Competition and Markets Authority
Veterinary Services Market Investigation

Medivet Group Limited's Response to the CMA's Formal Consultation on the Draft Veterinary Services Market Investigation (Funding) Order 2026 and the Proposed Veterinary Services Market Investigation Royal College of Veterinary Surgeons (Funding) Undertakings 2026

Section 1 — Overview and Executive Summary

Medivet Group Limited ("**Medivet**") remains committed to constructive and collaborative engagement to reach the right outcome for the veterinary services market, as it has consistently demonstrated throughout the Competition and Markets Authority's ("**CMA**") investigation into the Provision of Veterinary Services for Household Pets in the UK (the "**Investigation**").

Medivet is grateful to the CMA for the opportunity to comment on the draft Veterinary Services Market Investigation (Funding) Order 2026 (the "**Draft Funding Order**") and the proposed Veterinary Services Market Investigation Royal College of Veterinary Surgeons (Funding) Undertakings 2026 (the "**Draft Funding Undertakings**") as part of the CMA's formal consultation. Medivet is committed to full and timely compliance with the final Funding Order once imposed by the CMA, and supports an effective, transparent and proportionate funding mechanism for the activities the Royal College of Veterinary Surgeons (the "**RCVS**") will perform in support of the remedies decided in the Final Decision Report published on 24 March 2026 (the "**FDR**").

Medivet is one of the largest veterinary businesses in the United Kingdom, currently operating more than 330 practices and employing thousands of veterinary professionals across the country. It will be directly and materially affected by the Funding Order as one of the largest single contributors to the Levy. Medivet is therefore well placed to identify aspects of the funding instruments that, unless addressed, will impede effective and proportionate implementation not only for Medivet but across the veterinary sector as a whole and could negatively impact animal welfare and client affordability.

Medivet engaged with the CMA's informal consultation on earlier drafts of both funding instruments and welcomes the CMA having already reflected several changes in the formal consultation drafts. Against that background, this response makes a deliberately limited number of representations: three on the Draft Funding Order (Articles 2.1, 6 and 7) and four on the Draft Funding Undertakings (paragraphs 3.1(b), 3.1(c), 4.6 and 5.3). Each is directed at proportionality, transparency or workability. Where a concern reflects a departure from, or an addition to, the remedy decided in the FDR — and therefore raises questions about the basis of the provision — this is stated explicitly.

1.1 Priority Concerns

A. Mandatory self-reporting of non-compliance — Article 7 of the Draft Funding Order

Article 7 requires a Qualifying Veterinary Business which becomes aware that it is not compliant, or is "likely to become non-compliant", with any requirement of the Order to report to both the CMA and the RCVS within 14 days, with a statement of the circumstances and remediation. Medivet does not object to a proportionate self-reporting obligation. Notwithstanding the generality of the FDR in its discussion of monitoring mechanisms across the entire remedy package,[1] as drafted, Article 7 goes further than envisaged by the FDR. The breadth of the notification requirement is therefore both unnecessary and unworkable, materially adding to the overall compliance burden: the "likely to become non-compliant" trigger is subjective and uncertain; the 14-day period is expressed in calendar days when the Draft Funding Undertakings give the RCVS itself 14 working days for the equivalent obligation (paragraph 7.4); dual reporting to the CMA and the RCVS is duplicative; and there is no materiality threshold, so trivial and promptly remedied administrative errors are caught.

Medivet also draws the CMA's attention to the aggregate compliance burden across the remedies package. The monitoring and reporting architecture of the funding instruments should not add compliance obligations beyond those necessary to operate the Levy, particularly where — as with Article 7 — the equivalent obligations under the Draft Substantive Order will already require businesses to maintain compliance-reporting processes. The two Orders should adopt a single, aligned and proportionate self-reporting standard.

