

Joint submission to the Competition and Markets Authority review of the provision of veterinary services for household pets in the UK

1. The British Veterinary Association (BVA) is the national representative body for the veterinary profession in the United Kingdom. With over 19,000 members, our mission is to represent, support and champion the whole UK veterinary profession. We are a professional body and our members are individual veterinary surgeons. We take a keen interest in all issues affecting the profession, including animal health and welfare, public health, regulatory issues and employment matters.
2. We welcome the opportunity to submit evidence to help inform the CMA review. Our submission has been compiled jointly with four of our specialist divisions and affiliate organisations, for which the review has the most relevance:
 - The British Small Animal Veterinary Association (BSAVA) which has a membership of 11,000 individuals mainly comprised of vets working in small animal practices but also includes vet nurses and students. Its mission is to enable the community of small animal veterinary professionals to develop their knowledge and skills through leading-edge education, scientific research and collaboration. It works closely with BVA to represent and support the profession in specific areas of relevance to small animal practitioners.
 - The Society of Practising Veterinary Surgeons (SPVS) whose mission is to facilitate a culture of support and community for practice owners and veterinary leaders through the development of industry leading provision and representation.
 - The British Veterinary Nursing Association (BVNA) with whom we have a strategic alliance and whose mission is to empower veterinary nurses to develop as individuals and increase their impact on the profession, animal health and welfare.
 - The Veterinary Management Group (VMG), who are the UK's leading representative body for veterinary professionals working in leadership and management roles.

Executive Summary

3. Our submission addresses the CMA's key areas of focus, as well as providing some important background about the veterinary sector to provide context for the CMA review.
4. Veterinary surgeons and registered veterinary nurses (RVNs) are highly skilled, trained professionals, committed to ensuring the health and welfare of animals under their care and delivering their responsibilities to animals, clients, and society with integrity. The important relationship between vets and their clients has always been critical to optimising animal welfare outcomes.
5. In recent years, veterinary professionals have been working under significant and growing pressure as a result of a number of intersecting issues:

- **Shortage of vets and vet nurses** - There have long been recruitment and retention challenges across the veterinary sector with unreasonable working hours, relatively low salaries, and insufficient management of workplace stress all contributing to attrition from the profession. These underlying issues have been exacerbated by Brexit and the pandemic pet boom.
- **Brexit** – Prior to 2016, veterinary practices relied heavily on recruitment of vets from the EU. Since Brexit, we have seen a significant reduction in EU-qualified vets coming to the UK, which has stretched the veterinary workforce even further.
- **Pandemic pet boom** – The rise in pet ownership during the Covid-19 pandemic has led to increased consumer demand for veterinary services. Many new pet owners are using veterinary services for the first time and are unprepared for the cost of veterinary care.
- **Client expectations** - Client expectations have changed. With technological advances, pet owners now have a much wider range of care options available to them, many of which come at increased cost, often funded by pet insurance.
- **Perceptions of vet fees**- There is no NHS for pets and as most people in the UK do not pay for their own healthcare at the point of delivery, many people have limited understanding of the true cost of delivering healthcare services. This creates a disconnect between the care they expect for their pet and the price they expect to pay.
- **Cost-of-living crisis** – Inflation has put pressure on household budgets, leaving many pet owners struggling to cover the cost of basic daily care for their animals, including veterinary care. Unexpected fees in particular can be a real concern for owners, especially at a time of stress when a pet is ill or in need of emergency care.
- **Increase in abuse** – Veterinary teams are increasingly experiencing abuse from clients, in person and on social media, and this has been exacerbated by the cost-of-living crisis and unfair and irresponsible media coverage citing examples of ‘high’ veterinary fees. This is contributing to poor mental health and wellbeing in the veterinary professions.

As a result of all these pressures, we are seeing vets and vet nurses leaving the profession, which in turn is exacerbating workforce pressures.

Corporatisation, competition and regulation

6. The growth in corporate ownership of practices has significantly changed the veterinary landscape and has been the subject of debate within the profession.
7. We fully support healthy competition, consumer choice and diversity of business models. This will enable clients to select from a wide range of veterinary service providers – whether vet practices are small independents or part of a large chain - choosing the best option for their needs and for the health and welfare of their animal.
8. The Veterinary Surgeons Act 1966 is outdated, and we are calling for modernisation and reform. We need veterinary legislation that reflects today’s profession, fully recognising the role of vet nurses and other allied professionals. It is also no longer appropriate that only individual

veterinary surgeons and veterinary nurses can be held accountable for decisions which can directly impact on animal health and welfare – veterinary practices need to be regulated as well.

Pricing of services

9. In order to function as financially sustainable, viable businesses, veterinary practices need to charge appropriately for their services. Veterinary fees cover a range of costs including salaries, equipment, medicines, premises, and other overheads which all impact the end cost to the client. All these costs have increased significantly in recent years due to high inflation and other factors more specific to the veterinary sector.
10. Salaries are a significant proportion of a veterinary practice's expenditure, although in absolute terms veterinary salaries remain relatively low. Salaries have increased for several reasons:
 - Vet and vet nurse salaries have traditionally been relatively low, especially when compared with other healthcare professionals. This has long been a concern, and we welcome the fact that salaries are now increasing to better reflect the professional skills and high level of service and care provided.
 - Recruitment and retention issues, as outlined above, have created a more competitive recruitment market, which in turn has driven up salaries from a relatively low base.
 - Veterinary employers are investing in providing better working conditions for their teams, to reduce stress and burn-out, to improve retention, and to ensure a healthier and more sustainable workforce.
11. Increasing technological advances, which give vets the ability to detect and treat more complicated medical cases, are also contributing to rising costs. Along with advances come increased investment costs as practices acquire the necessary equipment and develop the clinical skills of the team.
12. Veterinary practices are now charging appropriately for their time, having historically undervalued their professional services. On graduation, veterinary students are now expected to understand the basics of income, overheads and other expenditure involved in running a veterinary business. The growth of corporate-owned veterinary practices has also likely brought greater focus on, and expertise in, business skills and management, which in turn helps ensure veterinary practices are financially viable businesses.
13. Vets are required by the regulator, the Royal College of Veterinary Surgeons, to be open and honest about fees for veterinary treatment. Clients should be provided with clear and easy to understand information about how fees are calculated and what it is they are being charged for, so that they are in a position to give informed consent to treatment. Knowing that a pet is insured can help a vet and owner discuss the most appropriate course of treatment for that animal, but the costs and process for decision making should still be fully transparent. Transparency around costs and the true value of veterinary care is key to giving clients choice and facilitating the provision of contextualised care.

Prescriptions and medication

14. The RCVS is clear that vets may make a reasonable charge for written prescriptions, that clients should be provided with adequate information on medicine prices, and that clients may ask for a prescription and obtain medicines from another vet or pharmacy. The growth of online

pharmacies, which can supply medicines more cheaply due to lower overheads and the benefits of economies of scale, has made it increasingly important that vets charge appropriately for their professional services, which historically were subsidised by medicine sales.

Choosing a vet and transparency of ownership

15. Proximity and accessibility are likely to be first and foremost in the minds of clients when choosing a veterinary practice, with personal recommendation and pricing structures also highly likely to be important.
16. We support transparency of ownership, whether vet practices are small independents or part of a large chain, so that pet owners can choose the best option for their needs and for the health and welfare of their animal.

Out-of-hours and emergency care

17. Veterinary practices in the UK, unlike much of Europe, are required by the RCVS to provide 24-hour emergency cover. Historically, veterinary practices provided their own out-of-hours cover and in many cases this service was not charged for properly, if at all, requiring vets and support staff to work unreasonably long hours.
18. In recent years there has been a significant shift in the companion animal sector to outsourcing out-of-hours care to providers with a more commercially viable structure, to ensure that suitable veterinary care can be provided.
19. The demand for veterinary services varies across different sectors, geographic regions, and times of the day. With so many variables contributing to the viability of the provision of veterinary services it is important that the value of veterinary care and the cost of delivering it is properly understood by pet owners and other stakeholders.

Background information about the UK veterinary profession

20. There are currently just under 30,000 UK practising vets on the Royal College of Veterinary Surgeons (RCVS) register, and more than 23,000 Registered Veterinary Nurses (RVNs), working across 6,468 veterinary practice premises and other veterinary workplaces. The veterinary sector has undergone significant change in recent years, with a shift in the gender demographic, increased specialisation, and the growth of large veterinary businesses operating alongside smaller independent vet practices. We have also seen significant disruption for the veterinary profession from Brexit, the Covid-19 pandemic, and the recent cost-of-living crisis – all of which have had a significant impact on the way in which veterinary professionals operate, alongside changing expectations of animal owners.
21. The important relationship between vets and their clients has always been, and continues to be, essential to optimising animal welfare outcomes. The RCVS Code of Professional Conduct for Veterinary Surgeons requires veterinary surgeons to make animal health and welfare their first consideration when attending to animals.¹ The supporting guidance further requires decisions on

¹ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/>

treatment to be based first and foremost on animal health and welfare considerations, but also the needs and circumstances of the client.² This enshrines the principle of a jointly owned responsibility for patient management which is the cornerstone to the provision of veterinary care.

