

Reform of the Veterinary Surgeons Act 1966 - advice from the Competition and Markets Authority

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Summary

1. The CMA is the UK's principal competition and consumer authority. Our purpose is to promote competition and protect consumers with a clear end goal – to drive economic growth and improve household prosperity.¹ The CMA has a role providing information and advice to government and public authorities and,² in our 2026-29 Strategy, we have committed to dial up our role as an enabler of competition through expert advice and recommendations to government.
2. The CMA recently concluded its market investigation into veterinary services for household pets.³ The independent inquiry group appointed by the CMA to lead the investigation (the **Inquiry Group**) published its [findings](#) on 24 March 2026.
3. The Inquiry Group found significant and widespread problems with how the veterinary services market was functioning. To remedy these issues, the Group has required veterinary businesses to change their behaviour and enable pet owners to make informed choices, including through published price lists, prescription fee caps, and a price comparison website. However, limitations on the CMA's statutory powers mean that there are certain issues that can only be addressed through new legislation. In particular, the Group found that the current regulatory system, established under the Veterinary Surgeons Act 1966 (the **VSA**), and overseen by the Royal College of Veterinary Surgeons (the **RCVS**) is not fit for purpose, harming competition and contributing to poor outcomes for pet owners. In particular:
 - a) It does not put enough focus on the interests of pet owners, or on promoting competition, which in turn is a driver of fairly priced, good quality, innovative services
 - b) Its scope is too narrow, binding only individual vets and nurses, but not veterinary businesses
 - c) Mechanisms to monitor and enforce compliance are poorly designed
 - d) There is limited provision for effective complaint handling and consumer redress

¹ [CMA strategy 2026 to 2029](#).

² Under Section 7(1) of the Enterprise Act 2002, the CMA has a function of making proposals, or giving information and advice, "on matters relating to any of its functions to any Minister of the Crown or other public authority (including proposals, information or advice as to any aspect of the law or a proposed change in the law)". The CMA's advice and recommendations to government and public authorities are made with a view to ensuring that policy decisions take account of the impacts on competition and consumers.

³ [Veterinary services for household pets - GOV.UK](#).

- e) The combination of professional leadership and regulatory roles within RCVS gives rise to an inherent tension between professional obligations and wider public responsibilities without adequate governance and operational separation between the functions.
4. The Inquiry Group therefore made a number of recommendations for legislative reform, through a new Veterinary Surgeons Act, to address these concerns.⁴ This reform would complement and strengthen the CMA's own remedies, and we have strongly encouraged government to take it forward.
 5. With all this in mind, we strongly welcome Defra's January 2026 consultation document on [Reform of the Veterinary Surgeons Act](#), which provides a strong foundation for addressing the concerns about the regulatory framework described in our report. The proposals it puts forward would represent a significant step towards improved consumer protection and enhanced competition in the sector.⁵ While there is significant alignment between the CMA's recommendations and Defra's proposals, there are opportunities for Defra to better ensure that the proposed legislation will improve outcomes for pet owners and drive competition across the sector.
 6. This advice is structured in two parts. The first discusses the CMA's findings and the background to our recommendation for regulatory reform; the second considers Defra's proposals for reform in the light of our findings, setting out where we consider Defra could better ensure that the proposed legislation will improve outcomes or would benefit from having particular regard to our recommendations as it develops the details of its proposals. In particular:
 - a) **Regulation of veterinary businesses** - we strongly welcome the proposed introduction of business regulation which is a critical part of our recommendations. We encourage Defra to develop a regulatory framework under which veterinary businesses must comply with standards which promote competition and protect consumers, including the requirements we are imposing on businesses under our Order.
 - b) **Regulation of veterinary professionals** - it is not clear from the consultation document how far Defra envisages incorporating consumer and competition standards into the regulation of individual veterinary professionals. We think that the regulatory standards and requirements that apply to those individuals

⁴ Our recommendations are set out in [Part B](#), Section 9 of the final report.

⁵ The proposed findings and recommendations from our provisional report can be seen here: [Provisional decision report: part B](#).

should have a sufficient focus on the promotion of competition and good consumer outcomes.

- c) **Enforcement** - we encourage Defra to develop a broader range of enforcement powers for the regulator and enable the regulator to take proportionate enforcement action against a range of forms of misconduct (rather than, as at present, limiting its power to take action only to cases warranting severe sanctions). Adopting a similarly high bar to intervention as under the existing system could prevent effective enforcement of regulation and limit the extent to which it disciplines individuals' and businesses' conduct. It would also mean the veterinary regulator has more limited scope to protect consumers from misconduct than comparable professional services regulators (for example medical and social care regulators).
- d) **Complaints and redress** - a binding independent adjudication or ombudsman scheme would play a powerful role in protecting pet owners and guiding the conduct of veterinary businesses. Independent binding redress schemes deliver fair, consistent and final outcomes to complaints, benefitting both pet owners and veterinary businesses. The existence of such a scheme should incentivise better service provision and complaint handling, and better outcomes for pet owners. We encourage Defra to add this to its proposals.
- e) **Governance and structure of a veterinary regulator** - our final report sets out critical operational principles for the governance and structure of an effective veterinary regulator. Full separation of a veterinary regulator from any professional leadership bodies would best meet these principles. Short of this, should Defra take forward its 'proposed' structure of internal separation, it is essential that:
 - i) regulatory activities are strategically and operationally independent from the professional leadership functions within a single organisation. To maintain strategic and operational independence, we strongly consider it to be necessary for the regulatory function to have its own independent board with clearly articulated purposes and responsibilities.
 - ii) funding for the regulatory function is ringfenced and guaranteed, and the board of the regulatory function has a material say in determining the amount of funding required for regulatory activities.
- f) **Legislation and the extent of regulatory discretion** - legislation reforming the regulation of veterinary services could take more than one shape. It could, for example, comprise an outline legislative framework empowering the regulator to exercise considerable discretion over the making of specific regulatory requirements (for example, the making of one or more codes of

practice). Alternatively, the legislation could itself be more prescriptive and comprehensive. Under either model, the regulatory requirements that ultimately apply to businesses could be rules-based and prescriptive (requiring specific forms of compliance), or they could be outcomes and principles-based (allowing for different means of achieving an outcome). Our advice to Defra is that the model adopted should promote consistency and predictability. To that end, we encourage Defra to give further thought to the appropriate extent of regulatory discretion, particularly on matters relating to competition and consumer protection. In particular, the legislation itself should provide clearly for the areas in which the regulator must act, the outcomes it must promote and the means by which it must achieve them.

7. The regulation of veterinary medicines has not been included as part of the consultation. During our investigation, we considered several matters relating to the regulation of veterinary medicines and ways in which it may restrict access to certain products, or the way in which they can be prescribed or sold, and therefore may impact competition in the supply of veterinary medicines. We recognise there are other relevant policy objectives, but we encourage Defra (in combination with other appropriate bodies, notably RCVS and the VMD) to consider whether the balance of these restrictions is in the right place. We encourage Defra to consider whether reform of the Veterinary Surgeons Act presents any particular opportunities to improve how these regulations are working.
8. While this advice could not be made available prior to the close of Defra's consultation due to the timing of our final report, we hope it will be a helpful input to the development of policy and legislation. We welcome the opportunity to engage further on our recommendations, and the advice set out in this response, to help ensure that, on an enduring basis, veterinary services for household pets can work better for consumers, and to drive competition in this market.

