

Title: Impact Assessment for the Legislative Reform Order to amend the constitution of the Royal College of Veterinary Surgeons Preliminary Investigation Committee and Disciplinary Committee IA No: Defra 1404 Lead department or agency: Department for Environment, Food and Rural Affairs Other departments or agencies: Royal College of Veterinary Surgeons	Impact Assessment (IA)				
	Date: 20/10/2011				
	Stage: Consultation				
	Source of intervention: Domestic				
	Type of measure: Secondary legislation				
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Summary: Intervention and Options **RPC: RPC Opinion Status**

Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Measure qualifies as One-Out?
£0.47m	£0.47m	£0.05m	YES IN

What is the problem under consideration? Why is government intervention necessary?
 The Royal College of Veterinary Surgeons (RCVS) governs the veterinary profession through its Council and system of committees, including those that deal with disciplinary proceedings. The Council both sets the standards for the profession and deals with possible breaches of them. There is insufficient independence in such cases and public pressure for reform. RCVS needs to separate these functions to balance public and professional interests. Current legislation restricts the size of the committees making it difficult to manage the caseload. Government intervention is necessary to change specific provisions concerning these committees in the Veterinary Surgeons Act 1966.

What are the policy objectives and the intended effects?
 The means by which the objective will be achieved is to amend the constitution of the RCVS Disciplinary Committee (DC) and Preliminary Investigation Committee (PIC) in a number of ways. This will ensure proper independence and impartiality when dealing with disciplinary cases, thus maintaining public confidence in the RCVS and compliance with the Human Rights Act 1998 (primarily Article 6 of Schedule 1– right to a fair trial). The amendment will promote regulatory principles and reduce burdens on the RCVS Council, to enable the disciplinary caseload to be managed now and in the future.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
Option 1: Do nothing – this does not take steps to resolve the issue of lack of independence dealing with complaints and disciplinary cases. This is no longer acceptable.
Option 2a: The second option would be to include new disciplinary arrangements within a complete overhaul of the Veterinary Surgeons Act 1966.
Option 2b: This is the same as 2a i.e. having a new Act but following the principles of ‘Big Society’. This would mean utilising non-regulatory measures to establish the disciplinary committees.
Option 3: The preferred option is to introduce a Legislative Reform Order to amend the constitution of the Preliminary Investigation Committee and Disciplinary Committees. This is the most straightforward way to amend the primary legislation.

Will the policy be reviewed? It will be reviewed. **If applicable, set review date:** 10/2015

Does implementation go beyond minimum EU requirements?						N/A			
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.				Micro No	< 20 No	Small No	Medium No	Large No	
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)						Traded: N/A		Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister 
Date: 12/1/12

Summary: Analysis & Evidence

Policy Option 2a+b

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised costs by 'main affected groups'

The RCVS is aware that the Veterinary Surgeons Act 1966 does not adequately reflect the modern approach to regulation. Defra has asked the RCVS to prepare detailed proposals which the Department would be prepared to consider. This would be a medium (to long) term option.

In the absence of detailed proposals, we cannot estimate any costs for this option but envisage that all the costs assumed for option 3 plus any other costs to be incurred by the various parties might be accrued.

Other key non-monetised costs by 'main affected groups'

We envisage that it could take up to 3 years for the Act to be enacted since the Department would need to work with other Government Departments to ensure that the Bill passes through all the necessary Departmental and Parliamentary scrutiny.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised benefits by 'main affected groups'

None anticipated

Other key non-monetised benefits by 'main affected groups'

The intention is to bring the regulatory framework of the veterinary profession into line with others, such as medical, dental, nursing and midwifery and legal professions. There would be a more unified, effective, and efficient veterinary regime than the current dispersed system since all the providers of veterinary services will come under a single regulatory framework. Until we are sure of the details of what the Act might exactly cover or how it would be implemented, we cannot estimate the benefits of this option.

Key assumptions/sensitivities/risks

Increased public confidence in the veterinary profession.

