by veterinary businesses as suggested by the CMA.</i></p>
	<p>10. Requirement to contact customers at specified times to ask for their default preference for repeat prescriptions - whether to buy online or in-clinic</p>	<p><i>Our comments in relation to this proposed remedy are to be read in conjunction with our comments around written prescriptions in response to proposed remedies 7 and 8. We generally support the proposal to increase communication by veterinary business with consumers about their preference for repeat prescriptions. However, there is a risk that vets will reduce the stock of available medication. We note the CMA would be responsible for specifying the required wording of messages to be included in communications and would welcome confirmation that the accuracy of the statement that ‘it is often significantly more expensive to buy repeat medication from a practice’ would be reviewed to assess whether it is supported by data in the future. We have some concerns about the ability of veterinary businesses to effectively monitor the availability and prices of veterinary medicines online in order to employ the exceptions. We note that compliance with this proposed remedy may have a disproportionate impact on smaller</i></p>

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		<p><i>veterinary businesses which will not benefit from economies of scale or the administrative support to monitor the online medicines market.</i></p> <p><i>We agree the RCVS could play a role in monitoring compliance with this proposed remedy by veterinary businesses as suggested by the CMA, noting the potential for the RCVS to field related complaints and that some work would be required to ensure information generated by the different PMS in use by businesses providing veterinary services for household pets would need to be standardised for analysis by the RCVS. We will need to consider further the recommendation for the Codes of Professional Conduct to include this proposed remedy as a professional obligation for individual veterinary surgeons and veterinary nurses. We note that the remedy would not apply to veterinary businesses or professionals outside the scope of the CMA's market investigation.</i></p>
	<p>11. Requirement to charge no more than £16 for providing a written prescription and put in place policies and procedures on the duration of prescriptions and charging a single prescription fee per consultation.</p>	<p><i>We anticipate that practices, the VCMS and the RCVS would receive complaints from clients about this issue, from small animal owners and from clients in relation to other animals who may find it unfair that prescription costs are capped for small animals. All parties involved in complaints would need to factor in time to deal with these in any costings for monitoring this remedy.</i></p> <p><i>If spot-checks need to be carried about by the RCVS as monitoring agent, cost needs to be built in for this in any levy on practices</i></p> <p><i>There is a risk that the outcome of this measure – ie more clients seeking written prescriptions – may favour one business model over another, as many of the online pharmacies are owned by the large corporate groups.</i></p> <p><i>There is a practical issue with regards to producing written or e-prescriptions if a destination pharmacy is not known – this can be open to fraud. This is currently the case where these prescriptions are provided, but an increase in the provision of prescriptions may lead to an increase in prescription fraud. There are measures that can be introduced to minimise the risks of prescription</i></p>

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		<p><i>fraud. The VMD regulates this area and are the body who can consider whether mitigating action is required and, if so, implement it. There is also a practical issue with regards to producing written prescriptions within a short window – this may lead to longer consultations and increased costs per consultation.</i></p> <p><i>The amount for the cap seems to be positioned at a level that is lower than the average currently charged by practices, so other costs may go up to compensate. As we have said in previous responses, a reduction in income from prescriptions, and from prescribed medicines, may lead to increases in other areas that might raise barriers to accessing care, or reduce the sustainability of veterinary care in the longer term. The RCVS would advocate that the cap is reviewed to ensure that it remains sustainable in later years.</i></p> <p><i>Separate decisions are made by vets for each prescribed product so it is not a fair representation of the workload to insist on a single charge, even if there are separate written prescriptions. This seems to confuse the work required to decide what is prescribed, with the physical act of producing it. An unintended consequence of this may be that practices start to insist on separate consultations for different ailments, as currently often happens in human medical GP visits.</i></p> <p><i>With regards to written guidance on duration for flea, tick and wormer medications, this would cut across individual professional judgement, and we would prefer this to be left to vets on a case-by-case basis.</i></p>
Measures to facilitate FOPs switching out-of-hours provider	12. Requirement not to use for new (or enforce for existing) out-of-hours contracts notice periods which are longer than 12 months, with no payments required unless a FOP stops using the services before the notice period expires	<p><i>The outcome of such a remedy would need to be carefully monitored to ensure that providers of OOH services to clients of other FOPs do not withdraw from the market, leading to either lack of easy access to OOH services, particularly in remote or rural areas, or issues relating to workload and mental health of FOP staff who are left to restart doing their own OOH. Either of these outcomes could increase prices to the consumer, as well as having an impact on animal health and welfare, and/or the veterinary workforce. We note that this remedy will only apply in the veterinary services for</i></p>