The CMA's Veterinary Services Market Investigation

CMA findings

10. In its final report, the Inquiry Group concluded that competition is not working as well as it could in the market for veterinary services for household pets. In technical terms, it found that there are features of the market that give rise to an adverse effect on competition (**AEC**).
11. The report identified three key problems that need to be addressed in the market:⁶
- a) **Lack of information:** pet owners do not have the tools they need to support them in choosing what is best for them and their pet. Vets and veterinary businesses are not providing pet owners with the information they need, in a timely way, to enable them to make choices between different practices, treatment options or, in the case of medicines, whether to use alternative retailers such as online pharmacies.
 - b) **Barriers in the market:** there are sometimes barriers to pet owners acting on information (such as uncertainty around the quality of medicines from online pharmacies or timeliness of delivery, high prescription fees, delays in obtaining a written prescription). When things go wrong there are difficulties in making a complaint and seeking redress. There are also barriers to first opinion practices (FOPs) switching out-of-hours (OOH) providers.
 - c) **The regulatory framework:** the system of regulation of vets is outdated and wholly unfit for purpose, including that it applies only to veterinary professionals and not to the businesses in which they work.
12. As a result, pet owners can find it difficult to choose the vet practice, treatments and medicine suppliers that are best for their circumstances and end up paying more than they would if the market were working as well as it could.⁷
13. To address the AEC and resulting consumer detriment, the CMA decided to implement a package of remedies to empower pet owners to choose the vet practice, medicine supplier and treatments that are best for them, and making it easier to complain if something goes wrong.⁸ This wide-ranging package aims to transform the experience of pet owners and empower them to make the right choices for them and their pet. These remedies will, for the first time, impose

⁶ [Summary of final report](#), paragraph 63.

⁷ [Summary of final report](#), paragraph 64.

⁸ Our remedies package is summarised in the table 1.1 of [part B](#), section 1.

regulatory obligations on the vet businesses which own the majority of practices and control key decisions affecting animal welfare, public health, competition and consumer interests.

14. The CMA's actions are supplemented by recommendations to government, the RCVS, and the Veterinary Medicines Directorate, which if taken forward will lead to greater protection for consumers and greater competitive pressure on veterinary businesses to lower prices and/or increase quality in order to win and retain clients.

CMA assessment of regulatory framework for veterinary services

15. The CMA recognises that competition alone, important as it is, will never be enough to fully protect pet owners in a complex clinical services market like veterinary services. In such a market, regulation can help ensure customers are able to receive appropriately accessible and affordable care, while also supporting wider objectives.
16. The system of regulation needs to both ensure that commercial incentives drive efficient prices that are affordable to pet owners as well as support animal and public welfare. To that end, we would expect the system of regulation to (among other things):
 - a) promote competition by ensuring that pet owners have information that, where possible, enables them to make good choices; and
 - b) provide effectively for assuring, monitoring and enforcing appropriate minimum or baseline standards of competence, quality and conduct by all vets and FOPs, as well as indicators of the relative quality of services they offer, where pet owners cannot readily assess those things for themselves.⁹
17. However, the CMA's market investigation found that the regulatory framework for veterinary services for household pets is outdated and ineffective. It does not contain appropriate substantive requirements, or monitoring, enforcement and redress mechanisms, to support the competitive processes and outcomes we would expect in a well-functioning market for the supply of veterinary services. [Part A](#), section 14 of the final report sets out the Inquiry Group's assessment of the regulatory framework in full. In summary, it concluded that the framework:

⁹ Final report, [part A](#), section 14, paragraph 14.7.

- a) does not, in addition to objectives concerning animal welfare and the public interest, place enough focus on the interests of pet owners as purchasers of veterinary services and on promoting competition to serve those interests;
- b) is too narrow in scope, binding only individual vets and nurses, but not veterinary businesses and the non-vets who own and work in them;
- c) gives pet owners only limited help in gauging the relative quality of services;
- d) contains poorly designed mechanisms for monitoring and enforcing compliance with regulatory requirements;
- e) contains limited provision for effective complaint handling and consumer redress; and
- f) more broadly, the RCVS's structure – in which it combines a professional leadership role with a regulatory role involving the setting and enforcing of conduct requirements – gives rise to an inherent tension between professional obligations and wider public responsibilities without adequate governance and operational separation between the two functions.

The CMA's recommendation for regulatory reform

18. To address this, the CMA urges wholesale regulatory reform. Our final report recommended to the UK Government, in consultation with the Scottish Government, Welsh Government and Northern Ireland Executive as appropriate,¹⁰ the establishment of a replacement statutory regime for the regulation of veterinary services.¹¹

19. In line with the Inquiry Group's recommendation in part B, section 9 of the final report, we consider that the replacement statutory regime should include the following elements:

- a) **Business regulation:** veterinary businesses (and the practices they own) should be included within the scope of regulation, in addition to individual vets and vet nurses. Veterinary businesses should be subject to mandatory minimum requirements which, in addition to the protection of animal welfare and the wider public interest, (i) promote competition and protect consumers, and (ii) ensure a baseline level of quality with respect to clinical standards. There should be an improved voluntary accreditation scheme under which

¹⁰ References to "recommendations to government" mean recommendations to the UK government in consultation with the Scottish Government, Welsh Government and Northern Ireland Executive as appropriate.

¹¹ More information is available in the CMA final report, [part B](#), section 9.

veterinary businesses may seek additional quality accreditations and awards for aspects of their services which exceed the baseline.

- b) **Professional regulation:** regulation of veterinary professionals should be strengthened, to better promote competition, by ensuring that pet owners have information that enables them to choose between providers and services.
- c) **Monitoring and enforcement:** robust and effective monitoring and enforcement powers for the regulator, including a lower threshold for regulatory action and a broader and more effective range of sanctions, which support and incentivise compliance with regulatory rules by veterinary businesses and professionals.
- d) **Complaints and redress:** an effective complaints and redress system which disciplines the conduct of veterinary businesses operating FOPs and supports the competitive process. This should include a requirement that all veterinary businesses operating one or more FOPs ensure that each of their FOPs has and follows a written in-house complaint process, which meets certain minimum criteria, alongside provision for mediation and a binding independent redress scheme.
- e) **Statutory duties for the regulator:** additional statutory duties for the veterinary regulator to promote competition and further the interests of pet owners in the discharge of its statutory functions.
- f) **Governance and structure to match the enhanced regulator's responsibilities:** a veterinary regulator structured appropriately, guided by a series of operational principles, to ensure the effectiveness and independence of a modern regulatory regime.

20. More information about this recommendation can be found in [section B, part 9 of the final report](#).

21. We consider that a single regulatory framework for veterinary services across the four nations of the UK is preferable.

22. In addition to the recommendations for regulatory reform, the CMA also highlighted several points that it would like Defra to consider in relation to the regulation of veterinary nurses and veterinary medicines. More information about these points to consider can be found in [part B, section 10 of the final report](#).

Defra's proposals for reform of the Veterinary Surgeons Act 1966

23. Defra's VSA reform programme represents a generational opportunity to reform the regulation of veterinary services in the UK. This includes the opportunity to introduce pro-competitive reforms which support better outcomes for pet owners and promote rivalry between providers in the market for veterinary services for household pets.
24. We recognise Defra's proposed reforms are broader in scope than the CMA's market investigation.¹² We urge Defra to build on the CMA's remedies package and to implement the CMA's regulatory reform recommendation in full as part of its reform of the Veterinary Surgeons Act.
25. On the back of the CMA's market investigation findings and recommendations, we welcome Defra's proposals for reform of the Veterinary Surgeons Act. We are very pleased to see significant alignment between Defra's proposals and the CMA's regulatory reform recommendation as set out in the final report.
26. We particularly welcome the proposed introduction of business regulation, alongside significant improvements in professional regulation, monitoring and enforcement, and governance and structure of the regulator. Additionally, certain areas where the CMA stopped short of recommendations but encouraged government to consider further reform - such as the regulation of nurses - are also being explored for reform. The proposed reforms, when combined with actions by the CMA, RCVS, and the VMD, will substantially improve the way the market works for the benefit of pets and consumers.
27. However, within this wider endorsement, there are some areas where we believe Defra could better ensure that the proposed legislation will realise the maximum competition and consumer benefits from these reforms, and some areas where we felt lack of specificity in the consultation document leaves scope for divergence from the CMA's reform recommendation (for example on the voluntary accreditation scheme or governance and structure of a veterinary services regulator). In this advice, we set out the CMA's views in respect of these areas, which include: the regulation of veterinary professionals, complaints and redress, governance and structure of the regulator and the scope and mechanics of new legislation.

