

VETS MARKET INVESTIGATION

Summary of responses to the Provisional Decision Report

1.1 We received 490 responses to our Provisional Decision Report (**PDR**) of 15 October 2025, from a range of stakeholders including: the main parties to our investigation, independent practices, individual veterinary professionals, charities, and consumer groups.¹ An anonymous summary of the main themes raised in responses to our PDR is provided below.² We have published a representative sample of responses to our PDR on our case page.³ Summaries of the two roundtables we held after publishing our PDR have been published separately on our case page.

Part A: Competition concerns

1.2 In part A of our PDR, we set out our provisional conclusion that the veterinary services market was not working as well as it could, and detailed the evidence and analysis we relied on to reach this view.

Market context, factors which affect how competition works in the market for veterinary services, market definition and a well-functioning market for vet services

1.3 Relatively few responses to our PDR specifically commented on these sections.

¹ This includes 87 responses using a template from Veterinary Voices UK, nine responses using a template from the British Veterinary Union (**BVU**), and seven responses using a template from Ferndown Family Vets.

² Appendix M: Remedies put to us which we are not taking forward, describes submissions we received calling on the CMA to implement a range of remedies that either went beyond addressing the scope of the AECs (and in some cases were outside the scope of our investigation), or would not be an effective and proportionate way of addressing the AECs. These submissions are not described here.

³ Given the high number of responses, we publish a representative sample of the responses we received, in addition to publishing the main party responses. To determine which responses to the PDR should be included within the representative sample for publication we had regard to several factors such as whether the response commented on a substantial number of themes; whether the response raised particular points of relevance; ensuring a range of responses from different stakeholder types; ensuring the sample set covered the range of issues and topics raised; and the need to manage the administrative process of the market investigation.

- 1.4 In the context of our characterisation of the nature of the six Large Veterinary Groups (**LVGs**), some submitted that their business models meant that their practices had a degree of local autonomy and independence.
- 1.5 We did not receive any submissions which disagreed with our proposed product or geographic market definitions or our approach to assessing out-of-market constraints.
- 1.6 We did not receive significant challenge to our characterisation of a well-functioning market (**WFM**). Less than a handful of respondents commented on this topic. This applies both to our general concept of a WFM and in respect of our characterisation of a WFM in relation to each of veterinary services, the supply of veterinary medicines and the provision of outsourced out-of-hours (**OOH**) services.

Consolidation, concentration and commercialisation

- 1.7 A small minority of respondents to our PDR raised concerns about local concentration in the supply of veterinary services, including that there was a lack of competitors in a range of local areas in the UK. A small proportion of these respondents focused specifically on local areas with a lack of independent veterinary businesses.

Market outcomes in the supply of veterinary services by first opinion practices (FOPs)

Our econometric analysis of prices

- 1.8 A minority of respondents commented on our econometric analysis of price trends on claim values and average prices, in particular the way we assessed the impact of LVG acquisitions. A small minority of respondents, including the LVGs, made technical submissions regarding what they submitted were shortcomings in our econometric analysis, and a few respondents commented on the differences in prices across different types of veterinary businesses.

Financial analysis of veterinary businesses

LVG profitability analysis

- 1.9 Regarding our provisional LVG profitability analysis, LVGs raised concerns regarding both the analysis and interpretation as follows:

- (a) the use of a cost for the fit out for a brand-new clinic (expressed on a per square foot basis and based on a sample of 28 clinic fit-outs) that was common across all LVGs rather than reflecting the standard of fit-out that each LVG actually deployed. Some LVGs observed that, even within individual LVGs, there was significant diversity in the standard of fit-out between individual clinics;
- (b) the lack of evidence for the choices for expected useful clinic fit-out and equipment asset lives (range of 12 to 20 years with a base case weighted average of 16 years);
- (c) the cost-based approach to valuing intangible assets used in our base case materially underestimated the true investment costs of opening greenfield FOPs;
- (d) some said it was meaningless to seek to break down the intangibles of a FOP into different elements of 'staff' or 'reputation' or 'customer list' as we had done in our base case;
- (e) our sensitivity for the estimate for the level of intangible assets based on the start-up losses incurred on establishing a greenfield clinic relied on an unrepresentative and small sample of FOPs that had become profitable in the wake of the Covid pandemic much faster than would normally have been expected;
- (f) the government rebate that some of the LVGs received to incentivise research and development in the veterinary sector should not be treated as part of operating profit, let alone customer detriment;
- (g) the range in profitability outcomes (returns on capital employed spanning 12% to 30% per year for LVGs as a whole) depending on the individual sensitivity chosen was so wide to demonstrate that the PDR analysis was flawed; and
- (h) there had been an artificial spike in profitability in 2021 and 2022 reflecting the increase in pet ownership following the Covid pandemic, but profitability had since declined and was expected to decline further. There was no evidence of sustained supernormal profitability across LVGs.

Operating margins analysis for independent veterinary businesses

- 1.10 We received many responses from independent veterinary firms, or firms representing groups of independent veterinary firms, on the methodology of our PDR analysis or the outcomes of the analysis.⁴
- 1.11 Some respondents felt that our analysis of the margins of independent veterinary practices had been inadequate and some of these felt we should have assessed the profitability of independent practices. Some respondents told us that 10-15% was the accepted range for operating margins for independent veterinary practices. Respondents told us that we needed to take account of business owners taking below market salaries or not accounting for property they owned outright. They also told us that practices needed to generate enough margin to enable owners to pay back personal loans used to invest in their practices. Some respondents noted the period we had analysed had been atypical due to the impact of the Covid pandemic: profitability during this period had been temporarily elevated due to veterinary businesses working through a backlog of cases while also receiving government support. Such factors, however, did not represent the current financial reality for independent practices.
- 1.12 Some LVGs also commented on the margins analysis, observing that many of the independent firms would not be making their cost of capital.

Evidence on post-acquisition price increases at certain LVGs

- 1.13 A minority of respondents commented on the evidence we presented regarding post-acquisition price increases at certain LVGs. Some LVGs submitted that any such price increases could be explained by post-acquisition investments in quality and provided some evidence of these investments. LVGs also provided comments on the documentary evidence regarding pricing strategies that we referenced in the PDR. A minority of independent respondents provided evidence of their own investments in quality, including in staff salaries, training, equipment and premises.

Increases in costs over time

- 1.14 Many respondents commented on the significant cost pressures faced by veterinary businesses in recent years. A minority of respondents commented

⁴ We note that we did not conduct any profitability analysis of independent firms. Instead, we had sought to analyse the operating margins for a sample of independent firms

that independent FOPs might be disproportionately affected by some of these cost pressures. In addition, a small minority of respondents commented on our comparison of cost increases and treatment price increases.

Competition between FOPs

- 1.15 Almost no respondents commented directly on the individual features that we described regarding competition between FOPs, including the ways in which pet owners choose a FOP, whether they are able to make these choices in an informed way, and their propensity to switch FOPs.
- 1.16 A small minority of respondents provided details of the information (for example, on prices and ownership) that they provide to pet owners choosing a FOP. A small minority of respondents provided mixed views on current measures of quality, including the Practice Standards Scheme and Net Promoter Scores.
- 1.17 Some LVGs submitted that our adverse effect on competition (**AEC**) assessment as set out in the PDR was not well-founded and not supported by the evidence, and that there was no clear evidence that the issues that we identified are causally linked with any material consumer harm. Some LVGs also submitted that our analysis was over-reliant on weak and selective evidence, that many of the characteristics in a WFM were already present, and that we had not taken into account recent positive market developments.