22. BVA, BVNA and the RCVS have invested considerable time, effort and resource in examining strategic trends and horizon scanning for challenges and opportunities the profession is facing. BVA and the RCVS published the report *Vet Futures – Taking charge of our future*³ in November 2015, which looked at the future sustainability of the veterinary profession. The Vet Futures project aimed to set out a vision for the future of the veterinary profession framed around six key ambitions:

- A leading force for animal health and welfare
- Valued for our wider roles in society
- Confident, healthy, resilient and well-supported
- A broad range of diverse and rewarding career paths
- Thriving, innovative user-focused businesses
- Exceptional leadership

23. In July 2016, the Vet Futures Action Plan,⁴ was launched with a series of actions to make this vision a reality.

24. Similarly, BVNA and the RCVS launched VN Futures, an ongoing project that aims to ensure that veterinary nursing is a vibrant, rewarding and sustainable profession.⁵

Workforce pressures – shortage of vets and vet nurses

25. Veterinary practices in the UK have faced well-documented challenges with the recruitment and retention of veterinary surgeons and RVNs, the reasons for which have been multifactorial, including unreasonable working hours, relatively low salaries, and insufficient management of workplace stress. As the veterinary professions have modernised, there has been a concerted effort to establish improved working conditions with an increasing emphasis on ensuring fair, proportionate and anticipated working hours, recognising work done beyond contracted hours (including out-of-hours), promoting flexible working arrangements, ensuring transparent, fair and proportionate pay, and proactively managing workplace stress.

Poor retention and workplace stress

26. The BVA Voice of the Veterinary Profession (‘Voice’) survey in early 2015 revealed that 40% of practices with vacancies had taken more than three months to recruit in the last year or had withdrawn the vacancy due to a lack of suitable candidates.⁶ A significant driver of the veterinary workforce shortage pre-pandemic and pre-Brexit was simply that retention was poor, and many experienced vets did not remain in the profession. A 2018 BSAVA recruitment and retention survey, carried out jointly with the British Equine Veterinary Association (BEVA), found that 10% of veterinary surgeons and 14% of RVNs were planning to leave the veterinary sector with the

² <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/#clients>

³ BVA, RCVS *Vet Futures – Taking charge of our future*, 2015 <https://vetfutures.org.uk/resources/>

⁴ BVA, RCVS *Vet Futures Action Plan 2016-2020*, 2016 <https://vetfutures.org.uk/download/vet-futures-action-plan-2016-20/>

⁵ <https://vnfutures.org.uk/>

⁶ British Veterinary Association, *Voice of the Veterinary Profession (Voice) survey*, 2015

primary reasons given being salary and working hours. The survey also found that 20% of vets would not choose to become a vet if they had the opportunity to restart their working life.^{7 8}

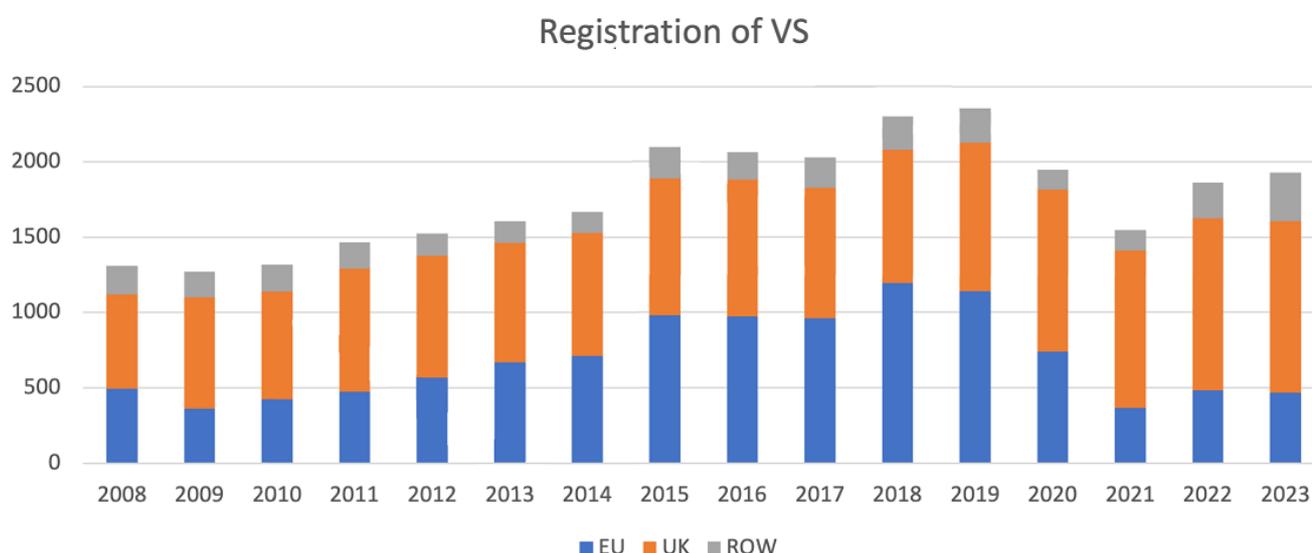
27. Stress, burnout, discrimination, and lack of career progression have all contributed to the retention crisis in the veterinary profession. BVA commissioned a research study conducted with the University of Exeter, which clearly showed that vets' day-to-day experiences have the greatest impact on their job satisfaction, and directly impacts on their desire to leave or to stay in the profession.⁹ Vets commonly attribute their psychological distress to problems at work, specifically:

- Work intensity (pace and volume)
- Duration of working hours and its associated effects on personal lives
- Feeling undervalued by senior staff and/or management
- Performance anxiety and performance – especially if newly qualified

28. There are well-recognised challenges with work-related stress in the veterinary sector with two-thirds of respondents in BVA's Voice Survey, Autumn 2021 saying their job-related stress was "Not very good" or "Terrible" and one quarter describing it as "Terrible".

Brexit and reliance on EU vets

29. Prior to Brexit the UK veterinary workforce was highly reliant on vets from the EU as the supply of 'home-grown' vets from UK vet schools was simply not keeping up with demand. At the time of the 2016 referendum on Brexit, the proportion of new registrants from non-UK EU vet schools was 47% (RCVS, 2016).



30. In the November 2016 BVA Voice survey, members were asked whether the result of the EU referendum had affected the recruitment of veterinary surgeons to their own organisation. Of the

⁷ <https://www.beva.org.uk/retention-survey>

⁸ <https://bvajournals.onlinelibrary.wiley.com/doi/10.1136/vr.106044>

⁹ <https://www.bva.co.uk/media/2990/motivation-satisfaction-and-retention-bva-workforce-report-nov-2018-1.pdf>

650 vets who gave an opinion approximately one fifth reported that it had become harder to recruit, with no respondents reporting that recruitment of vets had become easier.¹⁰