¹² In particular they apply to all vets and vet practices (the CMA's market investigation covered household pets only) and they encompass wider public interest concerns in addition to competition and consumer interests.

Regulation of veterinary businesses

CMA recommendation in final report

28. The inquiry group concluded that the current regulatory framework is too narrow – binding only individual vets and nurses but not veterinary businesses¹³ – and is not as helpful as it could be in giving pet owners indicators of the relative quality of the services businesses provide.¹⁴ To rectify this, we recommended that veterinary businesses (and the practices they own) should be included within the scope of regulation, in addition to individual vets and vet nurses. Veterinary businesses should be subject to mandatory minimum requirements with respect to both clinical standards and competition and consumer matters. We refer to these mandatory minimum requirements as the Standards for Veterinary Businesses. We are also recommending the establishment of an effective voluntary accreditation scheme as part of a reformed regulatory framework.

29. The details of our recommendation with respect to business regulation are that:

- a) The Standards for Veterinary Businesses should reflect a set of appropriate baseline requirements for clinical standards at veterinary practices, as well as the substantive content of the pro-competition requirements we are imposing on businesses under our Order.¹⁵ We would expect the regulator to set minimum regulatory standards in respect of both (i) individual veterinary practices or premises and (ii) the businesses which carry on those individual practices.¹⁶
- b) Regulation should apply at the organisational level to veterinary businesses. This means to the natural or legal person carrying on a business providing

¹³ Which, as explained below, means a natural or legal person carrying on a business providing veterinary services for household pets.

¹⁴ In [part A](#), section 14: *Regulatory framework for veterinary services*, subsection *Aspects of the regulatory framework leading to weak and ineffective regulation*, we noted that the RCVS is currently undertaking a multi-phased review of PSS standards which would likely include new consumer facing standards. We note that such changes, if implemented, have some potential to help promote competition between businesses which are part of the scheme. However, for the reasons stated in that section, which includes that we can only assess the effectiveness of requirements which are in force, our AEC analysis with respect to the regulatory framework stands.

¹⁵ This should include transparency requirements creating obligations to publish certain information, a requirement for veterinary businesses to ensure that veterinary professionals whom they employ have the ability to exercise clinical autonomy, requirements relating to the sale of veterinary medicines including rules about how pet owners should be told about and offered prescriptions, a requirement to have and follow a written in-house complaints process and a requirement to participate in mediation and a binding independent redress scheme. This is set out in the [final report, part B](#) section 9, para 9.20.

¹⁶ This could for example be achieved through two sets of standards, which focus on the conduct of the individual practices and businesses respectively. We consider that such an approach would be necessary on the basis that there are regulatory requirements that may be appropriate to impose on veterinary businesses but not on individual practices (and vice versa), such as, for example, a requirement to ensure that operational and commercial pressures do not unreasonably inhibit the exercise of professional judgement by vets and vet nurses.

veterinary services for household pets.¹⁷ That person would be the corporate entity (company), partnership or individual owner(s) which, or who, carries on the business, as each case may be.

- c) The regulation of veterinary businesses should, so far as possible, take the form of an outcomes-based model.¹⁸
- d) In addition to the Standards for Veterinary Businesses, which would provide a baseline level of quality assurance for the sector, there should be an effective accreditation scheme under which veterinary businesses may seek additional quality accreditations and awards for aspects of their services which exceed the baseline. The scheme would enable pet owners to understand the relative quality of the services provided by veterinary businesses beyond that baseline level.

30. To ensure an element of local responsibility in individual practices, the reformed regulatory system could require veterinary businesses to appoint a 'responsible person' in each of its practice premises. That person could, for example, have a designated role in ensuring that the business meets its obligations in the relevant premises and could support individual vets' and nurses' compliance with their professional obligations. The regulatory system could also include a requirement for a responsible individual at veterinary business level, who would have professional responsibility for ensuring the business's overall compliance with its regulatory obligations.

31. Implementing our recommendation would mean that veterinary businesses, which have control over decisions affecting the operations of individual veterinary practices, are subject to the disciplining effect of regulation. They would have to play their part in making sure pet owners have appropriate and timely information and advice enabling them to make informed choices. Our recommendation would also drive consistent baseline quality standards (ie standards that apply to all businesses) and quality differentiators (additional voluntary accreditations) across the sector, and support vets' and vet nurses' clinical independence.

32. Further details of the CMA's assessment of the current regulation of, and recommendations in respect of, veterinary businesses can be found in part A, section 14 and part B, section 9 of the final report respectively.

¹⁷ We describe what we mean by the person 'carrying on' a business in [part B](#), section 2 (*Remedies: framework, form and implementation*) of our final report. This is the person who determines and directs the operation of the veterinary business.

¹⁸ See final report, [part B](#), section 9, *Regulatory model* section for further detail.

Defra consultation proposals

33. Defra's consultation acknowledges the need, and rationale, for regulating businesses, and we strongly welcome these proposals.
34. Defra's proposals for veterinary business regulation include many similar aspects to those recommended by the CMA. Defra envisages that businesses would be required to register with a regulator and demonstrate that the business, as well as each premises it operates, complies with specified standards. It also envisages that there would be a named responsible person at each premises and within a centralised team within the business (if part of a corporation) who is responsible for ensuring that the running of the premises is compliant with the standards.
35. We welcome Defra's proposal that all veterinary/animal healthcare businesses would need to adhere to both standardised and sector-specific mandatory minimum standards. We are also encouraged by the proposal that reformed legislation would set out that the standards should include consumer focused duties (including appropriate pro-competition requirements that will apply under a CMA order).
36. We note that Defra's consultation states that as the proposed standards focus on maintaining the minimum requirements, there would still be a place for a voluntary accreditation scheme aimed at veterinary/animal healthcare business and premises seeking excellence. We also note that Defra proposes that the scope of this scheme would be at the discretion of the regulator and would not be the subject of legislation.
37. We welcome Defra's recognition of the benefits of an accreditation scheme. However, our view is that setting up this scheme should not be at the discretion of the regulator. While participation in the scheme should be voluntary for veterinary businesses, the establishment and maintenance of the scheme itself should be mandatory for the regulator.
38. We strongly encourage Defra therefore to include within the regulatory framework provision for both the minimum standards for businesses as well as an accreditation scheme that veterinary businesses can choose to participate in. Such an accreditation scheme would help address the barriers we have identified that make it difficult for veterinary businesses to measure and communicate quality and for pet owners to effectively compare the quality of FOPs. This scheme would assist pet owners in understanding the relative quality of providers, enabling them to make more informed choices based on quality as well as price.
39. Defra have also expressed their view that the named responsible person would be a licensed professional (either veterinary surgeon, veterinary nurse, or AVP),

who is senior enough to have direct knowledge and influence over the clinical services being offered. The CMA did not identify that the named responsible person should be a licenced professional, but welcome Defra's work to explore how this should be effectively implemented.

Regulation of veterinary professionals

CMA recommendation in final report

40. Veterinary professionals have a key role to play in ensuring that consumers have the information and ability to make informed choices, and rival businesses compete to offer them a range of services meeting differing needs at competitive prices.¹⁹ However, under the current framework and guidance, the CMA identified that currently professional regulation has limited effect in helping pet owners make informed choices and does not promote competition to the extent we would expect in a well-functioning veterinary services market.²⁰
41. Our recommendation to government is that the regulation of veterinary professionals should therefore be strengthened, with regulatory requirements to better promote competition, to ensure that pet owners have information that enables them to choose between providers and services.
42. This includes ensuring that the regulatory standards and requirements that apply to veterinary professionals under a reformed framework should have sufficient focus on the promotion of competition and good consumer outcomes,²¹ and that some of these competition and consumer responsibilities for professionals should feature within any fitness to practise and CPD requirements taken forward.²²
43. Further details of the CMA's assessment of the current regulation of, and recommendations in respect of, veterinary professionals can be found in part A, section 14 and part B, section 9 of the final report respectively.