Improvement in the level of services provided by the profession since there will be transparent regulatory regime with better monitoring and accountability.

Discount rate (%)

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:	In scope of OIOO?	Measure qualifies as
Costs: 0		IN/OUT/Zero net cost
Benefits: 0		
Net: 0		

Summary: Analysis & Evidence

Policy Option 3

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year 2012/13	PV Base Year 2012/13	Time Period Years 10 years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: N/A

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0.05	0.47

Description and scale of key monetised costs by 'main affected groups'

For the proposed regime, the RCVS would incur the following costs:
Recruitment costs for the disciplinary committees (PIC and DC) of £100K¹ in the first 3 years during which time 29 new committee members will be appointed. Thereafter £25K will be used each year for years 4 to 10 during, which time up to 8 new members may be appointed each year.

Training costs of £10K each year for the 10 years
Appraisal costs of £14K each year for the 10 years.

Since all costs recur over the years, none are classified here as transition costs.

Other key non-monetised costs by 'main affected groups'

There are no non-monetised costs for this option. New members volunteer to join the committees (and are remunerated for loss of earnings).

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised benefits by 'main affected groups'

We are confident that the benefit will outweigh the cost of the new process but this cannot readily be monetised.

Other key non-monetised benefits by 'main affected groups'

- Compliance with Article 6 of Schedule 1 to the Human Rights Act 1998 on the right to a fair trial, to the benefit of all involved in the process through separation of responsibilities between those who set the professional standards and those who investigate and adjudicate them
- Legal requirement for involvement of lay and non-RCVS-Council veterinary surgeons will modernise and bring independence to disciplinary processes which looks and is fairer; to the benefit of both complainants and to veterinary surgeons charged with *disgraceful conduct in a professional respect*
- Timing – reduction in time lag or no increase in delay before cases get to Disciplinary Committee is to benefit of both complainants and to veterinary surgeons accused of disgraceful professional conduct because of a larger pool of people available to sit.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

We assume that the improved process will ameliorate the number of complaints from the public about the process. The new reform would avoid undue delays in getting cases to a DC hearing. Separation of responsibilities would allow Council members to deal with other Council business and make better use of their time.

BUSINESS ASSESSMENT (Option 3)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs: 0.05	Benefits: 0	Net: 0.05		
			Yes	IN

¹ Costs provided and confirmed by the RCVS

Evidence Base (for summary sheets)

1. Introduction

This IA relates to the amendment of Schedule 2, Part I of the Veterinary Surgeons Act 1966. The preferred option amendment will be made in accordance with sections 1 and 2 of the Legislative and Regulatory Reform Act (LRA) 2006. A Legislative Reform Order (LRO) will be introduced to allow changes to be made to the constitution of the Preliminary Investigation Committee (PIC) and the Disciplinary Committee (DC).

2. Background

2.1 The statutory duties of the RCVS are laid out in the Veterinary Surgeons Act 1966 which is the key statute regulating the veterinary profession. The College operates under three different umbrellas i.e.

- as a Statutory Regulator maintaining a register of surgeons eligible to practice in the UK, setting standards of veterinary education and regulating professional conduct;
- a Royal College, exercising powers under the Royal Charter awarding Fellowships, Diplomas and acting as an informed and impartial source of opinion on veterinary matters;
- a Charitable Trust – a separate charity established to promote and advance the study and practice of the art and science of veterinary surgery and medicine.

2.2 Both the statutory and Royal Charter duties of the RCVS are governed by a Council of 42 members. Council is supported by a system of committees, including those statutory committees that deal with disciplinary proceedings: the Preliminary Investigation Committee (PIC) and the Disciplinary Committee (DC). The Act provides that Council members shall elect their Chairman and 11 other members from amongst themselves. In addition, the PIC membership must include the President and two Vice-Presidents of the College (who have been elected by the Council from their own membership) and 3 other members of the Council elected by the Council.

