PDSA response to CMA consultation - Vets market investigation: draft funding Order and Undertaking

Introduction

As the UK's largest veterinary charity, PDSA is dedicated to supporting people and their pets during difficult times. We believe no pet should be denied the veterinary care they need because of the owner's financial hardship. By providing free and low-cost vet care at over 40 PDSA Pet Hospitals across the UK we prevent suffering, help to relieve poverty and keep people together with their much-loved pets.
In the last year, the charity treated over 422,000 pets and supported more than 339,000 clients.

PDSA was pleased that CMA had taken into account the position of ourselves, and other charities, in the Final decision report part B 24 March 2026, which stated *"2.86 - Having considered these responses, we have decided that charitable organisations providing small animal veterinary services should not be subject to the requirements of our remedies. Those organisations do not generally offer services that are made available to all pet owners and they do not, as a result, compete with commercial veterinary businesses. On that basis, it is not necessary to include such organisations within the scope of the remedies in order to address the AECs we have identified.".* PDSA would like to thank CMA for their recognition of the unique role that we, and other charities, play in the veterinary service provision sector.

PDSA has therefore examined the provided draft funding and undertaking documents with interest, to ensure that this position has been carried through to potential orders in the spirit in which it was intended.

PDSA's comments on the documents and drafts provided are as follows:

Draft explanatory note

PDSA was pleased to see that the charitable exemption was reflected in this document – *"Article 4(1) stipulates that all Veterinary Businesses which operate one or more FOPs or OOH Centres, excluding charitable organisations, (Qualifying Veterinary Businesses) are required to contribute to the costs of funding the RCVS Activities by paying the Levy to the RCVS."*

The application of this definition does appear to be generally applied appropriately throughout the explanatory note, however, PDSA feels that, for the avoidance of doubt as to the meaning of any particular paragraph (or part of paragraph), it is important to ensure that the method by which QVB's are referred to should be consistent throughout the explanatory notes, funding orders and undertakings alike. PDSA feels that to refer to businesses in other ways could create ambiguity when interpreting particular paragraphs or articles, for example the draft explanatory note contains the following paragraph (25):

25. The Levy is a set amount each Qualifying Veterinary Businesses must pay for each FOP and each OOH Centre, as defined in Article 2(1), that it operates in a particular period of *time. A business will be required to pay only one Levy per FOP (whether it provides services only in normal working hours at that site or also provides OOH FOP Services there), and one Levy per OOH Centre (on the basis the services provided by the latter are separate from those provided by the former, even if they are provided from the same site or premises).*

Use of the term '*A business will be required to pay only one Levy per FOP…'* may lead to misunderstanding and misinterpretation, PDSA feels it important to either,

1. state the term 'Qualifying Veterinary Business' (may be better to abbreviate for ease of use and readability to QVB) on every mention of business that needs to be interpreted as referring to a QVB - for example paragraph 25 would instead read:

   25. The Levy is a set amount each Qualifying Veterinary Businesses must pay for each FOP and each OOH Centre, as defined in Article 2(1), that it operates in a particular period of time. Each Qualifying Veterinary Business will be required to pay only one Levy per FOP (whether it provides services only in normal working hours at that site or also provides OOH FOP Services there), and one Levy per OOH Centre (on the basis the services provided by the latter are separate from those provided by the former, even if they are provided from the same site or premises).

   Or

2. to refer directly to the business types already defined in earlier text (an approach which appears to have been utilised in paragraph 34) – for example paragraph 25 would instead read:

   25. The Levy is a set amount each Qualifying Veterinary Businesses must pay for each FOP and each OOH Centre, as defined in Article 2(1), that it operates in a particular period of time. Those businesses will be required to pay only one Levy per FOP (whether it provides services only in normal working hours at that site or also provides OOH FOP Services there), and one Levy per OOH Centre (on the basis the services provided by the latter are separate from those provided by the former, even if they are provided from the same site or premises).