Defra consultation proposals

44. We welcome Defra's proposals in relation to introducing a licence to practise scheme and fitness to practise model for the regulation of veterinary professionals. A 'fitness to practise' framework is seen as a more modern and effective way to protect patients, maintain public confidence in a profession, and to uphold standards of conduct compared to the disciplinary system currently

¹⁹ Final report, [part A](#), section 14, paragraph 14.14.

²⁰ Final report, [part A](#), section 14, paragraph 14.51.

²¹ Final report, [part B](#) section 9, paragraph 9.57.

²² Final report, [part B](#) section 9, paragraphs 9.58-9.59.

used for veterinary professionals, which is based on proving and sanctioning (only) serious professional misconduct. A fitness to practise model will enable the veterinary regulator to bring across best practices from human healthcare regulators. Such reforms speak directly to our recommendations on broadening the regulatory system.

45. While we welcome these elements of the reform proposals, we believe there may be opportunities for the reforms to go further to deliver benefits for competition and consumers.
46. Importantly, it is not clear from the consultation document how far Defra envisages incorporating consumer and competition standards into the regulation of veterinary professionals. Although section 2.1 of the consultation document does refer to the setting of professional standards in respect of consumer matters,²³ we are unsure whether this statement is a description of fitness to practise regimes generally or a statement of intent with regards to veterinary services regulatory reform. We would welcome clarification on this point.
47. We strongly encourage Defra to develop the regulatory framework so that the regulatory standards and requirements that apply to veterinary professionals under a reformed framework have as a sufficient focus the promotion of competition and good consumer outcomes.²⁴
48. We believe these pro-competitive standards and requirements are compatible with a fitness to practise scheme such as the one outlined in the consultation document. Such provisions can form part of the body of rules and guidance (eg Code of Conduct) that professionals must comply with and against which the regulator will determine whether misconduct has occurred.
49. We agree that the proposed fitness to practise approach will enable earlier support and interventions for veterinary professionals. We anticipate that most interventions relating to the pro-competitive regulatory provisions will be dealt with through such early support and intervention. Nevertheless, the regulator must, where appropriate, be able to find that a contravention of the pro-competitive requirements has amounted to 'serious misconduct' or otherwise met the threshold for 'current impairment' (or any standards replacing these concepts).
50. As stated in the final report, we expect that under a new fitness to practise model, the continuous professional development (**CPD**) regime would have a larger

²³ Consultation section 2.1 states that 'Regulators set the professional standards, both across clinical and consumer matters, and can take action when individuals depart from these required standards'. [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

²⁴ Final report, [part B](#), section 9, paragraphs 9.56-9.59.

emphasis on competition and consumer elements of practice, commensurate with the amendments to the regulatory requirements and guidance for vets and vet nurses suggested above.

Monitoring

CMA recommendation in final report

51. We have recommended that the regulator should have sufficient statutory powers and resources to enable the effective monitoring of compliance with regulation by both veterinary businesses and veterinary professionals. The RCVS's current monitoring powers with respect to individual professionals are limited and it does not have any monitoring powers with respect to veterinary businesses. A range of effective and proportionate monitoring mechanisms will allow the regulator to identify and investigate non-compliance with regulation, incentivising veterinary professionals and businesses to comply with substantive requirements and raising standards across the sector.

Monitoring of compliance with regulation of veterinary professionals

52. We recommended that veterinary professionals should be required to complete an annual declaration of compliance in which they would confirm that:

- a) they have understood and complied with their Code of Conduct and related guidance (or any equivalent instruments under a new regime);
- b) they have completed the required CPD hours; and
- c) they are fit to practise as a vet or vet nurse, should a fitness to practise model be brought forward into legislation.

Monitoring of compliance with regulation by veterinary businesses

53. We recommended that a system of self-reporting by veterinary businesses by way of annual return to the regulator should be introduced.²⁵ This should include:

- a) the provision of specified information, such as complaints data, services offered, staff qualifications, and ownership details; and
- b) a declaration of compliance with the regulatory requirements applying to them.

²⁵ We note that a system of annual self-reporting by businesses is consistent with the approach we are adopting for monitoring compliance with the requirements imposed by our Order.

54. In addition to the information provided in the annual return, the regulator should be able to request further information from veterinary businesses where it considers that this is necessary to support a formal investigation or more generally when monitoring the business's compliance with its obligations.
55. The regulator should be able to conduct inspections of business premises to assess their compliance with obligations, especially those which cannot be adequately assessed remotely.²⁶ It could publish certain information following inspections, to indicate to pet owners the compliance levels of veterinary businesses.

Defra's consultation proposals

56. We are encouraged by Defra's proposals in relation to effective monitoring of compliance with regulation, many of which align with the CMA's recommendations. For example, Defra proposes annual business and professional returns to the regulator, and we await more information on what would be included in them. We consider that self-declaration is a proportionate approach to assessing compliance and is consistent with the way compliance with the CMA order will be monitored.
57. Defra also foresees that the regulator would have the power to carry out inspections and request information from businesses. The inspection framework proposed, in particular a mix of routine and risk-based inspections, would ensure that the monitoring powers available to the regulator are proportionate and impose minimal burden on businesses who are compliant with regulatory standards. We also welcome the proposal that the regulator would publish the inspection report as this would provide an additional indicator of the quality of the service to pet owners, allowing them to make informed choices.

Enforcement

CMA recommendation in final report

58. In line with the recommendation to government in our final report, we propose that the regulator should be given a wide range of enforcement powers to address non-compliance with regulation by veterinary businesses, vets and vet nurses. The relevant legal thresholds for regulatory action should be designed to ensure that enforcement action (against both veterinary businesses and

²⁶ The RCVS has recommended that it should be given powers of entry as part of mandatory practice regulation. [RCVS recommendations for future legislation](#) (accessed 27 February 2026).

professionals) can take place in respect of a much wider range of infringements than only the most egregious misconduct cases.

59. A range of appropriate enforcement powers should help ensure that the regime imposes no greater costs than necessary on businesses, and supports a proportionate approach being taken in individual cases. A range of enforcement mechanisms would encourage early and collaborative engagement with non-compliant businesses. For example, softer enforcement mechanisms should be used in response to minor cases of non-compliance while the more serious sanctions could be reserved for serious breaches of professional obligations.²⁷ This would promote compliance with regulation and higher standards across the sector.

Effective enforcement of professional regulation

60. With respect to vets and vet nurses, the sanctions should include:

- a) accepting undertakings from individuals;
- b) issuing formal advice and warnings;
- c) making interim orders;
- d) imposing conditions on the registration of individuals; and
- e) suspending and removing the individual from the register.

61. The regulator should also have the power to publish a notice on the page of the register for individual veterinary professionals and any similar register for businesses where they have been subject to disciplinary or enforcement action.

Enforcement of business regulation

62. With respect to veterinary businesses, the sanctions should include:

- a) accepting undertakings from businesses;
- b) issuing formal advice and warnings;
- c) making interim orders;

²⁷ For example, we do not consider that removal of a veterinary professional from the register, or the removal of a registration to practice for a business, would be appropriate for most cases of breach of consumer-focused requirements.

- d) issuing fines;
- e) imposing conditions on the registration of the business (or on that of one or more of its practices); and
- f) suspending or removing the registration of the business (or of that of one or more of its practices).