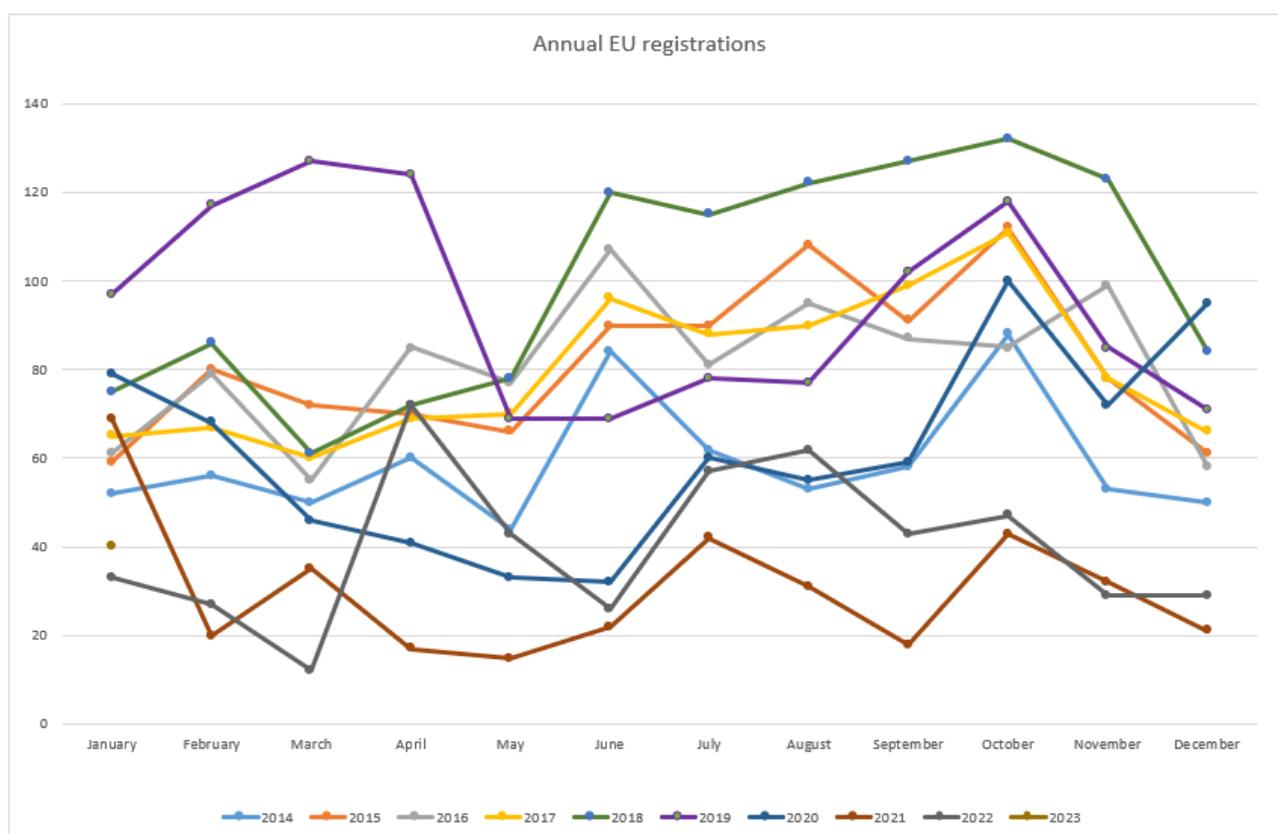
31. Following the decision that the UK should leave the EU, RCVS commissioned the Institute for Employment Studies (IES) to conduct three online surveys over a two-year period to gather the views and intentions of veterinary surgeons and veterinary nurses registered to practise in the UK whose nationality is non-UK European. Of those who responded to the first survey:
 - 18 per cent were actively looking for work outside the UK;
 - 32 per cent were considering a move back home;
 - 40 per cent thought they were now more likely to leave the UK.
32. In autumn 2017 SPVS conducted a survey on recruitment within the veterinary profession. The survey found a deterioration in the ability of practices to hire suitably qualified staff in the past year. In the 2016 survey, 30% of those advertising a position had found it easy, defined as taking less than 3 months to identify a suitable candidate for a post. By the same definition, in 2017 only 22% of respondents had easily recruited a candidate, with 47% taking more than 3 months to find someone, whilst 31% had failed to find any suitable candidate at the time of response to the survey.
33. These findings, accompanied by a long and sustained campaign by BVA and RCVS, saw the 2019 announcement from the Home Office accepting the Migration Advisory Committee's (MAC) recommendation for vets to be reinstated on the Shortage Occupation List. BVA welcomed this as a short-term solution to bolstering the profession, although it was clear that ensuring a flexible, skilled and robust veterinary workforce to meet the UK's needs in the longer term would need to remain a priority.¹¹
34. In early 2022 BVA highlighted serious concerns after the workforce saw a drop of more than two-thirds in new EU registrants coming to work in the UK in two years. Data released by RCVS revealed that the annual number of registrants coming to work in the UK fell by 68 per cent from 1132 in 2019 to just 364 in 2021.¹² Although there has been some bounce-back in the past year, this is the first annual increase to have been recorded post-Brexit.¹³ The chart from RCVS below shows the 480 new EU registrants in 2022, still significantly behind the pre-Brexit figures recorded.

¹⁰ British Veterinary Association, *BVA Workforce Issues Survey, 2017*

¹¹ <https://www.bva.co.uk/news-and-blog/news-article/bva-hails-mac-s-recommendation-for-vets-to-be-reinstated-on-the-shortage-occupation-list/>

¹² <https://www.bva.co.uk/news-and-blog/news-article/uk-s-veterinary-workforce-crisis-deepens-as-eu-registrant-numbers-drop-by-over-two-thirds-since-brexit/>

¹³ <https://www.vettimes.co.uk/news/rcvs-report-reveals-big-jump-in-eu-vet-registration-figures/>



35. There is no question that the UK continues to need significantly more qualified vets, with the findings from BVA’s Voice survey revealing that, in 2022, 60% of vets were reporting vacancies for veterinary surgeons in their practices, and this was particularly high among those who treat small animals.¹⁴

Pandemic pet boom

36. The Covid-19 pandemic and associated lockdowns saw a surge in new pet purchases as people rushed to purchase ‘pandemic puppies’ and ‘quarantine kittens’ for companionship during lockdown.¹⁵ At the time we urged prospective pet owners to give proper consideration to the animals’ short-term and long-term health and welfare needs, at a time when there were significant restrictions on owners’ ability to provide the best start in life for new pets, such as appropriate socialisation. This rise in pet ownership has increased pressure on already stretched veterinary teams, exacerbating workforce pressures.

37. In 2020, BVA responded to the Animal Welfare Committee’s call for evidence on animal welfare issues related to Covid-19 restrictions, in which we focused on the operation and sustainability of veterinary practices, the anticipated financial downturn which would likely impact on the ability of clients to pay for veterinary services, and the increase in decisions to purchase pets which may not have been made otherwise, all of which were likely leading to poorer welfare outcomes for animals.¹⁶

¹⁴ <https://bvajournals.onlinelibrary.wiley.com/doi/10.1002/vetr.3129>

¹⁵ <https://www.mdpi.com/2076-2615/11/9/2500>

¹⁶ <https://www.bva.co.uk/media/3651/bva-response-to-awc-corona-virus-inquiry-final.pdf>

Key points

- **There have long been recruitment and retention challenges across the veterinary sector, exacerbated by Brexit with a significant reduction in EU-qualified vets coming to the UK. Practices are struggling to recruit due to a shortage of vets and vet nurses, which is impacting the sustainability of veterinary practice and is likely influencing pricing of veterinary services.**
- **This workforce shortage has been compounded by increased consumer demand for veterinary services driven by the rise in pet ownership during the Covid-19 pandemic.**

Cost-of-living crisis

38. Pets are increasingly often seen by their owners as members of the family and spending on pets is rarely seen as discretionary. Indeed, when people face an unexpected downturn in their household income or increased financial outgoings, pet ownership can provide companionship and support, but can also represent a significant financial burden. Unexpected veterinary costs can be particularly hard to manage.
39. We regularly encourage pet owners to help reduce the need for vet visits by taking preventative measures, to take out pet insurance, and to discuss financial concerns with their vet to help find the right treatment for each individual's circumstances, while ensuring the animal's welfare remains the priority.¹⁷ The widely available pet health schemes provided by many practices ensure that the cost of preventative pet health care can be spread over a period of time.
40. As a result of the cost-of-living crisis, some pet owners have become less able to afford the costs associated with their animals including vet bills. Pet owners may also take the short-term decision to cancel pet insurance cover or practice health schemes, which can mean they delay seeking advice or treatment from their vet, including preventative health care. This may lead to poorer health and welfare outcomes and potentially increased costs longer term for conditions that could have been less expensive if treated earlier. We have also seen more animal owners turning to the safety net of the charity sector that provides veterinary services to those facing financial hardship, as well as an increase in relinquishment. UK Pet Food's annual pet survey revealed that 3.7m households admitted to having relinquished a pet in 2022.¹⁸
41. The current cost-of-living crisis has not only impacted animal welfare but also the way in which pet owners interact with veterinary professionals. Our 2023 Voice of the Veterinary Profession survey revealed that almost all (99%) of vets across the UK had seen pets in the last 12 months who should have been brought to them for treatment earlier. This represented a significant increase of almost 20% since 2018 and equated to an estimated 1 in 5 pets not receiving timely treatment. When asked about the main reasons for the delay, 91% vets reported financial reasons as a key factor. More than half of vets (52%) said the number of clients reporting difficulty covering the cost of preventative veterinary care for their animal had increased compared to 2021. This figure rose to 70% when it came to covering the cost of diagnostic care and treatment.

Abuse of veterinary teams

¹⁷ <https://www.bva.co.uk/news-and-blog/blog-article/concerned-about-caring-for-your-pet-during-the-cost-of-living-crisis/>

¹⁸ <https://www.ukpetfood.org/resource/uk-pet-food-s-annual-pet-survey-shows-cost-of-living-impact-on-pet-owners.html>

42. When dealing with veterinary staff we respectfully ask clients to be patient, considerate, and courteous. However, there is a serious problem with veterinary teams facing abuse from clients. 57% of vets in clinical practice were intimidated by clients in 2022 and 48% were abused online. BVA's Voice survey in 2022 found that three quarters of vets said the online abuse they had experienced had a negative impact on their job satisfaction or motivation, while half said it had negatively impacted their mental health. Vets who had experienced online abuse in the past 12 months were more likely to report that they will have left the profession in five years' time to pursue another career.
43. BVA's Good Veterinary Workplaces policy calls for a zero-tolerance approach to abuse and our 'Respect your vet team – end abuse' campaign offers resources to support vets and vet teams in tackling abusive behaviour in their workplaces.¹⁹ We know that profession-wide issues such as stress and burnout are seriously exacerbated by aggressive or intimidating interactions with clients.
44. Vets and veterinary nurses enter this high-pressure profession out of genuine care for animals. An unintended consequence of the CMA review has been ill-informed media reporting which has characterised vets as "exploitative" and preying on owners' love of their pets for financial gain.²⁰ Some members of the public have interpreted the launch of the CMA review as evidence that something is wrong, and this has had a significant impact on our members who have reported a further increase in abuse of veterinary teams. We are pleased to be contributing to this review as it represents an opportunity to address some of these issues and hopefully lead to more informed public debate. Our aim is to strengthen the relationship between pet owners and vets to help lead to better animal welfare outcomes.