Pet care plans

- 1.18 A small minority of respondents commented on our analysis of whether pet care plans provide value for money. Some of these respondents submitted that pet care plans offered value for money and other benefits (such as spreading costs and encouraging preventative care). Others commented on our technical assessment of LVG pricing. We also heard from some respondents that pet care plans might encourage overuse of parasiticides, which some pets might not need.

Choice of treatment and referrals

- 1.19 On price information about treatment options, many respondents indicated that they already provided pet owners with written estimates ahead of treatment, though a small group of respondents told us that it was often challenging to provide written price information in advance. Some respondents submitted that they also already provided pet owners with all

the non-price information required to make informed decisions about treatment options. With regards to support and training for vets to provide information to pet owners, a few respondents expressed concerns that new graduates were more likely to practise defensive medicine⁵ than experienced vets.

- 1.20 On referrals, a small number of respondents expressed concerns that they knew of, or had experienced, pressure from practice management teams to prioritise in-group referrals, even when the pet owner might be better served by an out-of-group referral provider. However, none of these respondents indicated that this self-preferencing was likely to lead to customer or competitor foreclosure. Some respondents indicated that, while our local area analysis might show multiple referral providers in an area, factors such as capacity constraints and the urgent nature of some referrals may limit the number of sites that pet owners could realistically choose between.

Veterinary Medicines

Competition between FOPs and third-party retailers

- 1.21 Respondents told us that the evidence we presented in the PDR on medicine price differences between online pharmacies and FOPs, the profitability of medicines, and current levels of online purchasing did not indicate a competition problem.
- 1.22 A small group of respondents argued that comparisons between FOP and online prices were not meaningful because higher prices in FOPs reflected the additional services they provided when selling medicines, and the higher operational costs of running brick-and-mortar pharmacies compared to online pharmacies.
- 1.23 We were provided with examples from respondents indicating that it was not always cheaper for pet owners to buy medicines online. These respondents said that potential savings from buying medicines online varied with clinical factors such as treatment length, and the associated fees charged by FOPs, meaning pet owners would not always pay less overall when purchasing online. One response included worked examples where the medicines were cheaper to purchase from their FOP than from an online pharmacy once prescription and delivery fees were considered.

⁵ Where the least risky treatment option is recommended, even when other diagnosis and treatment options may be appropriate and might be preferred by the pet owner if they were aware of them.

- 1.24 Some respondents raised concerns over our assessment of mark-ups and the profitability of medicine sales. One noted that the assessment only provided an indication of profitability and was subject to limitations, and said that the mark-ups did not account for incremental costs. Another argued that its medicine prices and prescription fees were set to support the overall affordability of care, and that medicine mark-ups were used to cover the wider cost base of running a practice. This respondent suggested that the CMA overlooked arguments on the 'cross-subsidy' pricing model because some LVGs make economic profits.
- 1.25 A small group of respondents emphasised that online pharmacy sales were already increasing. A handful of respondents said that this was particularly the case for on-going medicines. One respondent noted that the growth of online pharmacies had already reduced the income from selling medicines at their FOP.
- 1.26 Respondents challenged our provisional view that a lack of awareness among pet owners of their ability to request a written prescription limited competition between FOPs and third-party retailers (particularly online pharmacies).
- 1.27 A handful of respondents told us that the evidence presented by the CMA indicated high levels of awareness among pet owners that they could request written prescriptions and purchase medicines from online pharmacies. All of these respondents noted that the pet owners survey results showed the majority of pet owners were already aware of the option to purchase medicines elsewhere. Around half of these respondents emphasised that the survey indicated that other factors (such as convenience and trust), rather than lack of awareness explained why pet owners choose to purchase medicines from their FOP.
- 1.28 We also heard examples from respondents showing that pet owners were already using of online pharmacies to purchase medicines, and that some FOPs already proactively informed clients of online options when they could benefit from shopping online.

Negotiating power of FOPs and third-party retailers when purchasing veterinary medicines

- 1.29 A small minority of responses to the PDR discussed the negotiating power of FOPs and third-party retailers.
- 1.30 Although small in number, the majority of the vets in independent FOPs that commented on negotiating power submitted that they were unable to

purchase medicines from wholesalers at the same prices as online pharmacies or LVGs. Some of these vets said that prices charged by online pharmacies were in fact lower than their wholesale prices. These respondents suggested that this was because LVGs could obtain discounts that independents were not able to, with a minority saying this was the case even if they joined buying groups.

The prescribing Cascade

- 1.31 A number of independent vets and several organisations (such as charities) submitted that we had not given sufficient weight to their concerns about the Cascade, although many recognised that the CMA might not be best placed to make the changes they thought were necessary (greater flexibility for vets to prescribe cheaper human generics when clinically appropriate).
- 1.32 Other stakeholders submitted that they were pleased the CMA had recognised the importance of the Cascade as a regulatory safeguard which also helped promote research and development within the veterinary services market.
- 1.33 We received few or no further submissions on other matters relating to the regulation of veterinary medicines (including classification, the under-care requirements, telemedicine and limited-service provision, advertising and wholesale restrictions).

Outsourced out-of-hours provision to FOPs

- 1.34 Very few respondents commented on our finding that certain terms in OOH contracts were restricting competition, however there was broad support for our OOH remedy. One stakeholder disagreed with our provisional finding but did not provide further explanation (and nonetheless still agreed with our remedy).
- 1.35 A handful of respondents shared their own experiences of how long notice periods and high early termination fees had prevented them from switching OOH providers, and how this had prevented their pet owner clients from accessing less expensive or better-quality OOH provision.
- 1.36 A small minority of respondents outlined the challenges and fragility of OOH provision, particularly in rural areas. A couple of respondents noted the difficulty of recruiting staff to work outside of normal hours. A small number suggested stronger regulation on the distance an OOH provider could be from a FOP.

- 1.37 A small number of respondents stated that the prices to pet owners for OOH care were too high. A handful of respondents commented on the lack of options for OOH provision in their local areas.
- 1.38 We received a handful of responses that asserted that the outsourcing model of OOH service provision led to higher costs for pet owners than the in-house model of service provision.
- 1.39 A small number of respondents commented on our local concentration analysis in OOH services. Some of them thought that our analysis overstated the level of concentration. Another said that in many areas of the UK there had been a concentration of OOH provision.

Cremations

- 1.40 Very few respondents commented on our cremations assessment, including our analysis of markups charged by LVGs and our summary of factors that impact competition between FOPs. One respondent submitted that our markups analysis was imprecise and based on high-level approximations of LVG costs.

Regulatory framework for veterinary services

- 1.41 There was widespread support for changes to the current regulatory framework and reform of the Veterinary Surgeons Act 1966 (**VSA**). Respondents said that such reform was long overdue, that the current framework was significantly out of date and not fit for purpose and that reform was needed to reflect modern veterinary business structures.
- 1.42 There was wide support for the proposal that veterinary businesses should be included within the scope of regulation. A number of respondents supported our assessment of the limitations of the current Practice Standards Scheme (**PSS**). For example, respondents said that participation in the scheme was burdensome and costly, that pet owners were not sufficiently aware of the scheme, and that its voluntary nature was a limitation. Other respondents commented positively on the PSS and told us that it played an important role as a quality indicator.
- 1.43 In relation to the enforcement powers of the Royal College of Veterinary Surgeons (**RCVS**), a number of stakeholders commented on the high threshold that needed to be met for the RCVS to investigate concerns and take enforcement action. Some stakeholders also said that the range of monitoring enforcement actions the RCVS was able to take was limited. However, a small number of stakeholders told us that that the current RCVS

disciplinary process was intrusive and that the sanctions and monitoring powers currently available in relation to individuals were sufficient.