Defra's consultation proposals

63. We are encouraged by and agree with the enforcement mechanism proposed by the consultation. With respect to businesses this includes providing advice and guidance, imposing fines and issuing improvement notices/conditions. With respect to veterinary professionals this includes accepting undertakings, imposing conditions on a licence and imposing interim orders.
64. We note that the consultation does not include accepting undertakings from businesses or issuing interim orders or warnings to businesses. The current proposals also do not include issuing formal advice or warnings to veterinary professionals. We would encourage Defra to strengthen its proposals with such additional enforcement powers. Such powers would enable more effective enforcement in a wider range of scenarios than only the most serious infringements. They would allow the regulator to take early and collaborative intervention to prevent more serious conduct. This would incentivise compliance with regulatory requirements by veterinary businesses, vets and vet nurses, and support a proportionate approach being taken in individual cases.
65. The current high threshold for investigating and taking disciplinary action with respect to veterinary professionals is another concern. One notable example shared with us saw a pet owner have a complaint dismissed by the RCVS, only for the veterinary professional in question to later be struck off for inadequate provision of care to 18 different animals.
66. As noted above, we welcome Defra's proposal to introduce a fitness to practise process with respect to veterinary professionals, where the regulator would need to consider whether professionals have a 'current impairment' in order to take disciplinary action. However, it is not clear what the threshold for taking regulatory action will be under the proposed fitness to practise model.
67. We encourage Defra to carefully consider the design of this threshold. It is important that the relevant legal thresholds for regulatory action should be designed to ensure that enforcement action (against both veterinary businesses and professionals) can take place in respect of a much wider range of infringements than only the most egregious misconduct cases. Importantly, this

should include taking action in relation to infringements of pro-competition and consumer issues.²⁸

68. An appropriate threshold for intervention, coupled with a broad range of powers, will allow the regulator to take proportionate action suited to the nature of the conduct. It may still be the case that the threshold for taking serious enforcement action is high, however the regulatory framework should allow for some proportionate enforcement action against less serious conduct. As mentioned above, enabling the regulator to take a proactive, collaborative and preventative approach to enforcement, before serious breaches occur, will drive up standards and improve outcomes for pet owners. The current high threshold for intervention and associated limited range of sanctions is out of step with comparable professional services regulators (for example medical and social care regulators).
69. Separately, we note that the concept of the public interest plays a role under the current system in determining where and how the regulator may intervene and take enforcement action and this is likely to continue. On that basis, we consider that it must be made clear that the public interest, for the purposes of the regulatory framework, does include consumer and competition interests.

Protection of nurses' title and expansion of nursing role

CMA considerations in final report

70. Veterinary nurses provide valuable supportive care to pets and pet owners. As part of veterinary teams, they carry out technical work and are skilled in undertaking a range of diagnostic tests, medical treatments and minor surgical procedures under the direction of a vet.
71. We have assessed that changes around the regulation of nurses could have a beneficial impact on competition and outcomes for pet owners, but these changes bring in clinical considerations and trade-offs between wider policy objectives. Recognising these considerations, we asked the government to consider the merits of:
- a) Legislative reform that protects the title of veterinary nurse, reserving it to those holding relevant qualifications.
 - b) Changes to the VSA that both expand the scope of tasks that may be performed by veterinary nurses and give greater clarity on these activities.

²⁸ The final report, [part A](#), section 14, set out that currently cases involving consumer facing requirements, for example complaints over charges and informed consent, largely fall outside the scope of RCVS's formal disciplinary action.

72. We are encouraged by Defra's proposals, which explore the considerations we identified.

Defra consultation proposals

73. We welcome Defra's proposal for a licence to practise scheme for anyone conducting veterinary acts, which would in turn mean that all regulated professions within the veterinary team, including veterinary nurses, would have recognised and protected titles.

74. We are encouraged that Defra acknowledges that Schedule 3 is unclear for many professionals and agree that Defra's proposal for the regulator to determine the activities and conditions for each regulated veterinary professional could be an opportunity for the regulator to clarify and expand the veterinary nurse role. We note that Defra envisages reform to the rules around employment of veterinary nurses, such that nurses would not need to be employed by the same organisation as the veterinary surgeon supervising in order to undertake delegated tasks. Defra's proposals would therefore open up new ways of working for veterinary nurses, such as district nursing.

Complaints and redress

CMA recommendation in final report

75. As part of our remedies, we recommended that government establishes a comprehensive system for complaint handling and redress in the veterinary sector.²⁹ We recommended that this include the in-house complaint process and mediation remedies and an independent statutory redress scheme which is binding on veterinary businesses operating FOPs.

76. As part of our wider findings and remedies, the CMA will be requiring FOPs³⁰ to have and follow a written in-house complaint process which meets specified minimum criteria.³¹ We recommended that the reformed regulatory framework should incorporate and build upon these requirements.

²⁹ Final report, [part B](#), section 9: *Recommendations for future regulatory reform*, subsection *Complaints and redress*.

³⁰ These requirements will apply to all veterinary businesses operating one or more FOPs including where the business offers retail out-of-hours (OOH) services in one or more of those FOPs and where a business offers retail OOH services in an OOH centre, premises or location (whether or not it also offers FOP services there at other times).

³¹ See final report, [part B](#), section 8: *Complaints and redress* for further detail.

Defra consultation proposals

77. Defra has proposed in its consultation that a reformed VSA would require all veterinary businesses to adhere to minimum standards. We welcome its proposal that this could include requirements for all businesses operating FOPs to have a complaint handling process and to participate in an external mediation service (which is aligned with the requirements we will be imposing on veterinary businesses).³²
78. We further recommended that, when complaints have not been resolved at local level and mediation is not suitable or has been unsuccessful,³³ pet owners should have the option to seek a determination from a binding independent redress scheme. Such a scheme should involve an independent party considering complaints and making determinations as to how they should be resolved. All veterinary business operating FOPs should be required to ensure that each of its FOPs participates in the independent redress scheme. The outcome should be binding on the veterinary business, but not the pet owner (who should also have the option to go to court, as they do now). The service should be free for pet owners and funded by veterinary businesses operating FOPs.
79. Our judgement is that a binding independent adjudication or ombudsman scheme would play a powerful role in protecting pet owners and guiding the conduct of veterinary businesses. Independent binding redress schemes deliver fair, consistent and final outcomes to complaints, benefitting both pet owners and veterinary businesses. They are readily identifiable and accessible to pet owners, giving pet owners confidence that their complaints will be resolved. Certain schemes can be investigative and user friendly which is particularly important for pet owners who often have less information about a case than the veterinary professional or businesses. Such a scheme would discipline the way businesses provide their services and how they handle complaints, encouraging resolution of complaints at an earlier stage. It would support confidence in the profession and sector.
80. We do not anticipate that large volumes of complaints will require the use of such a scheme. Its existence alone should incentivise better service provision and complaint handling, and better outcomes for pet owners.
81. There are several models for delivering an independent third-party redress scheme. However, careful consideration should be given to the evidence we have received about the benefits of ombudsmen. We have heard that

³² Consultation section 3.2.4, [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

³³ Including because mediation does not deliver an outcome which is binding on veterinary businesses operating FOPs.

ombudsmen are user-friendly and investigative, rather than adversarial, which could mitigate against the considerable knowledge and information asymmetry between vets and pet owners. This should also protect against frivolous or unjustified complaints about businesses. We heard that ombudsmen can employ a number of techniques, including mediation. Ombudsmen can also play a role in capturing and aggregating data on consumer complaints and creating feedback loops.³⁴

82. We encourage Defra to augment the consultation proposals with a binding independent redress scheme. Further details on the design and delivery options of such a scheme are set out in Annex 2.

Statutory duties for the regulator

CMA recommendation in final report

83. We recommended the introduction of two statutory duties on the veterinary regulator which it would be required, so far as is reasonably possible, to take into account when carrying out its functions:

- a) **A consumer duty:** a duty, when carrying out its functions, to further the interests of pet owners in the veterinary market for household pets.
- b) **A competition duty:** a duty to promote competition when carrying out those functions.

84. These statutory duties should apply when the regulator discharges its functions. This includes when setting standards, creating new regulations or policies, conducting risk assessments and monitoring activities, and prioritising enforcement action. This will help ensure that the regulatory framework protects consumer interests and promotes effective competition. Where regulation works well to help pet owners make informed choices, it would drive competition between veterinary businesses, reducing prices, improving quality and widening access to services and treatments for the benefit of pets as well as their owners.