Key point

- **The cost-of-living crisis has put pressure on household budgets which has negatively impacted on pet owners' ability to pay for veterinary care, and the way in which they interact with veterinary professionals, with veterinary teams increasingly experiencing abuse from clients.**

The veterinary market, practice ownership and regulation

45. Until the late 1990s, the RCVS required that UK veterinary practices were owned by vets. In 1997 the College recognised that this requirement had become untenable, and it could not prevent an incorporated business from owning a veterinary practice. Since then, the growth of corporate-owned veterinary practices has been the subject of debate within the veterinary profession. The personal experiences and professional needs of vets and vet nurses often influence their views. For those with no desire or without the financial means to become the owner of a practice, working for a large employer can offer an opportunity to focus on clinical skills and may offer increased opportunities for career progression. However, others are concerned that corporate ownership has prioritised financial considerations and reduced the opportunity to buy into an existing veterinary practice.
46. As long ago as 2013, BVA's Council was invited to debate the question 'Corporate veterinary practice: ladder of opportunity or slippery slope' concluding that there were strengths and weaknesses in both independent and corporate practice and each had much they could learn from the other, with competition driving up standards for the better.

¹⁹ <https://www.bva.co.uk/take-action/end-the-abuse-of-veterinary-professionals/>

²⁰ <https://www.telegraph.co.uk/columnists/2023/09/07/exploitative-vets-make-me-mad/>

47. We fully support healthy competition and diversity of business models so that clients can select from a wide range of veterinary service providers, whether practices are small independents or part of a large chain, choosing the best option for their needs and for the health and welfare of their animal.

The regulatory framework and veterinary legislative reform

48. Veterinary surgeons and veterinary nurses are registered and regulated by the Veterinary Surgeons Act 1966. The Act is significantly out-of-date and no longer fit for purpose. Alongside the RCVS, BVA and BVNA are lobbying for legislative reform, supporting a raft of RCVS recommendations under the headings of embracing the vet-led team, enhancing the role of RVNs including protection of the veterinary nurse title, fitness to practise, and mandatory practice regulation.²¹
49. There is currently no body responsible for regulating veterinary practices in the UK, which means that all the regulatory burden of the veterinary profession is placed on individual veterinary surgeons and vet nurses. With no statutory regulation that is specific to veterinary practices, there is no means of recourse when there are failings in the system that do not sit with the individuals regulated by RCVS. We consider, along with RCVS, that it is reasonable for the public to expect that all veterinary practices are assessed to ensure that they meet at least the basic minimum requirements. As such, we broadly support the principle of mandatory practice regulation, as a reasonable next step from the current voluntary system of the [RCVS Practice Standards Scheme \(PSS\)](#).

Key points

- **We fully support healthy competition, consumer choice, and diversity of business models so that clients can select from a wide range of veterinary service providers - whether small independents or part of a large chain - choosing the best option for their needs and for the health and welfare of their animal.**
- **Veterinary surgeons and vet nurses are regulated but veterinary practices are not. We support the RCVS recommendation that veterinary practices should be regulated because changes in practice ownership mean that individual veterinary professionals may not always be responsible for decisions about how veterinary businesses are run.**

Focus area 1: Pricing of services

Public perceptions of vet fees

50. There is no NHS for pets and choosing to own a pet is a huge responsibility. Full consideration should be given to potential costs and we know that owners often underestimate these. Most UK consumers do not pay at the point of delivery for the majority of the healthcare they have access to and as such may have very little understanding of the true cost of delivering healthcare services. When owners visit their vet their expectations and limited understanding of the costs involved will naturally mean that fees can be a real concern, particularly at a time of stress when a pet is ill or in need of emergency care. Although there is a relatively large charity sector providing veterinary care for pets whose owners are in receipt of benefits, there is a limit to what they can provide, and they too have been squeezed by the cost-of-living crisis.

²¹ <https://www.bva.co.uk/take-action/our-policies/legislative-reform/>

51. Veterinary surgeons must abide by the Veterinary Medicines Regulations and prescribe medication according to the Cascade²². They are unable to prescribe generic human medicines, even if these are cheaper. This is often not recognised by clients who compare the price of veterinary medicines with similar medicines that may be available in a pharmacy for human use. It is important to note that NHS prescriptions are subsidised by the government, so that they are affordable.

What vet fees cover

52. Whilst veterinary teams care deeply for their patients, a veterinary practice is a business with associated costs, for example equipment (and any associated loan repayments), VAT, vehicles, staff salaries, rent and utilities, which all impact the cost to the client. Every practice is different, which is why there are no standard veterinary fees in the profession. Factors like the practice's suppliers, location, size, and business model will also impact pricing, as well as the range of services offered. A veterinary practice must cover the cost of all items and services sold, as well as overhead costs, otherwise it will go out of business.
53. BVA's guide '[The value of veterinary care](#)' sets out to explain the cost of veterinary bills, the things that can help minimise pet care costs, and the role of pet insurance. BSAVA has also put together an '[Explainer on veterinary costs](#)' to help clients understand some of the basics about the costs involved in running a veterinary practice.

Veterinary salaries

54. The veterinary team must be paid appropriately for the professional service that they offer, and salaries are a significant proportion of a veterinary practice's expenditure. We know from the SPVS / Hazlewoods profitability report 2023 that around half of small animal practices are reporting adjusted staffing costs of 45% or more as a % of turnover.²³ The generally efficient benchmark range for small animal practices was between 38% to 45% between 5 and 10 years ago, which shows that this metric has moved quite significantly in recent years, with higher salaries, staff shortages, and increased reliance on locums being key drivers.
55. Data from the accountancy and advisory business Moore Scarrott Veterinary has shown that labour costs have increased by 3% of turnover. A data sample representing the trends seen in established primary care small animal practices over the last three years showed labour costs totalling 42.5% of turnover 3 years ago and 45.5% of turnover in the most recent year.
56. Historically, many veterinary professionals have worked beyond contracted hours, covering out-of-hours and being "on-call" as part of a practice rota for no additional pay. With the increased focus on developing a healthy, resilient, and sustainable workforce, undertaking overtime and out-of-hours work without additional remuneration is no longer accepted by employers or employees, in line with other medical professionals. We welcome these changes, but they have driven up staff costs beyond what would be expected by merely examining hourly rates of pay.
57. In absolute terms, veterinary surgeons and vet nurses have long been and remain poorly paid compared to other healthcare professionals.
58. SPVS carries out a survey of veterinary salaries every year. The 2023 salary survey attracted over 1800 responses with 90% of them being from either vets or nurses. The survey looks at different job roles in terms of number of years qualified, position of responsibility, region and type of work allowing the median, lower and upper quartile salaries to be identified with a regional

²² <https://www.gov.uk/guidance/the-cascade-prescribing-unauthorised-medicines>

²³ <https://spvs.org.uk/wp-content/uploads/2023/05/SPVS-Hazlewoods-Profitability-Survey-free-version.pdf>

breakdown. It looks at both the basic package and salary package. The salary package includes the basic salary, dividends, performance-related pay, accommodation allowance, car allowance, allowance for Continuing Professional Development (CPD), subscriptions and pension allowance. Annual salary was based on anyone working more than 35 hours per week, whereas hourly rate figures included everyone, independent of number of hours worked. The results shown in the table below are a brief summary of some of the results and are for median salaries with some hourly rates mentioned for vets, RVNs and locums.

	2020/1	2021/2	2022/3
ALL VETS			
SALARY PACKAGE	£45,150	£48,325	£52,693
% increase		7.00%	9.00%
CPI		5.40%	8.90%
LOCUM VETS			
DAILY RATE	£300	£350	£425
% increase		16.70%	21.40%
CPI		5.40%	8.90%
HOURLY RATE			
DAILY RATE	£30	£41	£50
% increase		36.70%	22.00%
CPI		5.40%	8.90%
NIGHT WORK			
DAILY RATE	£500	£500	£750
% increase		0.00%	50.00%
CPI		5.40%	8.90%
ALL RVNS	£25,034	£27,000	£30,500
% increase		7.90%	13.00%
CPI		5.40%	8.90%
SENIOR NURSES	£27,718	£31,013	£33,775
% increase		11.90%	8.90%
CPI		5.40%	8.90%
LOCUM NURSE			
DAILY RATE	£110	£144	£199
% increase		30.90%	38.20%
CPI		5.40%	8.90%
HOURLY RATE			
DAILY RATE	£17	£20	£23
% increase		14.30%	17.50%
CPI		5.40%	8.90%

59. For all vets, the median salary package has increased slightly more than inflation over the last 3 years. For locum vets however, the increase has been substantially higher. For example, the median hourly rate for locums had grown by 36.7% from 2021 to 2022 and the night rate by 50% from 2022 to 2023. This has been driven by the shortage of vets and especially a shortage of vets willing to work overnight, linked to the RCVS requirement to provide out-of-hours care (see 'Focus area 4').
60. For RVNs, the median salary packages increased by 13% from 2022 to 2023, again higher than inflation. This has been driven by the shortage of RVNs, and more vet nurses commanding higher

salaries due to positions of leadership. We have long called for better recognition of the value of RVNs as highly skilled trained professionals, expansion of their role within the veterinary team, and protection of the veterinary nurse title. We support the advancement of the nursing role through post-registration qualifications, which play a key role in career development and building and maintaining a strong team of individuals with in-depth knowledge that enhances patient care.