B. Budgeting certainty and transparency of the RCVS Funding Estimate — paragraphs 3.1(b) and 3.1(c) of the Draft Funding Undertakings

Under the Draft Funding Undertakings, the RCVS Funding Estimate may be submitted for CMA approval as late as 30 days before a Subsequent Relevant Period begins, and under the Draft Funding Order payment falls due 30 days after the period starts. Businesses may therefore have certainty of the Levy amount only weeks before payment falls due — significant cost increases can, in effect, be sprung upon them. Neither the statement of assurance nor the final RCVS Funding Estimate as approved is required to be published. That opacity is not consistent with the transparency objectives that underpin the remedies package, and it deprives consultees of the information they need to engage meaningfully with each estimate cycle.

C. The refund cliff-edge — paragraph 4.6 of the Draft Funding Undertakings

The Draft Funding Undertakings provides for a 50% flat-rate refund subject to notification before 30 September that a FOP or OOH Centre no longer operates. The cliff-edge produces arbitrary outcomes — a closure notified on 30 September attracts a 50% refund; a closure notified on 1 October attracts nothing for that year — and is asymmetric with the treatment of openings, where a business opening a new site at any point in the year pays a pro-rated Levy.

Proportionate reporting obligations, budgeting certainty and refund fairness affect every Levy payer.

Section 2 — Detailed Concerns and Proposed Amendments

The table below sets out Medivet's specific concerns, provision by provision, together with proposed amendments or clarifications. Where a concern reflects a departure from, or addition to, the remedy decided in the FDR, this is stated explicitly.

[1] See, for example, FDR Part B, paragraphs 2.34 *et seq.*

Provision	Subject	Medivet's Concern	Proposed Amendment / Clarification Sought
Draft Funding Order, Art. 2.1	Definitions	The definition of "Limited Service Provider" does not expressly list micro chipping by lay persons or euthanasia service providers. Although we note the definition states the list of limited service providers is not exhaustive we consider it helpful to include these two further services.	Amend the definition of "Limited Service Provider" in Article 2.1 to include euthanasia service providers and providers of micro chipping services by lay persons.
Draft Funding Order, Art. 6(1), 6(3)	CMA information notices	Article 6(1) sets out a broad duty on Qualifying Veterinary Businesses to provide information and documents to the CMA. Non-compliance carries consequences under section 167 of the Act. Article 6(3) requires a notice to state only the information required, the response period and the consequences of non-compliance — not the purpose for which the information or documents are sought beyond the general formulation "for the purposes of this Order". Given the nature of the requests, and to support accurate responses, Medivet considers it proportionate for CMA to expressly state the specific reasons for the required information and/or documents.	Amend Art. 6(3) to require the notice also to state the purpose for which the information or documents are required. The proposed amendment imposes no material burden on the CMA, reflects its own good practice in statutory information requests, and is in the CMA's interests in securing accurate and proportionate responses.
Draft Funding Order, Art. 7	Mandatory self-reporting of non-compliance	Article 7 is currently disproportionate in four respects: (i) the "likely to become non-compliant" trigger is subjective and uncertain — it risks compelling precautionary reports of matters that never crystallise, generating noise for the CMA and RCVS alike; (ii) the 14-day period is expressed in calendar days, whereas the Draft Funding Undertakings give	Amend Art. 7 to: (i) confine the trigger to actual non-compliance; (ii) align the reporting period at 14 working days, consistent with the RCVS's obligation; (iii) require a single report to the CMA (or to the RCVS as monitoring body, with onward transmission); and (iv) incorporate a materiality