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		<i>domestic pets market, which may lead to some issues within mixed practice.</i>
Measure to facilitate best pet end of life choices for pet owners	13. Requirement to offer communal cremations, make pet owners aware of all available end of life options, publish individual and communal prices and observe 'cooling off' periods	<p><i>In terms of the requirement on crematoria to publish ownership information - we do not regulate crematoria and they do not tend to be places of work for veterinarians - cremation is not an act of veterinary surgery - so we would not envisage them coming under any future new veterinary legislation. We would not be listing these on Find a Vet, so would not be able to monitor this part of the remedy.</i></p> <p><i>Not all small FOPs have the capacity to store many cadavers and so we would ask the CMA to consider whether it would be acceptable for a FOP to come to an arrangement with a crematorium to store a deceased pet during a cooling off period.</i></p>
Measures to improve pet owners' ability to complain and receive redress if they are unhappy with their pet's care	14. Requirement to publish and provide pet owners with an in-house complaint process which meets specified minimum criteria, and for a sample of veterinary businesses to share a log of complaints with the RCVS	<p><i>We are supportive of the requirement to publish and abide by an in-house complaints process.</i></p> <p><i>However, we are concerned that any sampling of data required to be done by the RCVS is proportionate and does not incur a huge workload, the funding of which would be passed back to practices and, ultimately, pet owners. The RCVS already gathers data on complaints from various sources and it would be helpful to review what new insight is gathered by this route to ensure it is adding value. The time taken by practices to format this data in a way that complies with data protection law should not be underestimated.</i></p> <p><i>There are also issues with regards to the public interest and animal health and welfare: is this an exercise in analysing data for educational purposes or will the monitoring agent be required to act on any trends found in relation to a specific practice? If the latter, then practices may be reluctant to share meaningful data, if not, the validity of the exercise may be called into question by the public.</i></p>
	15. Requirement to engage in mediation in good faith where the pet	<i>We are generally supportive of this measure although would raise a concern with regards to the complexity of making this just a requirement for small animal clients.</i>

Area	Remedy	RCVS response
	<p>owner's complaint is not resolved in-house and the pet owner wishes to take the complaint to mediation</p>	<p><i>Currently the VCMS is available to all. To tell clients that it's only compulsory for small animal owners would seem unfair to other animal owners, so it seems logical that we would continue to offer it to all. At the moment, the VCMS is funded via the RCVS from vet and VN retention fees. In the future it is proposed that it is funded by a levy on small animal practices, but would this only cover their own clients, or does the CMA envisage small animal practices would pay for the whole service? The details around funding will need careful consideration, otherwise there is a risk that clients who are not small animal clients, (equine, farm, exotics), lose access to the VCMS.</i></p> <p><i>There is a risk that the VCMS is a disproportionate solution for low-value cases. The PDR compares the option of VCMS with 'adversarial court proceedings' but this is not a fair comparison as court proceedings would not be a practical option in the case of very small claims. Meanwhile the VCMS process is likely to cost the same regardless of the amount at stake, which could lead to disproportionately high service costs. It may be assumed that practices would settle any small claims for refund directly, but this may not be the case.</i></p>
	<p>16a. Undertaking from the RCVS (or requirement by CMA Order for it) to develop and publicise a decision tree to help pet owners navigate the different routes to redress</p>	<p><i>We support this remedy although care will need to be taken to be clear about the interrelationship between complaints about veterinary professional conduct, practices, businesses and other redress (civil claims, professional negligence).</i></p>
	<p>16b. Undertaking from the RCVS (or requirement by CMA Order for it) to collect, analyse and publish on an annual basis data and insights on complaints in the veterinary market for household pets.</p>	<p><i>While in general terms we support this measure, please see comments in relation to remedy 14, above, regarding the value that it will add given the likely administrative burden for both practices and the College in terms of managing and processing confidential data, and expectations about how it will be used.</i></p> <p><i>As a side issue, we note in paragraph 9.117 that the CMA references the RCVS as a 'Royal College representing the interests of the profession' – we would</i></p>