- 1.44 We received few responses in relation to our assessment of the complaints and redress mechanisms. A number of veterinary practices told us that they already had in-house complaint processes in place. Some respondents agreed that the limitations of the Veterinary Client Mediation Service (**VCMS**) include that engagement with it was voluntary and that there was a lack of pet owner awareness of it.
- 1.45 We received several submissions on the RCVS's governance and structure, including some expressing concerns about confusion between the RCVS's regulatory and professional leadership functions and the potential conflicts of interest. Some respondents told us that they were supportive of separating those functions, either into separate bodies or within a single organisation. In contrast, a small number of stakeholders disagreed that a separation of roles was necessary and said there were benefits to the current governance model.

Veterinary nurses

- 1.46 Over half of the respondents who made relevant comments expressed support for the protection of the veterinary nurse title. They said that pet owners might not currently be aware of veterinary nurses' qualifications, and that protection of the title would give pet owners greater understanding and confidence in the level of qualification of those caring for their pets.
- 1.47 All respondents who commented on the current framework supported the need for clarification of Schedule 3. One respondent said that clarification of the current framework would allow for more efficient use of staff and free up vets' time for vet-specific tasks.
- 1.48 A range of stakeholders, including LVGs and independents, indicated their support for an expanded role for veterinary nurses. A few stakeholders, including independent vets, expressed concerns that businesses could use the expansion of the Registered Veterinary Nurses (**RVN**) role as a cost-saving measure and some of the same respondents cautioned against veterinary nurses being used as cheap labour.
- 1.49 A small minority of respondents were disappointed that we did not include measures relating to veterinary nurses in our provisional remedy package set out in part B of the PDR. Several respondents stated they would like to see clearer recommendations to government on this topic, particularly including the protection of the veterinary nurse title.

- 1.50 A small number of respondents suggested that development of the roles of other veterinary professionals, such as receptionists and Veterinary Allied Professionals, should be considered.

Provisional conclusions

- 1.51 Few respondents specifically commented on our overall provisional conclusions. Rather, respondents tended to comment on a theme-by-theme basis. Responses related to the AEC themes have already been summarised in the sections above.
- 1.52 One LVG submitted that ‘many’ of the characteristics of a well-functioning market were present today and this ‘should give the CMA pause over its AEC analysis’.
- 1.53 Some LVGs submitted that our provisional AEC finding was based on unreliable evidence or incorrect use of evidence, including in respect of our economic analysis and pet owners survey.
- 1.54 We received representations from LVGs that our estimate of economic profits, and therefore customer detriment, was too high. LVGs submitted that certain items should not be included in the measure of economic profitability in the context of customer detriment. For example, they argued that features of a business model, or sources of income which did not necessarily indicate customer detriment should be excluded.
- 1.55 An accountancy firm specialising in the veterinary sector submitted that our estimate of customer detriment was ‘based on the profits of the LVG’s, yet the remedies and other comments apply to all FOPs’.
- 1.56 An LVG submitted that our estimate of detriment based on our acquisition analysis was ‘unreliable’ due to, for example, ‘the lack of control for quality improvements and changes in product mix in the underlying acquisition impact analysis’.

Part B: remedies

- 1.57 In part B, we set out our proposed remedies to address the provisional concerns we had found. The numbering of these remedies in this summary follows the same numbering and terminology used in the PDR.

Remedies: framework, form and implementation

- 1.58 Responses received from stakeholders relating to the framework, form and implementation of our remedies were focused on impacts and burdens on veterinary businesses, the appropriate implementation periods and which veterinary businesses should be subject to CMA requirements, as well as trialling the implementation of remedies.
- 1.59 With regards to impacts on businesses other than direct costs, some of the submissions we received in response to our PDR (and our Remedies Working Paper (**RWP**))⁶ suggested that the ability of more informed pet owners to exercise choice would have a negative impact on veterinary businesses. Those submissions said, for example, that if pet owners were to increasingly purchase medicines more cheaply online, there would be financial consequences for FOPs.
- 1.60 In response to our PDR (and RWP), we heard from smaller veterinary businesses that some of our proposed remedies would impose proportionately greater burdens on them. They noted that they had fewer resources to dedicate to administrative tasks and compliance than larger groups.
- 1.61 We heard in a significant number of the responses to our PDR (and RWP) that many independent veterinary businesses would need longer than LVGs to comply with any requirements in a remedies Order (some LVGs made the opposite point, saying larger businesses would need longer than independents).⁷
- 1.62 A few respondents to the PDR submitted that charity organisations providing small animal veterinary services should not be subject to the requirements of our remedies.
- 1.63 We proposed in our PDR that we would not conduct trials in this investigation. A very small number of respondents commented on that proposal. They expressed opposing views:
- (a) A very small minority told us that some remedies should be piloted with LVGs in the first instance so that their impact could be assessed and to limit any market distortions.

⁶ CMA, Remedies Vets Market Investigation Working Paper, 1 May, 2025. CMA, Vets Market Investigation Summary of responses to the remedies working paper, 15 October 2025.

⁷ Owing to the greater number of FOPs in which they would need to make changes.

- (b) Another very small minority expressed the view that the CMA should not trial remedies. One LVG submitted that ‘any further review should be targeted and limited in scope so as to avoid causing fresh uncertainty’.

Pet owner empowerment remedies

Remedy 1: Require businesses providing veterinary services and online pharmacies to publish information on ownership

- 1.64 This remedy received wide support from most industry stakeholders, including both independent veterinary businesses and LVGs. Many agreed with its aims and considered it important in supporting pet owner decisions. A very small minority did not support the remedy or questioned its effectiveness.
- 1.65 Many respondents said that the requirements did not go far enough. For example, some considered the proposal lacked sufficient prescriptive action and would be at risk of easy circumvention.
- 1.66 Specific suggestions for development of the remedy design included:
 - (a) the LVG or group identity should be presented before the local practice name;
 - (b) the phrase ‘owned and controlled by’ must be included in the disclosure;
 - (c) a change of trading name should be part of the requirements;
 - (d) disclosure should be required on search engines, the internet domain name, and the RCVS register;
 - (e) details of private equity owners, main shareholders, global headquarters location, and a list of all vertically integrated businesses should also be disclosed;
 - (f) words and phrases such as ‘independent’, or ‘part of a group’ could be misleading and should be protected within the profession.
- 1.67 Several stakeholders noted that updating signage to meet the requirements of this remedy could be costly and that greater specificity in the requirements might further increase these costs. Some LVGs submitted that three months would not be sufficient to make the necessary changes.

Remedy 2a: Require FOPs and referral centres to publish basic service information

- 1.68 Very few respondents to our PDR commented on this remedy. Those that did were supportive, with many considering that the remedy would support pet owner empowerment. Some veterinary businesses mentioned already meeting some of the requirements.
- 1.69 A few responses provided suggestions to strengthen the remedy, for example by including additional supporting information alongside RCVS accreditations. A couple of responses raised concerns about staff privacy and the use of non-digital channels.

