



24/7/26

## **Re: Consultation on the Draft Veterinary Services Market Investigation (Funding) Order 2026**

I am writing as an independent veterinary practice owner to submit my formal response to the Competition and Markets Authority's (CMA) consultation on the draft Funding Order. I wish to challenge the financial justification of the £1,755,000 RCVS Funding Estimate and the resulting £400 flat fee per First Opinion Practice (FOP), which is unreasonably high and lacks transparent accounting.

As a small business owner, I must account for every pound spent. I find the lack of granular breakdown in the proposed budget highly concerning, especially given that independent practices are expected to fund it blindly.

The provisional calculation of a £400 flat fee per FOP is a significant, regressive financial penalty for independent practices.

A single-site independent clinic operating on tight margins is being charged the exact same fee as a corporate entity operating a high-turnover multi-hospital hub, creating a disproportionate financial burden. This flat-rate framework directly contradicts the principle outlined in paragraph 11(b) of the notice, which states that costs should be borne by businesses "in proportion to their size".

Independent clinics do not have corporate compliance budgets. This £400 is an immediate, unbudgeted extraction from small businesses that will pressure local care.

The budget structure appears fundamentally flawed due to the layering of contingencies at every single stage of the estimate.

The RCVS notes that it has applied individual contingency percentages of 10% to 15% to "each RCVS Activity". On top of these individually inflated activities, paragraph 22(b)(i) allows the total budget to include a further global contingency amount of up to 15 percent.

Forcing small businesses to fund multiple, compounded layers of financial safety nets for a regulator's IT and administrative implementation is entirely unreasonable. It creates an artificially inflated initial levy.

My biggest concern is the unacceptable "Other" category allocation. According to Table 1, sub-paragraph (k)—defined vaguely as "any other activities which are reasonably necessary to put in place, operate and maintain the systems"—is allocated a massive £769,000.

This obscure "Other" category accounts for **nearly** 44% of the entire £1.755 million budget. It is higher than the actual compliance monitoring (£224,000) and the website overhaul (£402,000) combined.

It is completely unacceptable to ask independent practices to pay a mandatory levy when the single largest line item is essentially a blank check lacking explicit, itemized transparency. If the changes are "complementary but separate" from the website, a precise, line-by-line justification must be provided before this Order is finalized.

In addition to this, Table 1 allocates an astonishing £257,000 to line item (j) for providing independently assured estimates and operating the levy collection system. Spending over a quarter of a million pounds just to audit, model, and administer a system is an incredibly inefficient use of funds.

Paragraph 49 notes that the RCVS already possesses an active finance function and database infrastructure used to handle professional fees for thousands of individual vets. It is hard to fathom how "liaising with the CMA" and drafting cost models can justify a quarter-million-pound price tag when built upon an already existing corporate infrastructure. This signals that the administrative framework is too complex and overly bureaucratic.

I request that the following modifications are taken before making the order:

1. Itemise the £769,000 "Other" Category: The CMA must halt approval of the Funding Estimate until the RCVS publishes a granular breakdown of exactly what software, staff, or infrastructure constitutes this massive line item.
2. Cap and Remove Compounded Contingencies: The CMA should strike down the ability to layer individual 15% activity contingencies under paragraph 29 if a global 15% contingency under paragraph 22 is also permitted.
3. Restructure the Fee Base: Abandon the flat £400 fee per site. Replace it with a tiered levy linked to the number of FTE vets registered at each location, ensuring true compliance with the size-proportionality mandate.

Thank you for considering the urgent financial concerns of the independent veterinary sector.

Yours sincerely,

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