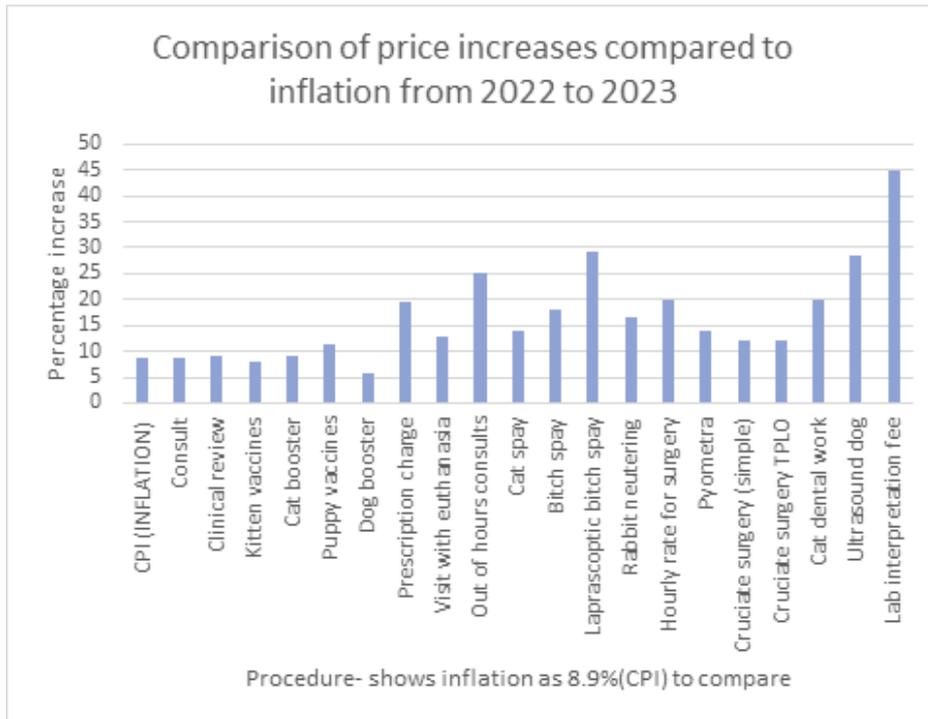
61. Higher salaries will of course play a significant role in determining fees for practices in order for those practices to stay profitable. It is understandable that this can be challenging to accept for clients who see their bills increasing, but from such a relatively low starting point, there is still some way to go before the financial compensation received by vets and vet nurses is on a par with their counterparts in the human healthcare sector. The 2023 SPVS survey found that the median full-time salary package for new graduate vets is £33,600. This is comparable to foundation doctors who earn a basic salary of £32,398 to £37,303. However, the difference comes later in their careers - the basic pay scale for NHS consultants in England for 2023 shows a starting salary of £93,666 rising to £105,390 after four years completed.²⁴ The median salary package for any vet in specialist referral work is £63,070. The BVA Voice survey has revealed the median income in 2022 was £47,000 for all working vets and £55,000 for vets working full-time.
62. A Bachelor of Medicine undergraduate degree course in the UK typically takes 5-6 years to complete, leaving foundation year doctors with student debt as high as £100,000. Veterinary graduates also study for 5 years, or 6 years at Cambridge, with the Association of Veterinary Students (AVS)/BVA Student Market Research Results 2020 showing an average student debt of approximately £70,000.²⁵ This illustrates how important it is for the future of the profession that veterinary salaries continue to see an uplift, so that becoming a vet remains a viable and attractive career choice for the widest possible demographic.

Increase in fees

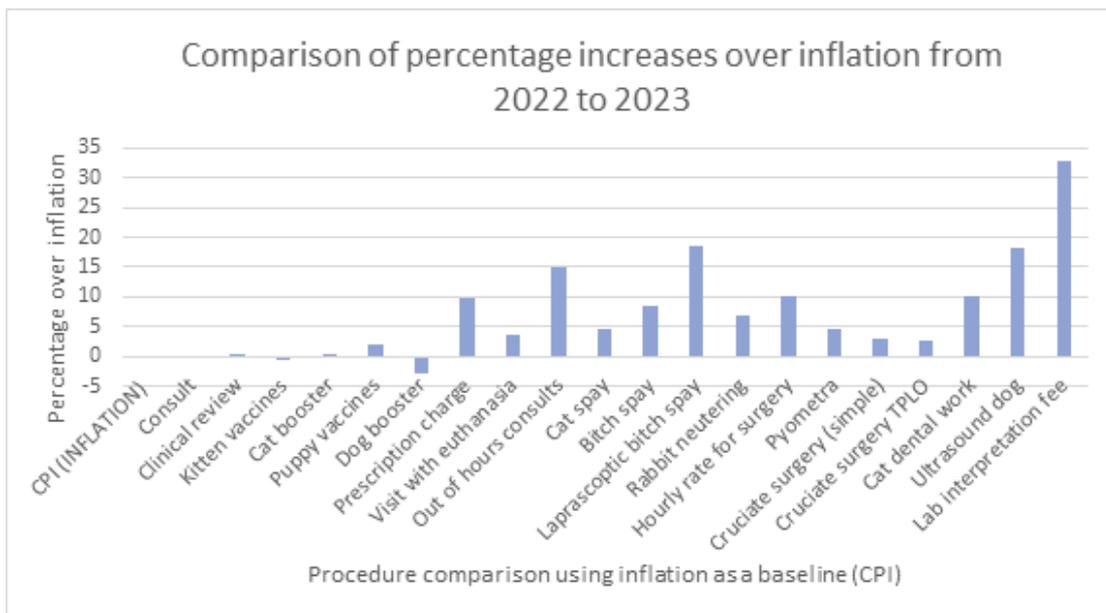
63. SPVS carries out an annual fees survey, which enables changes in fees to be tracked over time. The survey usually attracts responses from approximately 160 practices. There is no differentiation between corporate and independent practices or by region, and the surveys were not carried out in 2020-21 due to Covid-19 – given this gap between surveys it is unsurprising to see an increase in fees. **Appendix A** shows data from Vet Dynamics, a consultancy business for independent veterinary businesses, which has collated information from 100 independent practices showing 2-year trends since Covid-19 which demonstrate that consultation fees have gradually risen during this period (see graph below).
64. For 2022-23, inflation was estimated to be 8.86%, taken from official ONS statistics, based on the surveys being run from May 2022 to June 2023. The SPVS graph below shows the percentage increase in prices of the procedures and how this compared to inflation.

²⁴ <https://www.bma.org.uk/pay-and-contracts/pay/consultants-pay-scales/pay-scales-for-consultants-in-england>

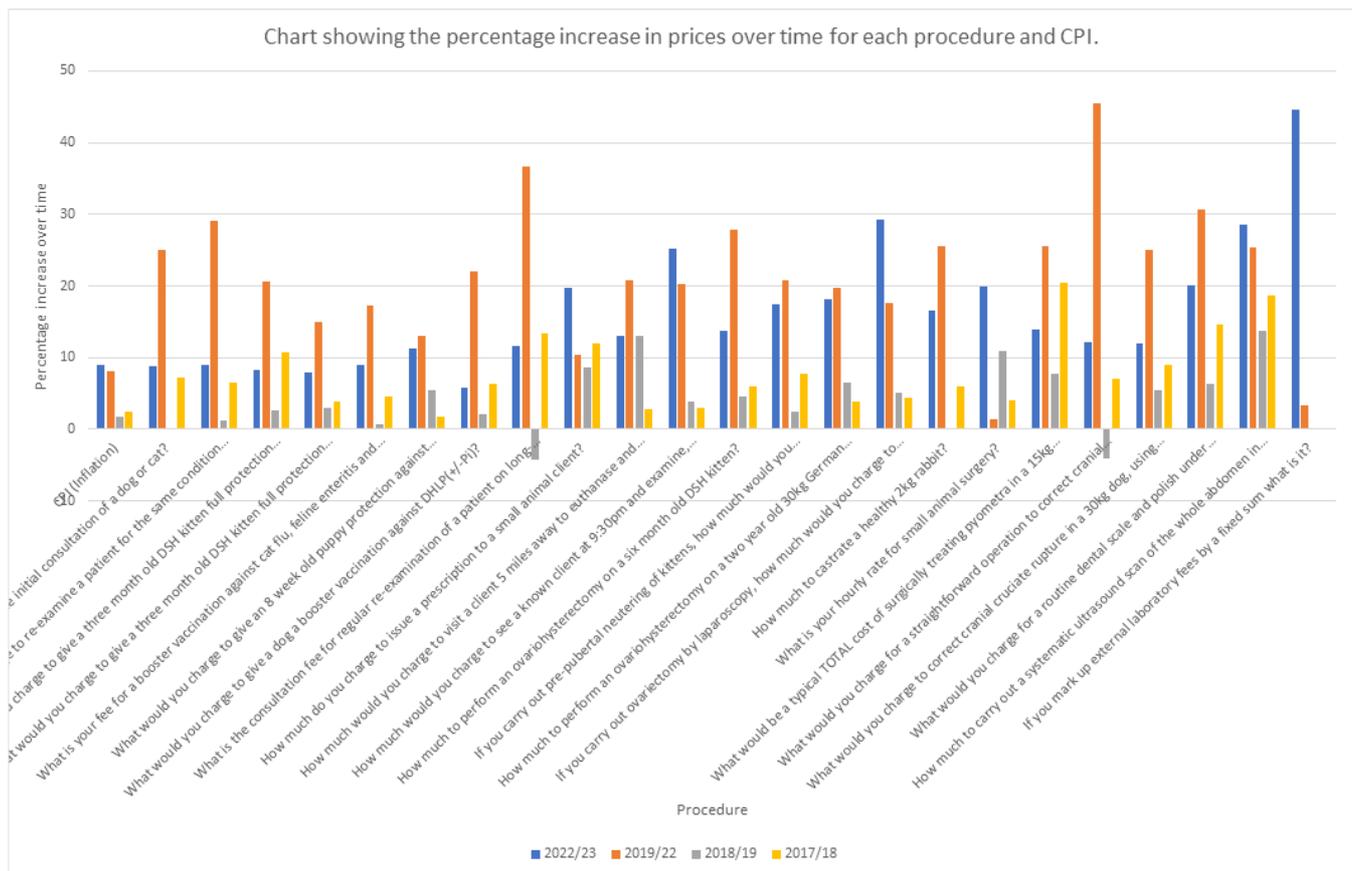
²⁵ <https://www.bva.co.uk/media/3359/avsbva-research.pdf>