Similarly, paragraphs 30 and 38 refer to 'relevant' businesses, a term not used elsewhere in the document, for example paragraph 30 states *"The Pro-rated Proportion of the Initial Levy Payment the relevant businesses must pay depends upon when ….."*, presumably these relevant businesses are, or have become, QVB's and this paragraph is not intended to create an additional sub-categorisation of businesses.

Draft funding order

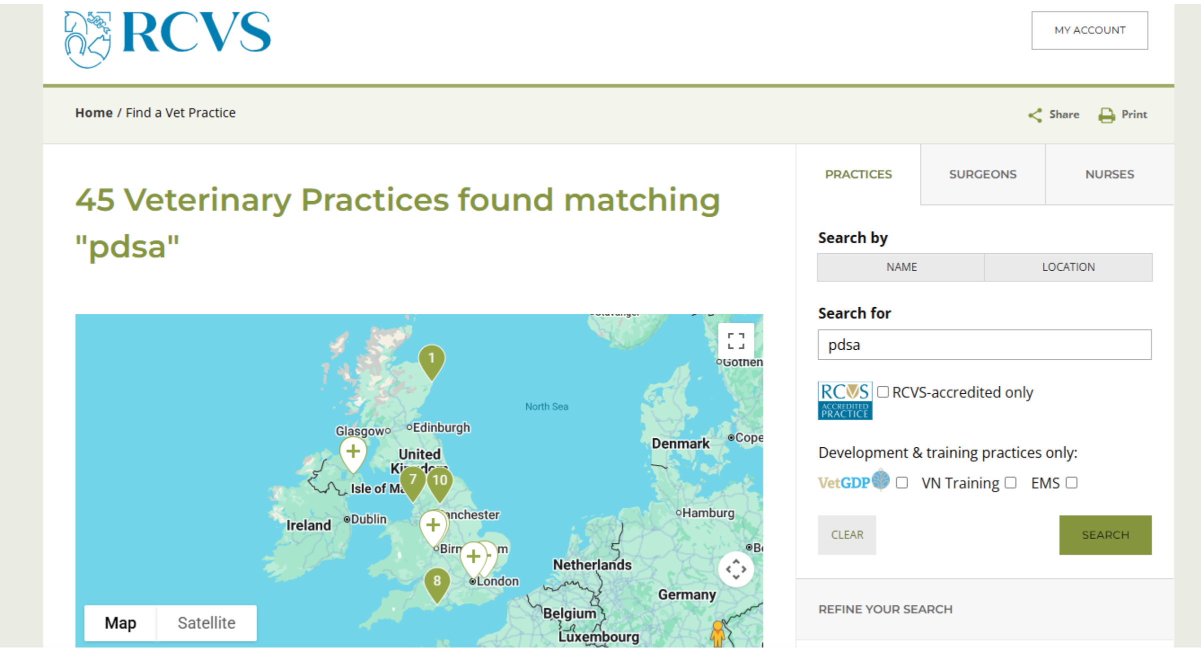
Part 1 Section 2 - Interpretation
PDSA is pleased to note that the draft funding order reflects the decision regarding charitable veterinary service providers that was articulated in the final report, the definition of a Qualifying Veterinary practice being *"'a Veterinary Business which operates one or more FOPs or OOH Centres. It includes Limited Service Providers and sole practitioner vets, but excludes charitable organisations that do not provide Veterinary Services for Household Pets for profit.*

PDSA does however note that the stated basis for the exemption in this document (namely the generation of profit) is not the same as that stated in the final report, which read *“Those organisations do not generally offer services that are made available to all pet owners and they do not, as a result, compete with commercial veterinary businesses. On that basis, it is not necessary to include such organisations within the scope of the remedies in order to address the AECs we have identified.”.* PDSA feels that the fact that our services are not available in the general marketplace as a result of our charitable eligibility criteria, and that we are not competing in that marketplace, is a more important factor in our exemption from the CMA remedies than the mere generation of profit from activities and would suggest that these documents should reflect the decision stated in the final report.