Area	Remedy	RCVS response
		<p><i>stress, as we have before, that in both our charter and statutory functions, the RCVS always prioritises animal health and welfare in the public interest, as it must do in accordance with our objects under the Charter. The RCVS does not represent the interests of individual veterinary surgeons or veterinary nurses, this is the role of the British Veterinary Association and other related associations. It is unfortunate that the CMA continues to misunderstand the role of the RCVS.</i></p>
<p>Measures to provide a replacement statutory regime for the effective regulation of veterinary services</p>	<p>17. A recommendation to government to establish a replacement statutory regime for the regulation of veterinary services for household pets, including: regulating veterinary businesses and the practices they own; regulating the professional conduct of vets and vet nurses; robust and effective monitoring and enforcement; an effective complaints and redress system; statutory duties to promote competition and further the interests of pet-owners; and an independent and effective veterinary regulator.</p>	<p>See Part Three</p>

## Part three: Response to proposed remedy 17 – A recommendation to government to establish a replacement statutory regime for the regulation of veterinary services for household pets

16. While the majority of the PDR appears to be well-evidenced, we do not feel that this is the case in the Report's recommendations on regulatory reform. The PDR does not make clear what evidence there is to link any competition concerns with the College's governance, and there appears to be some continued misunderstanding about the role of the College. However, we do feel strongly that some governance reform should happen, albeit in partly different form to the proposals in the PDR, and we therefore set out our detailed thoughts on the CMA's recommendations below.
17. It should be noted that, as the CMA has found, the RCVS regulates highly trusted professionals who prioritise the health and welfare of animals, and that the competition and market problems that the CMA has identified are with businesses (which the RCVS does not regulate), not the individual practitioners that we do regulate. This reflects well on the commitment of the professionals that we regulate, but also reflects well on the constructive approach to regulation taken by the College within a very limited and limiting legislative framework.

### The need for reform

18. The RCVS strongly agrees that governance reform is necessary:
  - a. We agree that veterinary businesses (and the practices that they run) should fall within the scope of regulation, and broadly agree with the form of that regulation outlined in 10.12 – 10.43.
  - b. We agree with many of the CMA's recommendations for regulatory reform, which - as the PDR notes – overlap with the College's own recommendations, including decisions already taken by the RCVS to 1) reconstitute RCVS Council as a smaller board, 2) require parity in numbers of lay and professional members of the board, 3) replace elections with an appointment system. This will strengthen the independence - real and perceived - of the College's decision-making.
19. Any reform should preserve the benefits of a Royal College that regulates:
  - a. provision of public protection and assurance of standards in a holistic way, independent of government
  - b. significant benefits in terms of cost, coherence, consistency and clarity derived from carrying out all of the College's public interest objectives under one roof, and with a single executive and infrastructure.
  - c. direct access to the knowledge and expertise of the profession via its committees
20. The CMA's provisional proposals make this harder and more costly to achieve.

## Reform must be designed to address provable problems in an evidence-based way

21. We would argue that the PDR's depiction of the relationship between professional regulatory and leadership activities does not reflect current best practice in professional regulation (particularly in human healthcare), and that the PDR also makes a significant category error when comparing the RCVS to other organisations in that it treats the College like an organisation with conflicting functions, such as those that have been split into multiple organisations in the past.

## There is no inherent conflict between RCVS functions

22. The objectives of the RCVS are set out in its Royal Charter. These are to “set, uphold and advance veterinary standards, and to promote, encourage and advance the study and practice of the art and science of veterinary surgery and medicine, in the interests of the health and welfare of animals and in the wider public interest.”
23. Under these objectives the RCVS carries out a range of public interest functions. Most of these are in common with other professional regulators, such as reactive and proactive measures in relation to professional standards. As a Royal College, the RCVS is able to go further than other regulators in the supportive aspects of regulation (including those that relate to ‘leadership’) and is also involved in the development and quality assurance of postgraduate training & education for veterinary careers. However, there is no inherent conflict between any of these activities, which are all explicitly in the public interest.
24. Part A 14.8 (f) of the PDR argues that “the RCVS’s governance structure - in which it combines a professional leadership role with a regulatory role involving the setting and enforcing of conduct requirements and educational standards - is not consistent with the effective discharge of its functions given the inherent tensions between these two roles”. Although there is no inherent conflict in the functions of the RCVS, we accept that tensions can arise as with any professional regulator – the current general model of professional regulation in the UK is that registrants are involved in the decision making of their professional regulator. The RCVS has proposed changes to the composition of Council which would bring the balance between lay and registrant members in line with the healthcare regulatory norm. Any tensions that may, in some circumstances, arise currently are properly managed within the current structure.
25. The wide powers that are in the RCVS Charter have enabled the RCVS to take a proactive approach to protecting animal health and welfare in the public interest by supporting professionals to be competent and trusted professionals and this has been borne out in the CMA investigation. Healthcare regulators have increasingly adopted a similar approach of “upstream regulation”. Regulation generally is not limited to setting and enforcing conduct requirements, but also encompasses primary and specialist education standards and a wide range of proactive activities to support professionals to practise safely and effectively and avoid harm.
26. Moves towards developing upstream regulation have included the Health and Social Care (Safety and Quality) Act 2015, which amended the legislation that underpins the human health regulators, giving them enabling provisions that recognise the need and allow them to pursue activities beyond their core functions in service of their objectives. The RCVS Royal Charter contains similar provisions, and as a Royal College that regulates we have a broader range of

tools and are able to go further than other regulators in pursuit of our objectives. However, those objectives must be explicitly in the public interest, as must be any activities in pursuit of them, and therefore they are not in conflict.