65. The chart below shows a similar comparison but this time with inflation taken as the baseline:



66. The final SPVS chart shows the different procedures and how the prices have changed year on year compared to inflation (CPI), with the subsequent commentary outlining some of the reasons for increases higher than inflation.



67. Each year, technological advances give vets the ability to detect and treat more complicated medical cases. Along with advances come rising veterinary costs. There are several procedures, illustrated in the graphs, which have increased by more than the rate of inflation, however it is important that the reasons for such increases are properly understood, alongside the associated improvements to animal health and welfare outcomes:

- Prescription charges:** SPVS data shows the median cost for a veterinary prescription is still only £17.96 to issue the prescription. When a client requests a prescription, the vet is required to take the time to look at the clinical notes, check the dose, check the animal is under their care, and only then if the vet is satisfied can they issue the prescription. They may also call the client to verify the dose. This will then be saved as an asset in the client notes and either emailed to the pharmacy or the client. This process is in line with RCVS and Veterinary Medicines Directorate (VMD) requirements as part of responsible prescribing.
- Neutering/ (including spaying):** Historically neutering has been undercharged by vet practices, in order to incentivise owners to have their pets neutered for the health and welfare of both the individual animal and wider population, reducing the number of unwanted animals and supporting animal control measures which benefit society as a whole. Unfortunately, this is not well understood by clients and future surgeries for other conditions may then appear overpriced, when in actual fact they are appropriately priced. With the recent and significant increase in the estimated UK dog population, from approximately 9 million in 2019 to 13 million in 2022, the demand for neutering has also increased. Alongside additional pressures on veterinary practice such large discounts on neutering are no longer sustainable. Although discounts are still incorporated to encourage the procedure, it is no longer sustainable for vet practices to absorb these costs and offer neutering as a 'loss leader'. Over time, general anaesthetic techniques have developed and improved — animals are routinely catheterised intravenously, intubated for

anaesthesia, and improved analgesics are used alongside other preoperative medications in some species. This inevitably has led to increased costs associated with neutering.

- **Dental work:** Dental procedures have remained relatively stable over time (see Vet Dynamics graph at Appendix A), however, over time, dental work has become more advanced, and the procedures can be technically demanding. The British Veterinary Dental Association has been working hard to raise standards in first opinion practice, as well as campaigning for dental tables without radiography units to become a thing of the past. These advances, all of which contribute to improved patient outcomes and therefore client satisfaction, come at a cost which is reflected in pricing structures.
- **Advanced imaging:** In recent years ultrasound has grown as the preferred approach to imaging, alongside radiology. Many practices now also have or have access to advanced imaging such as CT and MRI. Skills have improved through the introduction of undergraduate training in these areas and additional post-graduate training, and equipment has advanced and is more costly to buy and service.
- **Laboratory services:** Historically these services have been undercharged. The increase in cost, which increasingly involves specialists in this field of veterinary work, is potentially a more accurate reflection of the value of the veterinary time being spent on analysis, interpretation, and discussion with the client on the results, the prognosis, and the possible treatment options. At Appendix A Vet Dynamics data indicates that lab services have remained relatively stable following Covid-19. The noted increases could be dependent on a number of factors including the greater need for analytical work for more advanced conditions due to delays in animals being seen by a vet as a result of Covid-19 restrictions or the cost-of-living crisis.

68. The graphs also show a generally sharper increase in fees between 2019 and 2022, representing the period before and after Covid-19. As already mentioned, the restrictions during this period had a significant and long-lasting impact on veterinary practice.

Client expectations

69. Client expectations are increasingly influenced by the portrayal of vets in the media, with the significant increase in the number and scope of veterinary-based TV programmes stimulating more interest in the veterinary sector, with the phenomenon of the 'Supervet' explored in BVA's journal, *Vet Record*²⁶. Although this can be a positive, cases as presented on television do not always include a full clinical explanation, or an explanation of the associated costs – indeed the treatment may even be presented as being free of charge. All of this contributes to an unrealistic expectation from some clients, who may then question the diagnosis or treatment options presented by their vet, preferring the 'diagnoses' offered by a popular screen vet, or social media sites. Advice from unverified sources has the potential to cause delay in proper treatment, lead to further issues and distress for the animal, and potentially increase costs to the owner.

70. Expectations of high standard veterinary care from both clients and vets have in part led to average consultation times increasing in the last decade. Data from the accountancy and advisory business Moore Scarrott Veterinary has shown a shift over the years from routine consultations of 6-10 minutes in length to most practices now offering 15-minute consultations as the norm. In the last 36 months, practices have increasingly begun offering 20-minute consultations in order to deliver the service now expected by clients. This has undoubted benefits to patient care and communications between vets and their clients, but it has also come at an increased cost to veterinary businesses, with vets now likely to see 50% of the clients they would have seen in a

²⁶ Why is the Supervet tour so popular? Pru Hobson-West. 02 February 2019 <https://doi.org/10.1136/vr.l500>

similar time period 10-15 years ago. The cost of this change has to be reflected in the charge to clients.

71. Vets will always prioritise the welfare of animals under their care and do what they can to provide contextualised care. Contextualised care is not just about low-cost treatment, it takes into account both the owner and the animal, considering their relationship and understanding the context in which the animal lives, the owner's finances, lifestyle, preferences, and their ability to provide suitable care. This approach acknowledges that the owner's attitudes, resources, and commitment to the animal's wellbeing significantly influence the treatment's success and the overall health of the patient. Additionally, contextualised care involves consideration of an animal's living conditions, quality of life, pain management, and overall welfare during clinical decision-making.
72. As many pet owners are finding it difficult to meet the basic costs of caring for their animals, it is particularly concerning that vets in practice are seeing increasing numbers of animals with issues that could have been prevented or minimised if treatment had been sought sooner.²⁷ Regular vet check-ups and preventative care may seem costly for many families in the current financial climate, but taking steps now rather than later is the best way to catch any health issues early and keep treatment costs to a minimum. It makes financial sense for all pet owners to talk to their vet for advice on simple and affordable steps they can take to keep their animals healthy. These include neutering, keeping up to date on vaccinations and parasite prevention, daily teeth cleaning, a suitable diet and keeping weight in check, and appropriate levels of exercise. Widely available pet health schemes provided by many practices allow the cost of preventative pet health care to be spread over a period of time.

Veterinary practices charging appropriately for their professional services

73. In addition to the current direct impacts of increasing costs on veterinary fees, there has, for many years, been debate within the profession about vets not charging appropriately for their professional services and needing to improve their business skills. On registration vets and vet nurses take an oath to put the health and welfare of animals committed to their care above all else²⁸, which may not always be conducive to sound business decision-making.
74. A blog by veterinary business consultant Dr John Sheridan '[Does a business approach to veterinary practice management damage the profession's reputation for care and compassion?](#)' published in 2015 as part of the Vet Futures initiative identified that the margin generated by the sale of professional time and expertise hovered around nil and, in many practices, was negative. Vet Futures survey results at the time showed that 94% of the population trusted veterinary surgeons generally or completely, and Dr Sheridan was clear that reputation had been slowly built over many generations by vets and their practice teams, dealing first hand with practical animal welfare challenges and delivering professional, caring and compassionate services for their owners. He argued that veterinary practices must continue to be viable businesses generating the revenue necessary to enable them to thrive, cover all their costs and offer pro-bono work when needed.
75. Since then, as vets have developed their business acumen and larger groups have utilised the skills and experience of business professionals this has likely brought about a sharper focus on charging properly for veterinary services. It also highlights the changed business landscape in

²⁷ <https://www.bva.co.uk/news-and-blog/news-article/vets-raise-concerns-as-1-in-5-pets-not-receiving-veterinary-treatment-in-time-due-to-cost-of-living-crisis/>

²⁸ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/>

that for many veterinary practices, it is no longer the vet that sets the fees but the practice owner who may not be a vet depending on the operating business model. The recently updated [RCVS Day One Competences](#), which outline the knowledge and skills expected of veterinary students on graduation, also now includes awareness of how fees are calculated, of income, overheads and other expenditure involved in running a veterinary business.