Defra consultation proposals

85. In its consultation, Defra has similarly proposed that the regulator should have specific statutory objectives which could include duties to protect consumers and

³⁴ In the meantime, under our Order, the RCVS will be carrying out this function. The RCVS will be required to collect, analyse and publish on an annual basis data and insights on complaints in the veterinary market for household pets (Final report, [part B](#), section 8, *Remedy 15b*).

ensure fair competition within the market. We warmly welcome this proposal. Annex 1 sets out CMA advice on implementation of these duties.

Governance and structure of a veterinary regulator

CMA recommendation in final report

86. For an effective regulatory framework, it is essential that the regulator is suitably equipped to carry out its functions, not only as to statutory powers and resources but also in terms of the relevant capabilities, clarity of purpose and focus of its board and staff, so that the public and the profession can have confidence in it. To that end, the regulator's governance arrangements and structure should be set out in new legislation. They should be designed so that the regulator can discharge its functions most effectively.

87. The CMA has recommended a series of operational principles for the governance of a veterinary regulator, to guide the design of the regulator in line with these expectations. There is a range of approaches that can be delivered in line with these principles: both our final report and Defra's consultation consider single-organisation and multi-organisation options for the structure of the veterinary regulator.³⁵ The operational principles are designed so that they could be implemented in either scenario.

88. As set out in the final report, the operational principles are:

- i) **Strategically and operationally independent governance of regulatory matters, delivering a clearly articulated and well-communicated purpose.** There should be a clear delineation between (i) the memberships of regulatory boards, councils, committees, or working groups and (ii) those holding responsibility for professional leadership. In other words, the governance of regulatory activities should be separate from that for professional leadership functions. This is necessary to prevent confusion over the regulatory role, and any real or perceived conflicts of interest.
- ii) **Ringfenced and guaranteed funding for regulatory functions.** The regulatory function must have access to appropriate funding to carry out the full range of its duties. It is also important that funds raised from

³⁵ Our final report includes two high-level illustrations to suggest how the different structural models could look in practice (Figures 9.1 and 9.2, as set out in the final report, [part B](#), pages 456 and 457). One depicts a single organisation housing both regulatory and professional leadership functions and the other two separate organisations. These diagrams are intended to illustrate how our operational principles could be met, not how we think they should. Other functions outside regulation, such as professional leadership, are included for illustrative purposes only.

business and individual vets for regulatory purposes should not be used for other purposes. If the regulatory function were to sit within the structure of a single organisation, such as the Royal College with a wider set of responsibilities: (i) there should be robust foundational documents which guarantee that the funding required for regulatory activities is allocated, or 'ringfenced', from the organisation's overall budget; and (ii) the board of the regulatory function should have a material say in determining the amount of funding required to discharge its duties.

- iii) **Effective board size and committee structure.** Regulatory work is more effective when it can be completed in a timely way. Board sizes should be appropriate to allow for cohesive and timely discussion and decision making and committee structures should be streamlined to enable more agile working.³⁶ The board of the regulatory function should nevertheless remain accountable, with major decisions reserved to the full regulatory board and sub-committees fully accountable to that board.
- iv) **Membership of the governing board and committees having the appropriate expertise to achieve their objectives.** We would expect the number of lay members to be at least equal to that of professional registrants. Lay members, who are those who are not, have not been, and are not eligible to be, registered as regulated professionals, bring invaluable experiences and perspectives, and help ensure that regulatory bodies are seen to be independent of their regulated professions. Lay parity alone would not guarantee appropriate independent oversight; the memberships of boards and committees would also need to contain the appropriate expertise for their function, and this balance would likely differ between boards and committees given their different roles and responsibilities.
- v) **Appointment of board members, as opposed to election by registrants.** Board members are not there to represent those who are regulated, and should instead be selected to carry out the different roles and responsibilities required of their position and offer appropriate expertise.
- vi) **Clear articulation and design of the role of a chairperson, to ensure they are not seen as a figure of professional leadership.** A regulatory chairperson would be hindered in the operation of their role if they were seen as a president for the profession or 'chief vet'. A lay chair can be, both symbolically and in practice, an important element in demonstrating

³⁶ The current board membership of 24 members for the RCVS Council appears to us to be out of line with modern best practice.

independence from the profession, and would be particularly beneficial if there were lay and professional parity on the regulatory board. Given the complexity and high-profile nature of the regulatory function, it would be strongly desirable for the chairperson's term of office to be several years in length.

89. We urge Defra to adopt these principles – and the CMA's wider recommendations on governance and structure of the veterinary regulator set out in part B, section 9 of the final report – when designing the new regulator as part of its legislative programme.

90. As noted in the final report, these principles can be observed in the regulatory frameworks of other professions (see part A, section 14). They are fundamental to ensuring that regulatory functions are conducted independently and effectively, free from perceived or real conflicts of interest and with the confidence of both those they regulate and the public. These points are especially relevant given the enhanced functions that the veterinary regulator would be taking on under Defra's proposals.

Defra consultation proposals

91. Defra's consultation presents the 'building blocks', or fundamentals, for veterinary regulatory design and sets out two overarching models for how regulatory design could look in practice. This includes an option for retaining the existing model of a single organisation housing both regulatory and professional leadership functions, and a second option for streamlining the role of the regulator so that it becomes a purely regulatory body.³⁷

92. Our view is that, if Defra were designing the regulatory framework wholly anew, we would expect the veterinary regulator to be established entirely separately from any professional leadership or 'Royal College' bodies. Such separation would more likely ensure that our operational principles for governance and funding were clearly and most effectively in place. Defra's consultation proposals contemplate this option in the section on 'Alternative structure – Separating the professional leadership functions from the regulator'. We note and endorse these proposals, which would ensure by design the strategic and operational independence of the veterinary regulator.

93. Should Defra proceed instead with the internal separation model (ie the 'Proposed structure' in Defra consultation document), we urge Defra to consider our governance recommendations more closely, as governance design becomes

³⁷ Consultation section 4.3, [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

more critical to delivering the operational principles under this approach. We are pleased to see significant alignment between Defra's proposals on governance reform and the operational principles we set out in the final report. However, there are some areas where Defra's proposals did not set out the details of how certain (fundamental) principles would be protected in the new legislative regime.

94. We therefore set out below some practical considerations which aim to ensure that:

- a) regulatory activities are strategically and operationally independent from the professional leadership functions within a single organisation; and
- b) funding for the regulatory function is ringfenced and guaranteed, and the board of the regulatory function has a material say in determining the amount of funding required for regulatory activities.

Structure of the regulator – strategic and operational independence

95. Defra's proposed structure for the regulator is a single organisation with a regulatory arm and a professional leadership arm. Both arms would be overseen by a board and the whole organisation would be overseen by an oversight body, be accountable to Parliament and the Devolved Governments, and subject to steers from the Defra Secretary of State.³⁸ There would be committees within each of the separate arms, including Fitness to Practise and Business Standards Sanctions committees within the regulatory arm, and the members of the committees of each arm would be different, in order to provide clarity to the public and professionals.³⁹

96. We consider that there is some ambiguity in the presentation of the proposed structure of the regulator in Defra's proposals, such that we cannot be fully confident as to whether strategic and operational independence of the proposed regulator is guaranteed under the proposed model.

97. It is not clear to us whether Defra is proposing a separate board for the regulatory arm of the organisation which would have ultimate decision power for the regulatory function, or whether Defra's reference to a Board (see eg section 4.3.3 of Defra's consultation document) is in fact referring to the 'top' board for the whole organisation. The absence of any explicit reference to a 'top' board sitting above a regulatory board in the consultation, together with the references to 'the Board' and to committees under each respective arm in section 4.3.10 of the

³⁸ Consultation section 4.3.10, [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

³⁹ Consultation section 4.3.10, [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

proposals, leads us to interpret that Defra's current proposals on regulatory structure may differ from our recommended approach.