Remedy 2b: Require all FOPs and referral centres and crematoria to publish a standard price list for a defined selection of services

- 1.70 Most responses expressed support for the aims of this remedy in providing price transparency for pet owners and some suggested it could help build trust with the vet. A variety of concerns were raised with the implementation of price lists in general. These included concerns that the price list could lead consumers to focus on price over quality (risking a 'race to the bottom'); and risks of veterinary businesses implementing loss leader strategies.
- 1.71 Respondents also commented on specific elements of the price list proposal presented in the PDR. Many considered that the proposal to require veterinary businesses to use free text to describe services could risk overloading consumers with technical information and present challenges to effective comparison between providers. Some suggested that to support comparability the CMA should standardise services or provide more specific guidelines on how each item should be presented in the list.
- 1.72 Some respondents commented on the proposed list although views on many items differed. Many responses considered the items in category six (described as specialist treatments and procedures) to be too clinically complex to feasibly implement. Other comments provided constructive suggestions for describing and defining certain items to support implementation and comparison. We received few comments on the proposed weight categories for cats and dogs, representing conflicting views on the definitions and challenges with implementation.
- 1.73 Some respondents suggested that the administrative burden of implementing the price list would be great due to the number of items required, and that ongoing updates would be burdensome considering the limited capability of practice management systems (**PMS**). We received a

small number of responses which disagreed with the communication channels proposed for implementation.

- 1.74 We also held a roundtable with (in the main) veterinary professionals to discuss our price list proposals. This has been published separately on our case page.

Remedy 2c: Require FOPs to publish prices for all preferred parasiticides

- 1.75 A relatively small number of respondents to the PDR commented on this remedy. Those who did expressed general agreement that price transparency was important for pet owners.
- 1.76 Less than a quarter of those who commented on this proposed remedy raised a concern that it could contravene the Veterinary Medicines Directorate guidance on the advertising of medicine products. A small number suggested the list could confuse consumers rather than empower them, and fewer than ten responses suggested it could present a risk to responsible prescribing. A small number of responses highlighted the risk that the remedy could drive business away from independent veterinary businesses and towards LVGs who own online pharmacies.
- 1.77 Some responses expressed concern about the potential burden of the remedy, particularly where the definition of 'preferred products' might result in a requirement to publish a very long list. Fewer than ten respondents mentioned that PMS capabilities would be a barrier to the proposed requirements. A very small number of responses suggested that required updates to lists could be less frequent to reduce the burden.

Remedy 2d: Require FOPs to publish information about pet care plans

- 1.78 Relatively few respondents to our PDR commented on this remedy. Many of those who did expressed general agreement that the remedy would support price transparency and drive pet owner empowerment. Some veterinary businesses considered that they already provided sufficient information to support pet owners.
- 1.79 A small number of responses argued that the remedy could cause confusion among pet owners or discourage them from taking up preventative healthcare. Some suggested that it would not support comparison between providers because plans could be complex and differed in what they include.

- 1.80 A small number expressed disapproval of pet care plans in general, suggesting that they contributed to over-use of parasiticides, and a very small number suggested the remedy could unintentionally change parasiticide uptake behaviour.

Remedy 3: Require FOPs and referral centres to submit information to the RCVS for the RCVS to publish on an enhanced Find a Vet platform and to share with selected third parties

- 1.81 This remedy received mixed levels of support from industry stakeholders. A minority were fully supportive, and a significant minority offered conditional support subject to suggested amendments to specific aspects of the remedy.
- 1.82 Many responses acknowledged that the RCVS was a trusted body within the industry and was well placed to ensure data was presented in a way that was balanced and not distorted by commercial incentives.
- 1.83 Many stakeholders opposed the proposed remedy, largely reiterating concerns raised in response to the RWP. These related to implementation costs, and limits to comparability for reasons such as insufficient quality measures and the focus on price. Some businesses were concerned about the administrative burden associated with sharing and updating data with the RCVS.
- 1.84 Responses were mixed on third-party access to Find a Vet data. Concerns centred on the risk that third parties might commercialise the data or fail to provide adequate context or accurate information about practice quality. Some stakeholders expressed concern that third party access to this data could unduly benefit LVGs. Some respondents stated that they could be reassured by appropriate data-sharing requirements set by the RCVS. There was broad support for prohibiting promoted rankings.
- 1.85 The proposed implementation timelines were considered insufficient. Some respondents suggested that automation would support data collation. However, PMS capabilities were considered a barrier. A minority of veterinary businesses also noted that they could not begin implementation until the RCVS had communicated the requirements for information provision.

Remedy 4: Require the RCVS to commission and publish the results of a group-level pet owner survey

- 1.86 This remedy received minimal support from industry stakeholders. Many submissions argued that a group-level pet owner survey would not be

effective in meeting its aims and could risk misleading pet owners and distorting choice.

- 1.87 Many veterinary businesses noted that the market for veterinary care was segmented locally and geographically and argued that a group-level survey would not reflect the differences between FOPs within the same LVG group or between independent FOPs. As such they considered it would not provide meaningful information to pet owners about their local options.
- 1.88 Many responses argued that high-performing independent FOPs would suffer reputational damage if a single average performance metric were used to represent all independent FOPs.
- 1.89 A handful of respondents noted that pet owners already relied on existing online review platforms and thus the group-level pet owner survey would not deliver meaningful additional value.
- 1.90 A small number of respondents considered that the proposed biennial frequency would mean the results of the survey would often be out-of-date and might create an incentive for some FOPs to maintain high levels of performance only around survey periods.
- 1.91 A handful of submissions raised concerns about the survey methodology, coverage, potential for sampling bias and increased administrative costs to FOPs.

Choice of treatments, referrals and diagnostics

Remedy 5a: Written estimates for higher cost treatment options

- 1.92 Most of the comments on this remedy came from vets. Of those who commented:
 - (a) over half said that they broadly supported it;
 - (b) many told us that lots of veterinary practices already provided written estimates;
 - (c) many appeared to be agnostic about the benefits of this remedy. Their comments referred to specific design elements,⁸ without expressing a clear view on their overall level of support;

⁸ Such as the inclusion of emergency treatment or aftercare, circumstances when written updates are required, the format or timing of the written estimate and the monetary threshold at which the remedy applies.

- (d) a handful raised concerns about the remedy resulting in delays and/or additional costs which could be passed on to pet owners.
- 1.93 Of those respondents who commented on this remedy, a small group told us that a minimum level of examination was needed before the price could be estimated. A small number of respondents commented on the difficulty that would arise if vets were required to provide written estimates for multiple treatment possibilities. Among that group, one LVG described '[r]equiring elaborate contingent multi-scenario written estimates before diagnostics,' as '... wholly disproportionate, impractical, and ultimately not useful for pet owners.'
- 1.94 Of those who commented on this remedy, a handful of respondents suggested that pet owners should be given an indicative range where there were uncertainties.
- 1.95 Regarding treatment options outside the FOP, many of those who commented on this remedy raised concerns about the difficulties of obtaining estimates. However, a small group of respondents were broadly supportive of the requirement to provide written estimates for referrals.