27. The Professional Standards Authority (PSA)'s Standards of Good Regulation<sup>1</sup> acknowledge that professional regulators carry out "work to support or develop the profession", noting that regulators should consider *potential* conflicts without mandating divisions in governance. If there was an inherent conflict between setting and upholding standards and upstream/leadership activities, then the PSA would surely mandate that this be reflected in governance structures; they do not.
28. In the past the House of Commons Health Select Committee has urged regulators to further develop their leadership functions. For instance in 2011 – early in the process of this shift in regulatory practice – the Health Select Committee stated that "it remains concerned that the leadership function of the General Medical Council (GMC) within the medical profession, and within the wider health community, remains underdeveloped", and went on to say that they "hope that the GMC will embrace more ambitious objectives for professional leadership"<sup>2</sup>.
29. Part A paragraph 14:206 claims that our governance structure has "given rise to confusion and conflicts of interest" – but cites no actual examples of conflicts of interest to justify this claim. When conflicts arise, as is the case in any regulatory organisation, they are managed appropriately in the current structure.
30. The report gives examples of where there is a lack of understanding of the College's 'multiplicity of functions'. To a large extent the functions of the College mirror the functions that are common in any statutory professional regulator. There is no coherent view presented as to why the models that are proposed would decrease any lack of understanding. No evidence is cited that there is a greater degree of confusion than in any other sector. Nor is any evidence cited to demonstrate that internal or full division would increase clarity. The RCVS would argue that the opposite could be true, particularly if a single organisation has a complex internal division imposed upon it.
31. The Provisional Decision Report seeks to support its recommendation by listing organisations that have had their regulatory functions separated to varying degrees, such as the Royal Pharmaceutical Society. This is misleading. All the listed organisations acted both in the interest of the profession and the public and had very real inherent conflicts as they had both *representative* and regulatory functions. This is not true of the RCVS, which is not a representative body, has no representative function, and has Charter objectives that ensure that all our activities are in the public interest. The CMA appears to misunderstand this (PDR paragraph 9.117).
32. Part B 14:200 cites the National Audit Office's (NAO) Principles of Effective Regulation as a key reference point for the CMA's conclusions. The NAO Principles note the importance of real and

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<sup>1</sup> <https://www.professionalstandards.org.uk/publications/standards-good-regulation> - Evidence Framework 2019

<sup>2</sup> <https://publications.parliament.uk/pa/cm201012/cmselect/cmhealth/1429/1429.pdf>

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perceived independence, and the need for the decision-making framework to be “robust, transparent and accountable”. The RCVS understands this and has already made recommendations to government about the governance of the RCVS such as parity of professional and lay members of the Board and separation of disciplinary and governance functions as per the regulatory norm for professional healthcare regulation. The NAO does not provide guidance to say that leadership and regulatory functions should be separate. The direction of travel in human healthcare envisages that statutory regulators will provide both, as acknowledged by the PSA in the Standards of Good Regulation.