98. We strongly consider that, to maintain strategic and operational independence, it would be necessary for the regulatory function to have its own independent board with clearly articulated purposes and responsibilities. The regulatory function (and board), within a single organisational structure, could be positioned beneath a small, top-level board for the whole organisation. With careful design and management, this could provide an appropriate degree of strategic and operational independence.⁴⁰
99. The top-level board must not be able to direct the regulatory function, nor control its access to the funds or personnel required to carry out its role effectively. Its membership would include appointed non-executive members, rather than be wholly comprised of representatives or veterinary professional leaders. In this structure, the top-level board could have a responsibility to ensure that the regulatory board's functions were being discharged effectively and could receive annual reports to enable it to monitor the regulatory arm's delivery.⁴¹ Membership of this regulatory board would have to be separate from any councils or committee structures tasked with professional leadership responsibilities (and we welcome Defra's proposal to this effect in the consultation document).
100. We recommended that, if the regulatory function (and regulatory board) were to sit underneath a top-level board, the regulatory function (and regulatory board) should have its foundation, purpose and right to sufficient funding established in legislation.⁴²
101. We make two further observations in respect of the proposed structure of the regulator. First, while we welcome Defra's proposal to facilitate delegation of responsibilities to committees within the regulatory arm, the board of the regulatory function should nevertheless remain accountable, with major decisions reserved to the full regulatory board and sub-committees fully accountable to that board.⁴³
102. Second, Defra has proposed that members of the committees for each arm of the organisation should be different but is silent on the question of staffing of the wider regulatory arm of the organisation. As set out in the final report, our recommendation for strategic and operational independence relates to both the future governance of and staff within the regulatory function. Should the regulatory

⁴⁰ Final report, [part B](#), section 9, paragraphs 9.146-9.155.

⁴¹ Final report, [part B](#), section 9, paragraphs 9.146-9.155.

⁴² Final report, [part B](#), section 9, paragraph 9.150.

⁴³ Final report, [part B](#), section 9, paragraph 9.131(c).

function be housed within a single, larger organisation, we envisage that function would require separate staff teams to ensure independence although we see no reason why support staff (eg HR, finance, IT, etc.) should not be shared across functions.⁴⁴

Ringfenced funding

103. On funding for regulatory activities, Defra proposes that veterinary businesses and professionals would pay a fee to the regulator made up of money allocated to regulation and money available for professional leadership activities. It states that the part of the fee relating to regulatory activities should be set according to what the regulator needs to fulfil its statutory duties, and the regulator would have the power to raise fees to recover the costs of these activities. Defra further proposes 'there should be clear allocation of funding to ensure that all regulatory activities can take place. Money allocated to the regulatory arm should not be used by the professional arm'.⁴⁵
104. We support these proposals and strongly endorse the proposals on clear allocation of funding and ringfencing, ie that fees paid by veterinary businesses and professionals to cover the costs of regulatory activities should be used for these purposes only, and not to fund professional leadership activities. However, there is a lack of clarity in Defra's proposals on how these principles would be protected by way of legislative design. We make two points in this respect.
105. First, we would expect there to be a statutory mechanism which guarantees that the funding required for regulatory activities is allocated, or 'ringfenced', from the organisation's overall budget, and which enshrines the notion that fees paid for regulatory activities are to be used only for those purposes. This would provide legal certainty on the allocation of funding for regulation and would not leave this at the discretion of the board of the wider organisation. It would therefore protect the regulator's ability to perform its functions effectively and give it the independence that generates trust and confidence from the public and the profession.
106. Second, it is not clear who Defra envisages would decide on the costs, and therefore funding, of the regulatory activities. We strongly recommended that if the regulatory function is to sit within the structure of a single organisation, then the board of the regulatory function should have a material say in determining the amount of funding required to discharge its duties. This means the top

⁴⁴ Final report, [part B](#), section 9, paragraph 9.154.

⁴⁵ Consultation section 4.3.10, [Reform of the Veterinary Surgeons Act 1966 - GOV.UK](#).

board of the overall organisation would not be able to control or direct funding independently.

Other considerations

107. We make three further observations regarding the structure and governance of a new veterinary regulator.

- a) First, the relevant primary legislation should allow for flexibility. The veterinary sector has undergone significant change in recent years. That may well continue. Legislation should be adaptable to future changes.
- b) Second, where the regulator's structure and governance arrangements are not included in primary legislation, they should be set out in secondary enactments. It would be for Ministers to decide on the content of future secondary legislation, following consultation with the regulator, sector stakeholders, and the general public. It would be inappropriate to give the regulator the power to structure itself, or for it to decide on its own governance arrangements, and for these to be put in place without first being subject to public and parliamentary scrutiny.
- c) Third, Defra's proposals comment on the need for appropriate expertise and experience of the professional members of the regulatory board, but it does not make expressly the same point in respect of non-professional board members. We would encourage Defra to design mechanisms which ensure that members of the boards and committees of the regulatory function, whether professional or lay, have appropriate expertise and experience to discharge their functions and instil confidence in the regulator among both the profession and the public.

Legislative and regulatory mechanisms for the new regime

108. We note that there is ambiguity in some sections of the consultation about whether certain proposals would be implemented through legislation or whether they would be at the discretion of the regulator. Our advice is as complete as possible with this in mind.

109. We are concerned that there should not be excessive discretion for the regulator. The CMA found that the current regulatory framework is inadequate, particularly that competition and consumer factors were not being adequately considered. We expect that the regulator will be a key partner in delivering change and will be able to provide greater expertise on these topics in time, but it is not clear that the regulator is currently equipped with the expertise to exercise wide-ranging discretion on topics which were not previously within its remit.

110. We would typically expect that legislation sets the building blocks of the regulatory framework, and the regulator determines the precise detail of the relevant regulatory standards and requirements.
111. Legislation reforming the regulation of veterinary services could take more than one shape. It could, for example, comprise an outline legislative framework empowering the regulator to exercise considerable discretion over the making of specific regulatory requirements (for example, the making of one or more codes of practice). Alternatively, the legislation could itself be more prescriptive and comprehensive. Under either model, the regulatory requirements that ultimately apply to businesses could be rules-based and prescriptive (requiring specific forms of compliance), or they could be outcomes and principles-based (allowing for different means of achieving an outcome).
112. Our advice to Defra is that the model adopted should promote consistency and predictability. To that end, we encourage Defra to give further thought to the appropriate extent of regulatory discretion, particularly on matters relating to competition and consumer protection. In particular, the legislation itself should provide clearly for the areas in which the regulator must act, the outcomes it must promote and the means by which it must achieve them.

Regulation of veterinary medicines

CMA considerations in final report

113. During our investigation, we considered several matters relating to the regulation of veterinary medicines and ways in which it restricts access to certain products, or the way in which they can be prescribed or sold, and therefore may impact competition in the supply of veterinary medicines. We recognise there are other policy objectives which may be driving the overall policy stance, but we encourage Defra (in combination with other appropriate bodies, notably RCVS and the VMD) to consider whether the balance of these restrictions is in the right place. We also encourage Defra to consider whether reform of the Veterinary Surgeons Act presents any particular opportunities to improve how the regulation of veterinary medicines is working.

Prescribing Cascade

114. There is some evidence that, in certain instances, the Cascade Restriction can act as a barrier for products which otherwise might serve the needs of pet owners at a lower price than the authorised medicine. There may consequently be benefits from considering changes, such as introducing more flexibility in the Cascade for specific circumstances.

115. Consequently, we encourage an assessment as to whether there is appropriate weighting between:
- a) animal welfare, public health and environmental protection; and
 - b) the need to ensure veterinary services in the UK can deliver competitive prices, innovation and growth in step with technological change and consumer demand.
116. If Defra, working alongside other relevant bodies, finds that balance does not exist, they should consider changes to the Cascade so that it works better for pet owners and their pets,⁴⁶ particularly in relation to the permissibility of taking treatment costs into account when prescribing certain medicines.

Advertising of veterinary medicines

117. We would expect the Advertising Restriction to affect competition, particularly competition between prescription medicine brands and retail channels and it is therefore likely to contribute to pet owners being less informed about their choices.
118. We encourage further consideration on whether there is scope to minimise the impact of the Advertising Restriction on competition and entry by online pharmacies, and the ability of FOPs to give pet owners the price information they need to make informed choices on where they purchase prescription medicines they have been prescribed, without disproportionate negative effects on public and animal health.