Remedy 5b: Itemised billing

- 1.96 A significant number of respondents commented on this remedy and almost all of them, from LVGs through to small veterinary businesses, expressed support for it. A very small minority expressed the view that pet owners would not benefit from being provided with this information. Many respondents told us that veterinary professionals already provided itemised bill to pet owners.
- 1.97 Of those who commented on this remedy:
- (a) a small minority told us that a proportion of customers decline written receipts when they are offered;
 - (b) a small minority submitted that pet owners might interpret an itemised bill as a shopping list of goods and/or services that they could pick and choose from;

- (c) a very small minority of respondents wanted clarification over whether a fixed-price bundle of multiple goods and/or services⁹ would need to be itemised.

Remedy 6: Ensuring vets and vet nurses can offer a range of treatment options

- 1.98 Of those respondents who commented on this remedy, most supported it. Many of them did so because they felt veterinary professionals already complied with it.
- 1.99 A handful of respondents felt it was unnecessary as it was already covered by other requirements such as the RCVS Code of Conduct and Guidance and compulsory training for new veterinary graduates. An even smaller number of respondents felt that the remedy might be ineffective because veterinary businesses often did not follow their own written policies, for example because practice culture had a bigger impact on the behaviour of veterinary professionals than written policies.
- 1.100 Another respondent suggested whistleblowing protections and a responsible person nominated in the practice could ensure accountability.

Medicines market opening remedies and prescription price control

Remedy 7: Information measures to increase awareness of online pharmacies and the amount that can be saved by using an online pharmacy rather than purchasing from the FOP

- 1.101 The majority of respondents to our PDR that commented on this remedy were generally supportive of greater transparency about written prescriptions. However, many respondents, including LVGs and independent vet practices, also raised concerns about specific aspects of the proposed measures.
- 1.102 Many respondents made submissions regarding the accuracy and appropriateness of messaging about potential savings being available online. Many respondents were strongly opposed to any message around price transparency which referred to online pharmacies being significantly cheaper, or to referencing competitors' prices in any way. The key concerns were that:

⁹ For example, treatment for tibial plateau levelling osteotomy (TPLO) may be sold as package including the surgery, implants, medicines and post-procedure physiotherapy.

- (a) it would be unfair to require a FOP to advertise a competitor and that such measures were without precedent in other sectors;
- (b) being required to reference online pharmacies could drive revenue from independent FOPs to LVG-owned online pharmacies;
- (c) this message could be misleading as medicine prices at online pharmacies were not consistently cheaper than in-practice FOP prices; and
- (d) wording indicating that medicines were cheaper online might undermine any increased incentive for FOPs to lower medicine prices.

1.103 A small number of responses objected to FOPs being required to host a list of authorised online pharmacies on their websites as they considered that this would unfairly require them to promote competitors, and that doing so would give vertically integrated LVGs an unfair advantage.

1.104 Respondents also raised concerns about the administrative burdens and costs being imposed on FOPs by this remedy, including the impact on the time for consultations, updating PMS systems and records, and the need to send a large number of text and email communications. A few said that it was unnecessary and disproportionate for the remedy to apply to all consultations

1.105 A small number of respondents also told us that this remedy would have a negative impact on the clinical relationship between the vet and pet owner by introducing commercial considerations into the consultation.

Remedy 8: Measures to reduce barriers to pet owners purchasing online

1.106 In the PDR, we proposed that veterinary businesses operating FOPs should either produce a paper copy of a written prescription by the end of the consultation or send the pet owner a digital copy of the written prescription by the end of the same day. We received a significant number of responses to this. Generally, respondents supported the aim of the remedy, telling us that they supported barriers being removed in order that pet owners could access written prescriptions easily and in a timely manner.

1.107 Most of the PDR respondents that commented on this remedy raised concerns about its design. Almost all of them told us that a longer time frame in which to issue a written prescription would be necessary for the remedy to be successfully implemented. Many respondents, including almost all

independent practices which responded and proposed an alternative time frame, told us that 24 to 48 hours would be appropriate.

- 1.108 Many also cited difficulties with their PMS (including lack of automation) in achieving the quick turnaround envisaged in the proposed remedy.
- 1.109 A significant number of respondents raised concerns about providing digital copies of written prescriptions to pet owners, owing to the growing prevalence of prescription fraud. Some noted that, to reduce instances of potential fraud, some FOPs were already sending prescriptions directly to the pet owner's preferred online pharmacy.
- 1.110 We also heard that controlled drugs required diligence and that the process in respect of them was different to prescribing non-controlled Prescription-only Medicine – Veterinarian (**POM-V**) medicines.

Remedy 9: Own Brand medication¹⁰

- 1.111 Overall, a small minority of responses to the PDR discussed this remedy. The majority of this group were broadly supportive or neutral. Most of the main parties commented on this remedy and those who did agreed with it in principle. Some of the independent FOPs who commented on this remedy explicitly agreed that Own Brands create barriers for consumer choice and that this required remedying.
- 1.112 Some stakeholders called for greater clarity on the requirements of the remedy, stating that there might be many branded equivalents or alternatives, and that providing all of these would be burdensome.
- 1.113 A minority of respondents suggested that this remedy did not go far enough, and that Own Brand medication should either be banned, or available to purchase by all veterinary businesses.

Remedy 10: Choice of default for repeat prescriptions

- 1.114 Of the respondents to our PDR that commented on this remedy, the majority were unsupportive, including representative organisations, LVGs and independent veterinary businesses.
- 1.115 Respondents thought that pet owners would not be able to make an informed choice of default prior to a diagnosis of the relevant condition by

¹⁰ Versions of veterinary medicine products that, rather than having the brand name of a manufacturer, have a brand name given by the retailer or distributor of the product. We use the term Own Brand broadly to describe 'private-label', 'own-brand', 'own-label', and/or 'white-label' products.

their vet and a choice of appropriate medication, with the pet owner's decisions often based on the condition being treated. They were also concerned that pet owners might receive unwanted written prescriptions, leading to administrative waste for FOPs and a charge to the pet owner.

- 1.116 Both independent and LVG respondents were concerned that the remedy would impose high administration costs on FOPs, due to issues with the ability of current PMS to cope with some of the technical demands of this remedy. We were told that FOPs' PMS would need to be adapted to fulfil these requirements. Most of the main parties, and many of the independent veterinary businesses which responded, were concerned about the cost and feasibility of making these changes.

Remedy 11: Prescription fee price cap and medicines price cap

- 1.117 The majority of respondents to the PDR commented on our proposed remedies in the supply of veterinary medicines, and many of these responded on the proposed prescription fee price cap.
- 1.118 Most of these raised concerns about the prescription fee cap. A small number were in favour of a price cap at the level proposed in the PDR, and a few additional respondents were supportive in principle but raised concerns about the proposed level.
- 1.119 A small number of respondents objected to the principle of any price cap being in place for prescription fees. Many of those respondents that raised concerns submitted that the price level proposed was too low, with some commenting that the level did not recognise the professional time and costs required to produce written prescriptions. Some of these respondents highlighted that preparing written prescriptions relied more on the vet than other members of staff, and others noted the lack of technical support (such as integration with PMS) for creating and sending prescriptions to online pharmacies. Other respondents raised concerns around the proposed cap level not being sufficient to cover the time required to take steps to prevent prescription fraud.
- 1.120 A few respondents raised specific concerns on the data that we had used to set the proposed cap level, such as the small data size of the dataset covering independent FOPs, or the use of the estimated lower quartile of the market.
- 1.121 Many respondents specifically raised concerns about a single price cap covering all medications prescribed within a consultation. A number of respondents highlighted, for example, that it was commonplace to prescribe

multiple medicines within a consultation. Some noted that many of the tasks required to prepare a written prescription needed to be carried out for each individual medicine.