Transparency of pricing

76. The RCVS has no specific jurisdiction under the Veterinary Surgeons Act 1966 over the level of fees charged by veterinary practices. Although there are no statutory charges and fees, vets are required by [RCVS Supporting Guidance on Practice information, fees and animal insurance](#) to:

“...be open and honest about fees for veterinary treatment. Clients should be provided with clear and easy to understand information about how fees are calculated and what it is they are being charged for. Clients should be furnished with sufficient information about the fees associated with treatment to be in a position to give informed consent to treatment.”

Transparency around costs and the true value of veterinary care should be key to enabling clients to make an informed choice and allowing vets to provide contextualised care.

Pet insurance

77. Knowing that a pet is insured can help a vet and owner discuss the most appropriate course of treatment for that animal, but the costs and process for decision making should still be fully transparent. Pet insurance plays a crucial role in the veterinary sector by providing financial support for pet owners' healthcare expenses. When pet owners have insurance, they may be more likely to seek prompt veterinary care for their pets without worrying about the financial burden. It also reduces the emotional and financial stress associated with caring for a sick or injured pet.
78. Pet insurance can be extremely comprehensive, and potentially lifesaving, and there are lots of companies and policies to choose from. It is important that pet owners research the best policy for their particular needs and circumstances, including reading the small print and ensuring it includes the cover they expect. It is also worth noting that certain breeds may come with higher insurance premiums due to different health risks, and we encourage owners to research a variety of options, being mindful that some policies will require payment of a pre-determined excess.
79. Data from 2022 from the Association of British Insurers (ABI) showed a total of 1.3 million pet insurance claims were notified, up 28% on 2021 to the highest since ABI started collecting this data back in 2007. Payouts, at £1 billion, rose 17% on the previous year to the highest on record.²⁹ Although ABI attributes the substantial increase to the high cost of veterinary treatment, this is an oversimplification, which does not recognise the advances in veterinary science and technology. The growing range of techniques and treatments which are becoming increasingly available come at a cost to the veterinary practice, often in the shape of expensive equipment and training, and when an owner has pet insurance in place, they may be more likely to expect access to additional treatment options.
80. In order to provide contextualised care, vets will ask owners if their pets are insured for veterinary fees. This is an important but challenging question to ask and has led to a common misconception that vets are increasing fees for insured cases. That is certainly not the case and indeed it would be contrary to RCVS supporting guidance on *Practice information, fees and animal insurance*

²⁹ <https://www.abi.org.uk/news/news-articles/2023/6/insurers-paid-out-over-1-billion-to-protect-pets-in-2022/>

which is clear that vets must act with integrity in all dealings with an animal insurance policy, completing claim forms carefully and honestly, with the existence of animal insurance being no excuse for inflated fees.³⁰

Key points

- **There is no NHS for pets and as most people in the UK do not pay for their own healthcare at the point of delivery, many people have limited understanding of the true cost of delivering healthcare services. This creates a disconnect between the care they expect for their pet and the price they expect to pay.**
- **In order to function as financially sustainable, viable businesses, veterinary practices need to charge appropriately for their services. Veterinary fees cover a range of costs including salaries, equipment, medicines, premises, and other overheads which all impact the end cost to the client.**
- **Vet and vet nurse salaries have traditionally been relatively low, especially when compared with other healthcare professionals.**
- **Salaries are a significant proportion of a veterinary practice's expenditure and play a significant role in determining fees for practices in order for those practices to stay profitable.**
- **Client expectations have changed. With technological advances, pet owners now have a much wider range of care options available to them, many of which come at increased cost, often funded by pet insurance.**
- **Veterinary practices are now charging appropriately for their time, having historically undervalued their professional services. The growth of corporate-owned veterinary practices has also likely brought greater focus on, and expertise in, business skills and management, which in turn helps ensure veterinary practices are financially viable businesses.**
- **Vets are required to be open and honest about fees for veterinary treatment and provide clear and easy to understand information about how fees are calculated. Transparency around costs and the true value of veterinary care is key to giving clients choice and facilitating the provision of contextualised care.**

Focus area 2: How prescriptions and medication for pets are arranged and sold

- 81.** In August 2000, the Independent Review of Dispensing was carried out as part of the Government's Action Plan for Farming. The resulting Marsh report, published in March 2001, observed that in some EU Member States veterinary medicines were prescribed as part of an overall animal health plan for the farm, and within that plan, medicines could be obtained from appropriate sources without further reference to the vet. Later that year, the Competition Commission was asked to investigate the supply of prescription-only veterinary medicines (POM-

³⁰ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/supporting-guidance/practice-information-and-fees/>

Vs) within the UK.³¹ In September 2002 a statement of provisional conclusions on complex monopoly situations and hypothetical remedies was published.

82. An examination of all three levels in the supply chain led to the conclusion that competition in the supply of POM-Vs was weakest at the retail level and that pharmacies provide only minimal competition for veterinary surgeons. To reduce barriers, and to otherwise promote competition, in relation to each of these factors, the Competition Commission recommended that the following remedies be introduced:

- A requirement for a large and prominently displayed sign in all veterinary surgeries advising clients on the availability of, and charge for, prescriptions to enable them to obtain POMVs from pharmacies if they wished.
- A requirement for vets to inform clients, on request, of the price of any POM-V they propose to dispense and to quote the price of any POM-V stocked or sold to anyone who asked.
- A requirement for vets to provide itemised bills distinguishing the cost of services from the cost of POM-Vs.
- A requirement for vets recommending the use of POM-Vs to inform clients of their policies and charges regarding further examination of animals requiring repeat prescriptions, either by provision of a leaflet or in a letter of engagement.
- A requirement for clients of vets to be offered, either orally or in writing, prescriptions for POM-Vs the vet recommends, except for those used in emergency treatment, for treatments during surgical procedures or as anaesthetics; and for prescriptions requested in consequence to be provided by the vet.
- A requirement, for a period of three years, for veterinary surgeons providing prescriptions to do so at no additional charge to the client beyond that of the consultation.
- A requirement for manufacturers that supply POM-Vs in the UK to inform veterinary practices and pharmacies, not less than once every three months, of the ex-manufacturer unit price(s) net of any discount or rebate at which its POM-Vs were supplied to the veterinary practice or pharmacy in the preceding period and, on request, to quote the ex-manufacturer unit price(s) net of any discount or rebate at which any stated mix and volume of products would be supplied in the next three months.
- A requirement for all manufacturers that supply POM-Vs in the UK to supply pharmacies and vets on the same terms for the same volumes, including ensuring the same ex-manufacturer net prices whether the POM-Vs are obtained direct or through veterinary wholesalers or other third parties.
- A requirement for veterinary wholesalers that supply POM-Vs in the UK to supply pharmacies and vets on the same terms for the same volumes.

83. As noted above, one of the findings of the Competition Commission was the pricing of POM-Vs to subsidise, to a greater or lesser extent, professional fees. The subsequent CMA advisory note on the rights and obligations created by the Supply of Relevant Veterinary Medicinal Products Order 2005 and the RCVS Code of Conduct highlighted that the veterinary profession tended to understate the true cost of their professional services and offset this in their medicines pricing.³²

84. The subsequent decoupling of the right to prescribe and the right to dispense meant that veterinary practices, rightly and understandably, found it necessary to begin charging appropriately for professional services. Under the Supply of Relevant Veterinary Medicinal Products Order 2005 (SI 2005 No.2751) for a period of three years, from October 2005 to October 2008, vets were not permitted to charge for prescriptions. As noted above, prescription charges

³¹ https://webarchive.nationalarchives.gov.uk/ukgwa/20120120001958/http://www.competition-commission.org.uk/rep_pub/reports/2003/478vetmeds.htm

³² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/514379/Vets-rights_and_obligations_-_CMA_advisory_note.pdf

are a valuable source of income for the NHS, and with the lost income from the sale of POMVs it was warmly welcomed by the profession when the ban was lifted and reasonable charges for prescriptions were permitted. Although the change attracted inevitable criticism from the public and in the media, the BVA President at the time, Nicky Paull, said *'Making out a prescription takes time. That time has to be paid for. Each veterinary practice operates as a small business and the charge will depend on the vet's fee structure.'*

- 85.** The RCVS Code of Conduct is clear that vets may make a reasonable charge for written prescriptions, clients should be provided with adequate information on medicine prices, and clients should be informed of any significant changes to the practice's charges for prescriptions or medicines at the earliest opportunity to do so. The Code is also clear that clients may ask for a prescription and obtain medicines from another vet or pharmacy.³³ RCVS guidance also suggests that vets may wish to direct clients who are considering obtaining medicines from an online retailer to the VMD's Accredited Internet Retailer Scheme (AIRS), which we also reiterate in our own communications.
- 86.** As we have already pointed out, there is no NHS for pets, and it is expensive to keep and dispense veterinary medicines under the strict guidelines that are set out in law. Vets must keep a wide range of medicines in stock, all of which have a shelf-life and in some instances require controlled temperature facilities which means the pricing structure must cover the cost of storage and wastage. Buying groups and online suppliers bulk-buy in a way that individual veterinary practices cannot and may carry lower overhead costs which can more easily be absorbed by the business.