Provision	Subject	Medivet's Concern	Proposed Amendment / Clarification Sought
		the RCVS 14 working days for its equivalent obligation (paragraph 7.4) — there is no principled basis for holding regulated businesses to a tighter standard than the body administering the Levy; (iii) dual reporting to both the CMA and the RCVS is duplicative; and (iv) there is no materiality threshold, so trivial or promptly remedied administrative errors (e.g. a payment or notification made a small number of days late and corrected) trigger a formal reporting obligation.	threshold excluding trivial or promptly remedied errors. Medivet further requests that the self-reporting standard be aligned across the Funding Order and the Veterinary Services Market Investigation Order 2026 so that businesses operate a single compliance-reporting process.
Draft Funding Undertakings, para 3.1(b)	Independent assurance of the RCVS Funding Estimate	The proposed statement of assurance is provided only to the CMA (paragraph 3.1(c)(ii)). Qualifying Veterinary Businesses consulted on a draft RCVS Funding Estimate respond without sight of the assurance work, and the wider public has no visibility of it at all. For the Levy, publication of the assurance is important for public confidence and the integrity of the regime.	Require publication of the statement of assurance — ideally alongside the draft RCVS Funding Estimate during the 30-day consultation window, and in any event on submission to the CMA.
Draft Funding Undertakings, para 3.1(c)	Approval timing, advance notification and publication of the final Funding Estimate	The final RCVS Funding Estimate may be submitted for approval as late as 30 days before the relevant period begins, with payment due 30 days after the period starts. Qualifying Veterinary Businesses therefore risk having certainty of the Levy amount only weeks before payment — significant costs can effectively be sprung upon them,	(a) Require the CMA to notify the approved Levy amount to Qualifying Veterinary Businesses at least 60 days prior to the relevant period to which it relates; and (b) require publication of the final RCVS Funding Estimate as approved. Both proposed changes are important for budgeting certainty, public confidence

Provision	Subject	Medivet's Concern	Proposed Amendment / Clarification Sought
		undermining ordinary budgeting cycles. In addition, the final RCVS Funding Estimate as approved is not required to be published, preventing reconciliation by Levy payers against the end-of-period actual-cost breakdown and audit under paragraph 5.3.	and reconciliation with the paragraph 5.3(b) audit.
Draft Funding Undertakings, para 4.6	Refunds on closures — the 30 September cut-off	The 50% flat-rate refund subject to notification before 30 September produces arbitrary outcomes: a closure notified on 30 September attracts a 50% refund; a closure notified on 1 October attracts nothing for that year. This is asymmetric with the treatment of openings: a business opening a new site at any point in the year pays a pro-rated Levy for it, yet a business closing a site in the second half of the year receives no corresponding relief. The instruments already contain the pro-rating machinery; there is no principled basis for applying it in one direction only.	Replace the cut-off with a rolling notification mechanism and a pro-rated refund calculated by reference to the complete months remaining in the levy year at closure — mirroring, in reverse, the pro-rating the instruments already apply to openings.
Draft Funding Undertakings, para 5.3	End-of-period publication — total levy receipts	Paragraph 5.3 requires publication of the RCVS's actual costs and an independent audit, but not of the total Levy receipts for the period. Without the receipts figure, Levy payers cannot see whether the Levy collected exceeded the costs incurred, notwithstanding that any surplus or shortfall is carried forward into the next period's Funding Estimate.	Require publication of total Levy receipts for the period alongside the paragraph 5.3(a) cost breakdown, so that any surplus or deficit is transparent. This is a modest, mechanical addition consistent with the transparency objectives of the Undertakings.

Section 3 — Conclusion

Before the final Funding Order is made and the Funding Undertakings are accepted, the CMA should:

1. **Amend Article 7 of the Draft Funding Order** so that the self-reporting obligation is confined to actual non-compliance, runs for 14 working days in line with the RCVS's equivalent obligation, requires a single report, and incorporates a materiality threshold — and align that standard with the Veterinary Services Market Investigation Order 2026;
2. **Amend Article 6(3) of the Draft Funding Order** to require information notices to state the purpose for which information or documents are required;
3. **Require publication of the statement of assurance and of the final RCVS Funding Estimate as approved**, and provide materially greater advance notification of approved Levy amounts;
4. **Replace the 30 September refund cut-off** in paragraph 4.6 of the Draft Funding Undertakings with a rolling, pro-rated refund mechanism mirroring the pro-ration applied to openings;
5. **Require publication of total Levy receipts** alongside the end-of-period cost breakdown under paragraph 5.3.

Medivet is committed to achieving full compliance with the finally imposed Funding Order and supports the principle of a funding mechanism for the RCVS as decided in the FDR. The concerns set out in this submission are directed at ensuring the funding instruments operate proportionately and transparently.

The points Medivet raised are not confined to affecting only Medivet; rather, if left unamended, these issues would affect every Levy payer. Medivet remains available to discuss any aspect of this submission with the CMA (including alongside other stakeholders, as appropriate).