- 1.122 Some respondents raised concerns about ways in which any price cap could be circumvented, while some responded specifically on the measures on the duration of prescriptions that were proposed in the PDR to avoid circumvention of the price cap.
- 1.123 There were also a small number of respondents who raised concerns around any price cap being set nationally rather than reflecting regional pricing variations, raised issues around how the cap level would change over time, or recommended a review or time limitation (sunset period) for the cap.
- 1.124 There were very few respondents to the PDR that commented on the proposed decision in the PDR not to impose a price cap on medicines prices, with one respondent expressing support and two respondents instead proposing that we impose broader price caps on medicines in the market.

The potential effects of our medicines remedies

- 1.125 Most respondents to our PDR commented on our provisional views on competition in the supply of veterinary medicines. Almost all of these respondents – particularly independently owned veterinary businesses – raised at least one potential effect that could arise as a result of our proposed medicines remedies.
- 1.126 A majority of PDR respondents that commented on our proposed medicine remedies raised several concerns related to the risk that, in response to a loss of medicine revenues at FOPs, other prices might need to increase.
 - (a) Many respondents suggested that consultation fees (or other professional fees), prices for other veterinary services (such as diagnostics, treatments and procedures, OOH services, and emergency care), or urgent medicine prices, might increase.
 - (b) A small number suggested that FOPs would have to increase prices for other veterinary services to cover their fixed overhead costs of supplying medicines as well as the greater wastage costs for medicines as more pet owners decided to purchase from third-party retailers.
- 1.127 Only a small number of these respondents provided quantitative estimates of the expected price increases following a loss in medicine revenues. One said that professional fees would need to increase by 8-12% in response to a hypothetical 50% uptake of prescriptions of long-term medicines. A few

expected increases in fees of between 10-20%. A couple suggested that consult fees might increase by up to £15.

1.128 Around half of PDR respondents that commented on our proposed medicine remedies raised concerns about unintended distortions to market outcomes as a result of our remedies.

- (a) A large majority told us our remedies would put FOPs at a competitive disadvantage as they could not match the prices for medicines offered by online pharmacies and that this could become more challenging as more pet owners decided to purchase from online pharmacies following the introduction of our remedies.
- (b) A majority suggested that the impact of pet owners purchasing fewer medicines from FOPs owned by Vertically Integrated LVGs (in this case, meaning those which own online pharmacies) would be softened compared to the impact on FOPs that do not own online pharmacies, in part because they could use the additional revenues earned by their online pharmacies to support their FOPs, or to use these additional revenues to lower the prices for veterinary services at the FOPs they own.
- (c) A minority said that Vertically Integrated LVGs could 'steer' pet owners that requested written prescriptions in their FOPs to purchase medicines from their own online pharmacy, which would allow them to recapture sales of medicines lost by their FOPs and prevent rival online pharmacies from attracting pet owners to their website.
- (d) A small number suggested that an increase in the use of online pharmacies would give Vertically Integrated LVGs greater access to (and volumes of) customer data, which could be used to attract pet owners to their FOPs by, for example, offering targeted discounted prices in their FOPs for veterinary services.
- (e) A small number of these PDR respondents said our remedies could give online pharmacies, particularly those owned by Vertically Integrated LVGs, incentives to raise prices as more pet owners decided to purchase prescribed medication outside of their FOP.

1.129 Around half of PDR respondents that commented on our proposed medicine remedies raised concerns about the additional administrative burden on vets if they would need to produce more written prescriptions.

- (a) A large majority explained that this was because the systems used by many FOPs to produce a written prescription are relatively inefficient, typically taking a vet up to 15 minutes in each instance.
 - (b) A majority said that the increased costs to cover vets' time to produce written prescriptions would be passed on to pet owners through higher prices for veterinary services.
 - (c) A majority told us that it could lead to a reduction in the availability of consultations for pet owners as well as the time vets have available to provide veterinary care.
- 1.130 Around half of PDR respondents that commented on our proposed medicine remedies told us that they might lead to increased instances of prescription fraud. These respondents suggested that this was because written prescriptions could be more susceptible to fraud where these are provided directly to pet owners (as they are subject to forgery, date alterations, and multiple redemptions) rather than sent directly to the third-party retailer (usually an online pharmacy) chosen by the pet owner.
- 1.131 Around half of PDR respondents that commented on our proposed medicine remedies told us that our remedies could have negative effects on animal welfare in various ways.
- (a) A small number told us that animal welfare might be impacted due to delays in treatment starting where a pet owner decided to purchase medication (which could be poor quality or imitation veterinary medicines) from an online pharmacy, particularly in an urgent context.
 - (b) A smaller number said that our remedies could lead to a negative effect on animal welfare if FOPs were to reduce their stocks of medicines (including those needed in an urgent context), thereby denying pet owners who preferred to purchase medication directly from a FOP (or require the medication urgently) the opportunity to do so.
 - (c) Even fewer respondents suggested that pet owners might be less likely to bring their pet to a FOP when they are unwell if prices for veterinary services (such as consultation fees) increased as a result of our remedies.

Out-of-hours contracts

Remedy 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.

- 1.132 Most respondents that commented on the proposed OOH remedy (a small minority of all responses) were supportive and did not provide further additional comment. A few respondents commented on the positive impacts of the remedy in increasing the ability of FOPs to switch OOH provider, flexibility for OOH providers and better animal welfare and consumer experience.
- 1.133 We received a handful of responses that opposed the OOH remedy. They considered that our remedy would either make setting up and expanding OOH services more difficult or could lead to more OOH providers exiting the market as the remedy reduced the security of demand which providers need.
- 1.134 A few respondents made comments about the fragility of the OOH market, noting that there were few providers of OOH services in some areas and that some customers had to travel long distances to access OOH services, particularly in rural areas, arguing that it would be necessary to monitor the number of OOH providers exiting the market.
- 1.135 A few responses said that we should have looked at OOH pricing to pet owners or the availability of OOH services. These points did not contest the OOH remedy itself but commented instead on its limited scope.
- 1.136 One respondent asked that it be made clearer that the implementation of this remedy should not be used as an opportunity to renegotiate OOH fees with FOPs. Another respondent asked for clarity on how the remedy would apply to mixed practices (noting that our remedies do not apply to equine and farm animals).
- 1.137 Some respondents said that the CMA's medicine related remedies could have an adverse knock-on effect on the provision of in-house OOH services. They submitted that OOH provision relied on some cross subsidisation from other revenue streams and that, if medicine revenues declined, this could adversely impact the provision of in-house OOH services.