Under Care Restriction and Remote Prescribing

119. We have heard concerns that the regulations governing the provision of veterinary care and the prescription of medicines may be inhibiting consumers from being offered a range of options when seeking to obtain veterinary services, including innovative new services. There may be opportunities to enhance competition by Defra, VMD and the regulator reviewing and identifying aspects of the regulatory framework that could be adjusted to enable appropriate use of Remote Prescribing, including Telemedicine and other innovative business models.
120. The Under Care guidance was singled out by stakeholders as restrictive, namely by prescribers of parasiticides, those offering telemedicine provision

⁴⁶ The CMA has separately recommended increasing clarity on the Cascade rules. This was recommended to VMD and RCVS, and therefore is not included in this advice for Government. More information on these changes can be seen in the final report, [part B](#), section 10, paragraphs 10.90-10.94.

and Limited Service Providers (LSPs). We suggest Defra should work with the RCVS, as owners of the guidance, in consultation with the VMD to revisit whether the current framework takes account of:

- a) animal welfare and public health considerations; and
- b) competition and consumer interests
 - i) and whether each of these factors is being given the appropriate weight given the developing nature of how veterinary services are now supplied in the UK.

Re-classification of veterinary medicines

121. Lastly, we also considered the matter of (re-)classification of veterinary medicines. We heard concerns that some products might be classified at a more restrictive level for longer than is necessary, reducing consumer access. We urge Defra to work with the VMD and RCVS to reflect on ways to further stimulate the re-classification of veterinary medicines to increase ease of access to products where appropriate.

Competition and Markets Authority
April 2026

Annex 1: CMA advice on implementing consumer and competition duties

The consumer and competition duties in practice

123. Examples of themes which the regulator should consider when discharging a consumer duty include:
- a) understanding pet owners' circumstances and meeting the needs of pets and their owners;
 - b) the interests of pet owners in respect of the provision of adequate and timely information, choice and quality of service;
 - c) how any negative impacts of its regulatory activities on the interests of pet owners could be mitigated; and
 - d) whether it could take proactive steps to further support the interests of pet owners.
124. Examples of themes which the regulator should consider when discharging a competition duty include:
- a) how transparency on price, ownership information, treatment options and relative quality measures can be used to stimulate competition between service providers;
 - b) how innovation in the market can be encouraged so pet owners can access new types of services and ensure that regulation keeps up with changes in consumer preferences and the development of new technologies;
 - c) the importance of maintaining and increasing access to services and ensuring that businesses are contributing to productivity and sustainable economic growth;
 - d) how the competition duty can help facilitate the achievement of the consumer duty and the RCVS's other duties;
 - e) how any negative impact of its regulatory activities on effective competition could be mitigated; and
 - f) whether it could take any other proactive steps to further support effective competition.
125. In practical terms, both statutory duties would apply when the regulator discharges its functions. This includes when setting standards, creating new

regulations or policies, conducting risk assessments and monitoring activities, and prioritising enforcement action.

Balancing duties

126. The consumer and competition duties we are recommending are not a replacement of the RCVS's existing duties relating to animal welfare and public health. They are supplementary (and complementary) obligations. We do not expect these new duties to outweigh those pre-existing ones. For the reasons described above, the promotion of pet owner interests and of competition is consistent with, and in many cases supports, objectives relating to animal health and welfare.
127. We note that some regulators receive strategic steers, directions, and guidance from government, usually from their sponsoring departments. It could be beneficial for government, when considering our recommendation on the consumer and competition duties, to consider these strategic guidance tools.

Annex 2: recommended considerations for the design and delivery of a binding redress scheme⁴⁷

Design principles for a binding redress scheme

129. We are recommending that, to meet the aims described above, a binding redress scheme should:

- a) Be available only:
 - i) once the in-house complaint process has been exhausted and either mediation is not a suitable next step or mediation has been attempted but no resolution agreed;^{48, 49} and
 - ii) where the complaint is timely (for example, where it is raised within 12 months of the conclusion of an in-house complaint process).^{50, 51}
- b) Be independent, impartial and (so far as possible) transparent.
- c) Require the participation of all veterinary businesses operating FOPs.
- d) Include the ability to request information from those veterinary businesses and from pet owners.
- e) Be able to draw on a vet advisory group for clinical input.
- f) Enable the decision maker to make a range of outcome decisions which should be binding on veterinary businesses but not the pet owner.⁵²
- g) Include sanctions should those businesses fail to comply with their obligations.
- h) Have fair and proportionate rules of procedure.

⁴⁷ These are taken from the final report, [part B](#), section 9.

⁴⁸ In-house complaint process refers to FOPs' in-house complaint processes.

⁴⁹ Mediation may not be a next suitable step because the pet owner has opted not to pursue mediation or because the mediator has ruled that mediation is not appropriate.

⁵⁰ An extension to the time limit should be allowed in certain circumstances. For example, an extension may be required where the pet owner was engaged in mediation, which ended after the 12-month timeframe without an agreement, and the pet owner would like to raise the complaint with the binding redress scheme in order to receive a final outcome to the complaint.

⁵¹ For example, the Rail Ombudsman (which offers mediation and adjudication) requires complaints to be raised within 12 months of any final response from the rail service provider (unless there are exceptional circumstances). [The Rail Ombudsman | Office of Rail and Road](#) (accessed 8 April 2026).

⁵² For example, the case is not upheld so no remedy required, apology, financial compensation, action taken to improve systems including complaint handling. The complaint should also be able to be rejected on the grounds that it is vexatious or frivolous. The decision would not be binding on the pet owner so they are still able to go to court to seek a different remedy if they so wished.

- i) Ensure respect for all parties' rights under the European Convention on Human Rights including, in particular, the right to a fair trial under Article 6(1).
 - j) Be funded by veterinary businesses operating FOPs and free for pet owners.
130. Professional misconduct matters would continue to be handled by the RCVS. The independent redress scheme should be designed in such a way as to work alongside the regulation of veterinary professionals, to ensure that pet owners are able to access and successfully navigate the redress mechanism(s) most appropriate for their complaints.
131. There is, as explained in relation to the complaints data remedy (remedy 15b),⁵³ also a wider role for the administrator of a binding redress scheme in publishing information about complaint handling in the sector. An important role for ombudsmen is to advise on systemic change. As the Cabinet Office notes in its guidance, ombudsmen can make recommendations for a change of practice or procedure in a particular institution, Department or across a whole sector of the economy.⁵⁴

Delivery models

132. There are several possible models for delivering a comprehensive system for complaints handling and redress in the veterinary sector. The precise details of the legislative scheme should be determined by government, but careful consideration should be given to the evidence we have heard about ombudsmen.
133. One delivery option is to implement our recommendation through the establishment of a new veterinary services ombudsman with the power to make determinations which are binding on veterinary businesses (but not on pet owners). Such a service could be designed to include a mediation process (the provision of which could be subject to a competitive tender) or it may be sufficient to maintain the existing VCMS mediation process and to limit the scope of any ombudsman service to adjudication only.
134. An alternative is to augment the existing VCMS with a binding independent redress process that falls within the scope of that scheme. An independent panel could be established within the VCMS framework to determine complaints referred to it, separate from any mediation process that may have been followed up to that point.

⁵³ Final report, [part B](#), section 8: *Complaints and redress*.

⁵⁴ Cabinet Office, [Guidance on new Ombudsman scheme](#), updated 26 May 2022 (accessed 8 April 2026).

Remedy implementation

135. Primary legislation is the most effective means through or under which to establish a binding independent redress scheme with the power to determine pet owner complaints and make decisions with which veterinary businesses must comply. It would, for example, ensure that all such businesses are required to participate in the scheme.
136. There must be mechanisms for monitoring and enforcing the outcome of a determination. For example, a failure to comply with a determination should be treated as a breach of a veterinary business's regulatory obligations.