### Operational principles

33. Part B paragraph 10.118 proposes a list of operational principles on which effective regulatory governance should be based. For the most part these align with the RCVS’s understanding of good governance, and consequent reform proposals. However, the detail of the first listed principle - *‘Strategic and operational independence for regulatory matters, accompanied by a clearly articulated and well-communicated purpose’* – is rooted in the misunderstanding outlined above that regulatory and leadership functions are in conflict. As noted above, such a separation does not reflect modern approaches to regulation. Regulation that is fit for the future should not be reduced to narrow standard-setting or reactive disciplinary processes.
34. Similarly, the second listed principle – *‘Ringfenced and guaranteed funding for regulatory functions’* is superfluous. Modern regulators are expected to be transparent about how they use, and intend to use, their fee income by setting a strategy and budget accordingly. Ringfencing for regulatory functions, although we are unclear about how these are defined by the CMA, would limit the ability of the RCVS to regulate in a holistic and effective way in the public interest and would introduce inefficiency into the organisation. The RCVS has not and never would deprioritise regulatory enforcement to fund more discretionary activities, nor are we aware that it has ever been suggested that the RCVS has ever done so; it is therefore not clear what problem this is intended to solve. Further, as noted above, the line between regulation and leadership is not as clear as the CMA suggests; we would ask why ringfencing of these activities is expected for the RCVS when it is not expected of the GMC or other regulators. Our ability to go further than other regulators in our proactive and leadership work does not, in our view, justify this requirement. However, we accept that a degree of budgetary separation and greater transparency in respect of how activities are budgeted for could be appropriate in both the College’s Operational Plan and Annual Report and we have already made recommendations to government along these lines.
35. Separation – particularly into two separate organisations in which the Royal College was a voluntary membership organisation – would likely lead to a reduction in the resources and expertise available for supportive activities rather than any sort of positive growth, particularly of the proactive upstream approach that the RCVS takes to regulation. There is reasonable doubt as to whether initiatives such as Mind Matters – which has demonstrably saved lives and enabled professionals to continue good practice – would have happened without the resources and holistic approach of a Royal College that regulates.

## Potential structures of the regulator

36. The misunderstandings outlined above appear to have led the CMA to provisionally recommend a restructuring of the regulatory framework into one of two possible models, both of which would create an arbitrary and retrograde division, of varying levels of severity, between non-conflicting 'regulatory' and 'professional leadership' functions when there is no clear distinction between these functions due to the modern approach of regulating upstream.
37. Option One (Figure 10.1) retains one organisation at only a superficial level, overseen by a board that would appear to have few powers or responsibilities, sitting above separate regulatory and leadership arms. These arms include separate boards/councils and operational functions (although the operational functions required to support the regulatory arm are in fact absent from the diagram). This would diminish the benefits of the Royal College that regulates model, including cost efficiencies and a holistic approach, while bringing no clear benefits. Such an internal division would replicate the quasi-separation that has been implemented in the legal world (e.g. the Bar Council and Bar Standards Board). The separation of the Bar Council was introduced because of conflicting representative and regulatory functions, which do not exist within the RCVS. In proposing this model, directly copied from a different sector with limited points of similarity, the CMA has presented no analysis about whether this is regarded as a successful model in that sector. There is no analysis or assurance provided to say that this model would be a success in the veterinary sector in maintaining the trust and confidence in the profession and protecting animal health and welfare and, more directly applicable to the CMA's objectives, that this model would ensure effective competition and consumer protection. The appearance in the PDR is that no thought has been given to whether this model would be a suitable one to achieving objectives in the public interest and it should be treated with caution. Without proper analysis there is a risk of an unsuitable model being implemented by government which reduces confidence in the profession and detrimentally impacts animal health and welfare. The RCVS is also unsure of the case for mandating Royal College membership if the holistic approach to regulatory and non-regulatory functions was ended; such obligatory membership is not found in the medical Royal Colleges, save by some during training. The RCVS also believes that the byzantine structure that would result from such a reform could in fact reduce clarity rather than increase it.
38. Any internal separation to increase clarity of function could be achieved by a less formal split within the RCVS committee structure, under a single board with a single strategic plan and supported by a single executive to ensure that the advantages and efficiencies are retained. A duty could be placed on the College to achieve this via its committees, along with measures to ensure that activities are budgeted for separately and with a greater degree of transparency. This is along the lines of the current RCVS recommendations to the government. This would preserve the benefits of the Royal College that regulates model while meeting the CMA's proposed operational principles.
39. Option 2 (Figure 10.2) suggests a full split into two organisations in which all the benefit of the Royal College that regulates model would be lost. It should be noted that the reality of such a split would be the creation of a new regulator, the cost of which is likely to be substantial (e.g. c.£30 million for the creation of the General Pharmaceutical Council in 2010 prices), and that the

government has indicated that any such cost would need to be met by both individuals and practices in the sector, placing significant additional financial burden at a time when other requirements arising from the CMA review will need to be considered. This would be entirely contrary to the government's desire to minimise regulatory costs and other burdens on business and to pursue an agenda of economic growth and if fee income was increased to cover the costs would be likely to be passed on to consumers. The CMA has not shown why such an expensive course of action would be necessary and have sought to draw support for this approach from examples where the circumstances of those organisations were clearly very different in terms of their clearly conflicting roles. We would invite the CMA to reconsider this potentially very costly approach that appears to have been made based on a misunderstanding of the objectives and functions of the RCVS.