Part 3 section 5 - Information required by the RCVS from veterinary businesses

PDSA believes that the fact that the organisation is not deemed a Qualifying veterinary business should not preclude having a presence on the RCVS Find a Vet platform, this is important from both a credibility and service accessibility perspective.

PDSA would suggest that the platform is able to flex to accommodate the level of information according to the categorisation contained within the orders, it is important that as registered veterinary practices (RVP’s) PDSA Pet Hospitals are still visible and searchable as at present:



PDSA would therefore accept that as an FOP it should continue to submit the data it currently supplies to RCVS to ensure that it is recognised as an RVP, and to appear accurately depicted as such on the Find a vet platform. However, PDSA continues to believe that it should not be mandated to submit additional information, that the Qualifying Veterinary Businesses may be required to, ensuring that PDSA is not exposed to the levy nor the administrative burden that the orders may impose upon qualifying veterinary practices.

Part 4 section 6 - Duty to provide information

PDSA recognises that this section the QVB term has been used in all necessary contexts, ensuring that PDSA is not exposed to additional compliance checks and controls on orders from which we have been excluded.

Draft funding undertaking notice

PDSA notes that the estimated levy calculation did not exclude those who may not be deemed to be qualifying veterinary practices, instead quoting the number of FOP's as the basis for the apportionment *"The CMA's estimate in the Final Report was that there were around 4,417 small animal FOPs in the UK as of May 2025.*".

PDSA welcomes the fact that *"the RCVS would undertake further work to refine the estimate of the number of FOPs and OOH Centres."* so that the estimates may be as accurate as possible for those QVB's and that a shortfall in funding is not experienced (although at approx. 40 practices PDSA would only constitute a small (approx. 1%) variance on the estimate)

Draft undertakings

Section 2 - Interpretation
PDSA is pleased to note that the draft undertaking order reflects the decision regarding charitable veterinary service providers that was articulated in the final report, the definition of a Qualifying Veterinary practice being *"'a Veterinary Business which operates one or more FOPs or OOH Centres. It includes Limited Service Providers and sole practitioner vets, but excludes charitable organisations that do not provide Veterinary Services for Household Pets for profit.*

PDSA does however note that the stated basis for the exemption in this document (namely the generation of profit) is not the same as that stated in the final report, which read *"Those organisations do not generally offer services that are made available to all pet owners and they do not, as a result, compete with commercial veterinary businesses. On that basis, it is not necessary to include such organisations within the scope of the remedies in order to address the AECs we have identified.".* PDSA feels that the fact that our services are not available in the general marketplace as a result of our charitable eligibility criteria, and that we are not competing in that marketplace, is a more important factor in our exemption from the CMA remedies than the mere generation of profit from activities and would suggest that these documents should reflect the decision stated in the final report.

All other sections and paragraphs in this document appear to be in alignment with expectations.

Other comments
PDSA acknowledges that the consultation on the draft substantive orders and undertakings has been launched and will respond to that consultation separately, however, we would like to highlight a major concern at this point.

It is encouraging to see that the charitable exclusion, as detailed in the final report, has been carried through to these draft funding orders and undertakings, however, there appears to be no reference to it in the substantive orders and undertakings. This would appear to mean that if there are not substantial changes to those orders and undertakings then PDSA will be compelled to comply to remedies that it has already been recognised should not apply to our activities.

PDSA understands that the term Qualifying Veterinary Business may not be the most appropriate for those particular documents (given that the question is not necessarily whether a business qualifies to pay a Levy etc). However, the requirements within those documents all appear to be made applicable to all FOP's, which would encompass PDSA; we feel it is important that we are still referred to as an FOP, but that it is necessary to specifically refer to the fact that the orders and undertakings should not apply to organisations such as ourselves.