Cremations remedies

Remedy 13: Transparency on the options and fees for cremations and ensuring that all pet owners have the option of a communal cremation

- 1.138 The majority of responses which commented on the proposed requirements to provide options and prices for cremations supported the idea that pet owners should be given this information.
- 1.139 A handful suggested that it would be inappropriate to require extensive discussion of prices during a euthanasia consultation. Respondents told us that vets would be perceived as insensitive and that pushing these discussions would erode trust and cause distress.
- 1.140 A handful of respondents told us that having a list of discretionary add-ons would be unhelpful and make the standardised price list unnecessarily long.
- 1.141 A handful of the responses misinterpreted the proposal for pricing information regarding individual and communal cremations. Some respondents argued that the proposal would require a breakdown of the costs including handling and storage to be given and this was deemed insensitive.
- 1.142 None of the responses we received disputed the proposal that communal cremations should be offered. Many said that FOPs offered this as standard practice.
- 1.143 In relation to the proposed requirement to allow time for pet owners to consider their options after losing a pet, responses suggested that the majority of FOPs already offered this. They also stored the body of the pet while the pet owner decided how they wished to proceed.
- 1.144 A couple of responses suggested that the percentage of owners that changed their mind after their initial decision about the type of cremation they wanted was extremely low and that very few people would benefit from a requirement for FOPs to give reflection time after the initial decision had been made. It was suggested that requiring FOPs to store the pet's body after the pet owner had made their decision might be burdensome and would not outweigh any potential benefits. Burdens included storage capacity, a delay for owners, potential errors and cost for potential additional collection services.
- 1.145 An LVG suggested that all FOPs should have a six-month period to implement the requirements because, it said, implementation would likely take just as long, if not longer, for LVGs. It also said that given the remedy

was designed to give consumers more information to enable better choices, having the same implementation period would 'level the playing field'.

- 1.146 The vast majority of respondents supported or did not dispute the proposal not to impose a price control. A very small minority called for a price control.

Complaints and redress

Remedy 14: A requirement on all veterinary businesses operating FOPs to have an in-house complaint process for each of its FOPs which meets specified minimum criteria

- 1.147 Over half of respondents to our PDR who commented on this proposed remedy indicated general support for it. Reasons given for this included that it would help pet owners know how to complain and reduce the barriers to their doing so and support effective client redress and continuous professional development for practice teams. A small minority of respondents were not supportive.¹¹
- 1.148 Just over a quarter of respondents to our PDR who commented on this aspect of our PDR said that they already had effective processes in place. A small minority submitted that the remedy would not add value where complaint handling already worked well.
- 1.149 We heard from a small minority of those who commented on this remedy that longer than eight weeks might be required in some circumstances for FOPs to send a full letter of response to complainant pet owners.
- 1.150 Regarding business burdens, concerns we heard included that:
- (a) it might be more difficult for smaller veterinary businesses to comply with than larger ones;
 - (b) it could increase the costs and burdens on veterinary businesses;
 - (c) it might lead to a rise in complaints (which may be unfounded or vexatious);
 - (d) it could put pressure and stress on veterinary professionals; and

¹¹ Reasons submitted for this included that routes to resolve complaints already exist and that pet owners are generally aware of how to complain. There were also concerns about a rise in unfounded or vexatious complaints and the mental health of veterinary professionals.

- (e) ways to complain already existed (such as via the RCVS, social media, search engines).¹²

1.151 One particular set of responses to our PDR – using a template from a campaigning organisation focussed on veterinary and animal welfare issues, which was submitted by 87 respondents – made these specific comments on the costs and burdens of this remedy:

- Technological infrastructure would need to be developed across practice management systems. To account for this, the responses recommended, ‘... an extended 18-month implementation period following the final order and engage[ment] directly with PMS developers, RCVS, and professional bodies to ensure realistic, secure delivery.’
- The cost per site of making the necessary changes would be higher for independents than LVGs, and veterinary businesses with a turnover below a certain threshold should be subject to simplified requirements.
- Reporting requirements should not place an additional burden on veterinary businesses and the submission of data to the regulator should be automated.
- The cost of monitoring compliance, and the sampling of data, by the regulator was a concern.

1.152 A small number of respondents who commented on this remedy noted that there should be consideration for vulnerable customers, and that complaint handling processes must have flexibility to respond to their needs.

1.153 Some stakeholders submitted that this remedy (and remedy 15) should also apply to referral services, OOH practices, laboratories and online pharmacies or sought clarification on whether the remedy applied to OOH providers and referral centres.

1.154 Those respondents to our PDR who submitted a template response from a campaigning organisation focussed on veterinary and animal welfare issues recommended an 18-month implementation period and one other respondent submitted that a six-month timeline was reasonable.

¹² From a small group of respondents who commented on this remedy in each case who were a mix of those who broadly support the remedy, were neutral or not specific, or not in favour. We also received a template response from Veterinary Voices. This was submitted by 87 respondents and made a point about the cost and burdens of this remedy.

- 1.155 Some respondents who commented on this remedy raised concerns about the cost of monitoring compliance and the sharing of complaint data with the regulator.

Remedy 15: A requirement for all veterinary businesses operating FOPs to engage in mediation in good faith in cases where the pet owner's complaint is not resolved in-house and the pet owner wishes to engage in mediation

- 1.156 Over half of stakeholders who commented on this proposed remedy were generally supportive. Reasons for their support included that it could help pet owners resolve their complaints, improve veterinary business accountability, and help avoid litigation in some cases.
- 1.157 Around a quarter of those commenting on this remedy were neutral or not specific about their attitude towards it, and a handful of respondents were unsupportive. Some respondents raised concerns about the costs and burdens for independent veterinary businesses, the quality and capacity of the Veterinary Client Mediation Service (**VCMS**) and how the mediation process would interact with other processes such as professional negligence claims and court procedures. Some stakeholders were concerned that the remedy could lead to an increase in vexatious complaints or encourage pet owners to seek opportunistic reductions in their bill.
- 1.158 Some stakeholders suggested additional acceptance criteria for the obligation on veterinary businesses to engage in mediation to be triggered. For example, some respondents suggested that pet owners should be required to settle their bills before mediation could begin. One respondent suggested that veterinary businesses should not be required to engage in mediation where they could demonstrate that due process had been followed in relation to the complaint.
- 1.159 In relation to the funding of the mediation service, a handful of respondents submitted that veterinary businesses should contribute based on usage of the mediation scheme rather than on a per FOP basis as we had proposed. They submitted that this would be fairer as independent veterinary businesses would have fewer complaints progressing to mediation. One respondent said that the complainant should bear some of the costs of mediation to disincentivise vexatious complaints.

Remedy 16a: An undertaking from (or requirement on) the RCVS to develop and publicise a decision tree to help pet owners navigate the different routes to obtaining redress

- 1.160 Almost all respondents that commented on this proposed remedy were broadly supportive of it. Many of them said the remedy would simplify and clarify the routes to redress, helping to reduce confusion amongst pet owners and ensuring that they understood their options.
- 1.161 Around a quarter of stakeholders who were supportive of this remedy made suggestions regarding its design. These were that:
- (a) Complaints could be multi-faceted, and care would need to be taken to ensure pet owners could select the most suitable and proportionate pathway.
 - (b) The decision tree would need to include accurate and consumer-friendly descriptors and be easy to find and accessible. Some stakeholders offered to support the RCVS with the development of accurate and consumer-friendly language.