Key points

- **Vets can make a reasonable charge for written prescriptions and clients can obtain medicines from another vet or pharmacy.**
- **The growth of online pharmacies, which can supply medicines more cheaply due to lower overheads and the benefits of economies of scale, has made it increasingly important that vets charge appropriately for their professional services, which historically were subsidised by medicine sales.**

Focus area 3: Choosing a vet surgery and transparency of business ownership

- 87.** The factors which owners take into consideration when choosing a vet surgery for their pet will vary depending on individual circumstances. Proximity and accessibility are likely to be first and foremost, with personal recommendation and pricing structures also highly likely to be important to many pet owners. We are not aware of any data which indicates the extent to which owners select a practice based on the ownership.
- 88.** Whether under corporate or private ownership, practices that are part of chains or groups will often be branded accordingly, but this is not always the case. Many practices continue to operate under their previous names after they have been acquired by corporate groups, as a way of reflecting the individual identities of those practices. However, this can also suggest that the practice is still in private ownership.

³³ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/supporting-guidance/practice-information-and-fees/>

89. We support the principle of improved transparency of ownership to help increase customer awareness and enable consumers to make an informed choice.

Key point

- **We support transparency of ownership, whether vet practices are small independents or part of a large chain, so that pet owners can choose the best option for their needs and for the health and welfare of their animal.**

Focus area 4: Using out-of-hours and emergency vet services

90. In the UK, the RCVS Code of Professional Conduct states that all veterinary surgeons in practice must take steps to provide 24-hour emergency first aid and pain relief to animals according to their skills and the specific situation.³⁴ In most European countries the obligation to provide out-of-hours (OOH) cover does not exist.
91. Historically, veterinary practices have provided their own OOH cover with all vets employed by the practice on an on-call rota, supported by a locum if needed. In many cases this service was not charged for commercially. Many practices saw it as their duty to provide this service for their clients and it was delivered at a loss. We recognise that many animal owners preferred a model where a local vet was always available with few additional costs compared to daytime care, but the income did not cover the cost of running the service, even when vets were not being appropriately remunerated and were often working long hours and 'on call'.
92. Veterinary surgeons are not required by RCVS to remain constantly on duty. They are, however, required to ensure that when off duty, or when otherwise unable to provide the service, clients must be directed to another appropriate service provider. The purpose of first aid and pain relief is to attend to the initial and essential welfare needs of the animal. The primary consideration of the veterinary surgeon should be to relieve the animal's pain and suffering. In some cases, euthanasia may be appropriate.³⁵
93. There is of course a professional responsibility, and an expectation from clients, that in addition to first aid and pain relief there will be some degree of veterinary care available at times when the practice would not normally be open. However, any service beyond emergency first-aid and pain relief is not required by RCVS.
94. "Continuity of care" does not imply that the care provided OOH is the same as that provided during the day, and the level of provision is usually decided at a practice level. The approach to continuity of care should be understood by all stakeholders, and it should be made absolutely clear to pet owners whether the care is provided on-site by practice staff or outsourced. Written information on associated costs, whether inpatients are left unsupervised at night or moved between premises, and which services provided during normal opening hours are not available overnight should be clearly communicated and readily available to the client, or potential client. The provision of good quality continuity of care forms a key element of the overall care package and can contribute to client loyalty, as well as improved animal health and welfare outcomes.
95. It is particularly challenging for a small practice to offer a commercially viable out-of-hours service as the volume of work is not there to support it. Out-of-hours veterinary services need a critical mass of work to be viable for the provider of the service. In areas of high human population

³⁴ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/supporting-guidance/24-hour-emergency-first-aid-and-pain-relief/>

³⁵ <https://www.rcvs.org.uk/setting-standards/advice-and-guidance/code-of-professional-conduct-for-veterinary-surgeons/supporting-guidance/24-hour-emergency-first-aid-and-pain-relief/>

density, there will be correspondingly more pets, but in many areas, there is not enough work to support multiple out-of-hours providers.

96. In recent years there has been a significant shift in the companion animal sector to outsourcing out-of-hours care to providers with a more commercially viable structure.³⁶ This has gone a long way to supporting a diversity of veterinary practice business models offering daytime care, including smaller independently owned practices. It also supports a better work/life balance for veterinary teams, which ensures that practices can recruit and retain experienced staff.
97. For owners in geographically remote areas of the UK access to a choice of OOH providers is simply not feasible. For smaller practices and those without close neighbouring practices with whom OOH cover can be shared, outsourcing OOH to a large OOH provider may be the only way that the practice can meet the obligation to provide 24/7 emergency first aid and pain relief and remain viable as a veterinary practice. Such outsourcing brings with it added costs which need to be passed onto the client.

Key points

- **Veterinary practices in the UK, unlike much of Europe, are required by the RCVS to provide 24-hour emergency cover, whether directly or via another designated provider.**
- **Historically, veterinary practices provided their own out-of-hours cover and in many cases this service was not charged for properly, if at all, requiring vets and support staff to work unreasonably long hours.**
- **Out-of-hours veterinary services need a critical mass of work to be viable and in recent years there has been a significant shift in the companion animal sector to outsourcing out-of-hours care to providers with a more commercially viable structure, to ensure that suitable veterinary care can be provided.**

³⁶ <https://www.rcvs.org.uk/news-and-views/publications/the-2019-survey-of-the-veterinary-profession/> (Section 7.6)

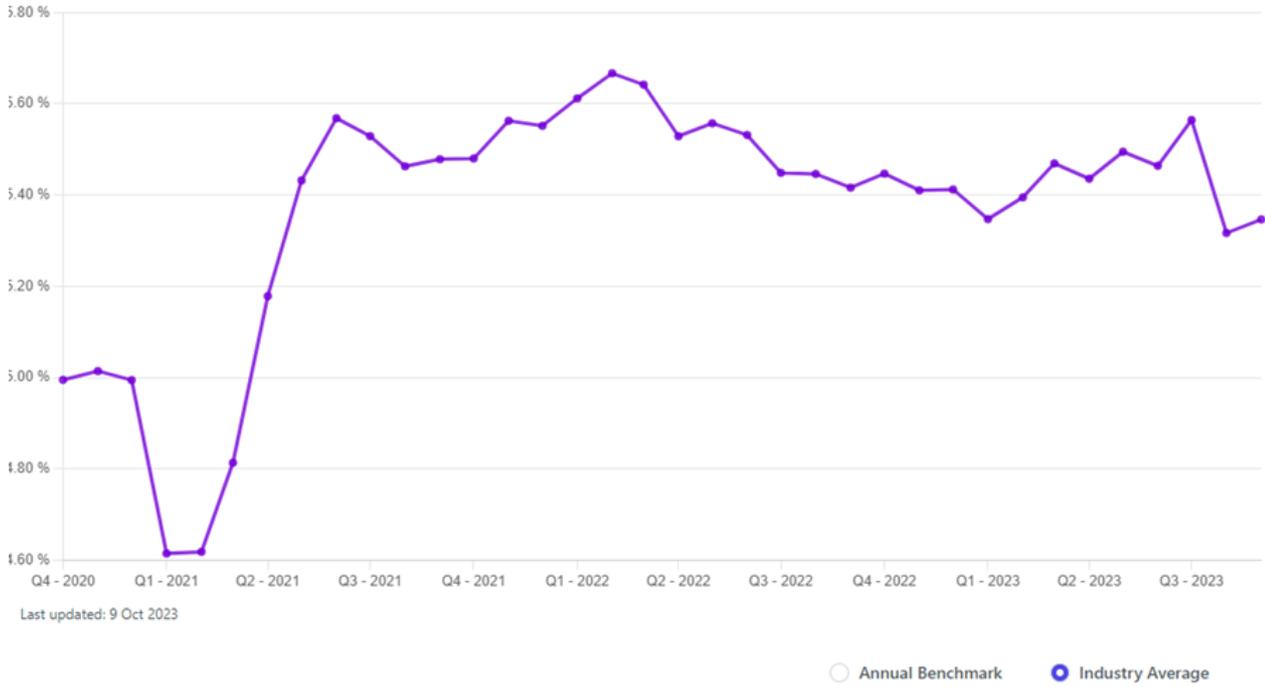
Appendix A – Vet Dynamics data

Consultation fees have increased over time (Q4 2020 – Q3 2023):



Uptake of dentals has remained relatively stable (Q4 2020 – Q3 2023):

Clients having Dentals (%) - September 2023



Laboratory work as a percentage of total revenue (Q4 2020 – Q3 2023):

Lab Work % of Total Revenue - September 2023