Remedy 16b: An undertaking from (or requirement on) the RCVS to collect, analyse and publish on an annual basis data and insights on complaints in the veterinary market for household pets

- 1.162 Our provisional view of the value of complaints data, and the way it should be used, was broadly supported in principle by most respondents to our PDR that commented on this proposed remedy. While not all of them explained their view, just under half told us that this remedy would provide an opportunity to understand the causes of pet owner dissatisfaction and to facilitate improvements in quality and learning.
- 1.163 A handful of respondents commenting on this remedy were not supportive. Reasons given were that it would risk under reporting to the RCVS, disincentivise good record keeping, and inhibit the cultivation of a safe environment for learning and development, and the incurring of costs for the RCVS which would then be passed on to veterinary businesses and pet owners. Around a fifth of stakeholders held a neutral view or were not specific.
- 1.164 A small minority of respondents raised concerns:
- (a) About the capacity and capability of the regulator to develop the mechanisms for the collection, analysis and publication of complaints and insights data.

- (b) About the anonymisation of the relevant data and of compliance with data protection legislation.
- (c) That the RCVS could use the relevant data to take disciplinary action against vets.
- (d) That requiring veterinary businesses to share complaint data with the regulator could encourage under-reporting of complaints or prejudice unfairly those veterinary businesses with more solid record keeping standards.

1.165 Just under half of respondents who commented on this remedy (and who were all either broadly supportive of this remedy or neutral/not specific) told us that data collection should be automated, not manual, to avoid adding additional burdens to veterinary businesses. A small minority of respondents also noted that the regulator would incur costs because of this remedy, with some of them saying that such costs would be passed back to veterinary businesses.

Recommendations for regulatory reform

1.166 There was wide support from stakeholders for reform of the VSA. These responses said that the legislation was unfit for purpose and new regulation was required to reflect modern veterinary practice and market structures.

1.167 Some respondents were concerned that a reformed regulatory framework would impose an increased administrative burden and greater costs on veterinary businesses. A handful of respondents raised concerns about the RCVS's ability and capacity to manage additional regulatory responsibilities.

Regulating veterinary businesses

1.168 There was wide support, among stakeholders who commented on this aspect of our recommendation, for the proposal that veterinary businesses should be included within the scope of regulation. Reasons for their support included that it would ensure accountability of veterinary businesses, reflect modern changes in the ownership of veterinary practices and ensure service quality and standards were met.

1.169 A number of stakeholders were supportive of an outcomes-based regulatory approach. Reasons included that such an approach would be less bureaucratic and more proportionate. One stakeholder was not supportive of this approach and stated that it could result in consumer detriment.

- 1.170 A number of stakeholders were supportive of a voluntary accreditation scheme. Reasons included that it would help inform consumer choice, help consumers understand the relative quality of services and further stimulate competition. Some respondents commented positively on the PSS and some suggested that the participation in the PSS should be made mandatory. Other respondents said that the PSS was burdensome to comply with and was not well understood by pet owners.

Regulation of veterinary professionals

- 1.171 We received very few submissions on our provisional recommendation with respect to the regulation of veterinary professionals. However, most of those who did respond on this topic were supportive of the recommendation.

Effective monitoring of compliance with regulation

- 1.172 We received very few submissions on our provisional recommendation regarding effective monitoring powers for the regulator. Submissions which were supportive stated that strong powers of investigation were necessary for the regulatory framework to be effective and that robust monitoring would support transparency, regulatory reform and offer more robust protections to pet owners and the profession.
- 1.173 Stakeholders who were not supportive of the recommendation stated that it would be burdensome for the profession and that more monitoring powers were not needed with regards to veterinary professionals.

Effective enforcement of regulation

- 1.174 We received few submissions on our provisional recommendation regarding effective enforcement powers for the regulator. However, the majority of stakeholders who commented on this aspect of our recommendation were supportive of giving the regulator effective enforcement powers. Reasons included that the current RCVS threshold for investigating complaints was too high and that effective enforcement encouraged compliance with regulation which drove higher standards.
- 1.175 Some stakeholders who commented on this topic supported stronger enforcement powers than those recommended. Other stakeholders submitted that the powers recommended were excessive, could significantly add to the cost of running a veterinary business and would add to the mental stress of the profession. Some highlighted the need for enforcement powers to be proportionate and enforced sensitively with a presumption in favour of constructive engagement with businesses.

Complaints and redress

- 1.176 While the responses were mixed, a number of respondents supported our proposed recommendation that a comprehensive system for complaints handling and redress should be established as part of the regulatory framework in the veterinary sector, including the introduction of a binding independent redress scheme.
- 1.177 Those who were supportive told us that a binding redress scheme could deliver a final outcome for pet owners which was independent and fair, provide pet owners with confidence and certainty, and encourage resolution of complaints at an earlier stage.
- 1.178 Some respondents commented specifically on the establishment of an ombudsman as part of a binding independent redress scheme. Those who were supportive said that an ombudsman would be independent, deliver fair outcomes, protect against frivolous or unjustified complaints about businesses and have powers to investigate complaints.
- 1.179 Other respondents were not supportive of, or raised concerns about, a binding independent redress scheme. They told us that such a scheme could add another layer of complexity, increase pet owner incentives to pursue frivolous claims, affect vet welfare, divert time away from clinical work and impact mediation resolution rates.

Consumer and competition duty for the regulator

- 1.180 Only a few stakeholders commented on this aspect of our proposed recommendations. These stakeholders were generally supportive of introducing a consumer and competition duty for the regulator.

Governance and structure of the regulator

- 1.181 The majority of respondents who commented on our proposed principles for the governance of a veterinary regulator were supportive. Several respondents noted the importance of the regulator being trusted by both the public and the profession.
- 1.182 With regards to the structure of the regulator, several respondents said they were supportive of separation of the professional leadership and regulatory functions and some respondents said these functions should be performed by separate bodies. Some respondents were supportive of these functions being carried out by independent parts of the same body.

- 1.183 A minority of responses on this theme submitted that no changes should be made to the RCVS's structure and governance. They felt that amendments to the RCVS Code or to the PSS would be sufficient to address the concerns identified.

Effectiveness and proportionality of our remedies package as a whole

- 1.184 We did not receive any substantive responses to our PDR regarding the effectiveness of our remedy package as a whole.

Proportionality

- 1.185 Relatively few respondents to the PDR referred specifically to the proportionality of our remedies package as a whole.
- 1.186 A handful of respondents raised concerns about the remedies package creating an additional burden for veterinary businesses. The other main themes raised by respondents related to how the costs of the remedies should be borne, the timelines for implementation, and how the remedies affect different types of veterinary business.

How the costs should be borne

- 1.187 Of the respondents who referred to how the costs of the remedies should be borne, the majority told us that the cost of implementing and regulating remedies should fall to veterinary businesses, based on their size.

Timelines for implementation

- 1.188 There was a broad consensus amongst all sizes of veterinary business that the remedy implementation timelines set out in the PDR were too short.
- 1.189 Many respondents told us that they had concerns about the ability of veterinary businesses to implement the remedies using their existing PMS and that it would take several months for their PMS to be upgraded or replaced.
- 1.190 In response to the PDR, a small number of respondents expressed views on whether there should be different timelines for different sizes of veterinary business. They had mixed opinions.

How the remedies affect different types of veterinary business

- 1.191 Many respondents expressed the view that larger veterinary businesses would be more able to bear the costs of complying with the remedies.
- 1.192 A handful of respondents expressed the view that some of the remedies should be designed such that they were less burdensome for smaller veterinary businesses. For example, a small group of respondents suggested that veterinary businesses should have different requirements based on their annual turnover. However, a minority of the LVGs submitted that smaller and larger veterinary businesses should not be treated differently.
- 1.193 A handful of respondents told us that the remedies package should apply differently to charity organisations providing small animal veterinary services.