2.3 As Council members set the professional and ethical standards for the veterinary profession, their involvement with disciplinary matters could eventually lead to a conflict of interest. This matter needs to be addressed urgently to avoid a situation in which a legal challenge is raised against a decision of the PIC or DC. At the same time, the small committee of 12 DC members is not sufficient to deal with cases.

3. Current Process

3.1 The RCVS receive about 700 complaints a year, about 80% of which are screened out at the initial review stage. The remainder, where it is deemed that there is an arguable case, are then considered in detail by the PIC. If the PIC believes that there is a case to answer it refers cases to the DC. There are about a dozen of such cases each year. The DC follows court procedures and complaints must be proved to that highest standard of proof so that the DC is 'sure'. Guidance for DC procedure was re-issued in January 2010 and is used as an aid to decision making at disciplinary hearings. The guidance is read in conjunction with the 'Disciplinary Committee Manual' also issued in January 2010. If found guilty of 'disgraceful conduct in a professional respect' and directed to be suspended or struck off the Register, a veterinary surgeon may appeal to the Judicial Committee of the Privy Council. The appeal is a full re-hearing of the case, but usually on the basis of the evidence heard by the DC. In the case of an appeal the DC direction does not take effect unless and until upheld by the Privy Council.

3.2 As mentioned above, about a dozen cases are referred annually by the PIC to the DC and the RCVS are now finding that under the present constitution the DC does not have a sufficient number of members to deal with the current workload. Although the number of cases coming to the DC is fairly static, the cases are becoming more complex, meaning that each case is taking longer to hear. The number of sitting days has increased from 22 in 2009, to 25 in 2010, to 47 in 2011. As a consequence, waiting time from referral from PIC to DC is beginning to increase. From the date of the complaint to DC hearing, the times have been 11 months in 2009, and 14 months in 2010 and 2011². In view of this the current system is under strain as

² Data is taken from the RCVS Annual Reports.

RCVS Council members struggle to find time for the increasing DC sitting days therefore, continuing with this arrangement would be detrimental to the effectiveness of the RCVS.

3.3 Lay Observers are not veterinary surgeons and are independent of the RCVS. The PIC has no lay members but Lay Observers have been appointed to sit with them. Whilst Lay Observers are not voting members of the committee, they take part in discussions and comment on the procedure and the merit of the complaints. The current statute allows for lay members of DC, as they can be drawn from the Privy Council and university appointees to Council. There is nothing in the statute insisting that the DC must have lay membership. Also although there is an expectation that members of both committees will serve a 4-year 'term of office', there is no requirement legally or otherwise restricting the number terms that may be served by an individual.

4. Problem under consideration and Rationale for Government Intervention

4.1. Only those veterinary surgeons that are registered by the RCVS, having satisfied certain qualification requirements are allowed to practise in the UK. Disciplinary procedures are necessary to protect the interests of the animals, animal owners (clients of veterinary surgeons and practices) and the public at large from disgraceful conduct in a professional respect by members of the veterinary profession, and to maintain consumer confidence in the profession.

4.2 The current system as laid down in the statute is out of date. Best practice requires separation of responsibilities between those who set the standards (RCVS Council) and those who investigate and adjudicate possible breaches of those standards (Preliminary Investigation Committee and Disciplinary Committee). The report "Veterinary Surgeons Act 1966" published by the Environment, Food and Rural Affairs Committee of the House of Commons on 14 May 2008 included a recommendation that there was a pressing need for the disciplinary process for veterinary surgeons to be updated. There is also public pressure to reform the College's disciplinary machinery. Between 2006 and 2011, over 80 letters were written to the Department by members of the public about the way in which the complaints against veterinary surgeons were handled by the RCVS. To have a robust system which complies with article 6 to Schedule 1 of the Human Rights Act 1998 on the right to a fair trial, there must be independence and impartiality shown in disciplinary proceedings.

4.3 In addition, RCVS Council members elected to the Disciplinary Committees are overstretched. Reliance on their ability to devote sufficient time to considering and making judgements on important disciplinary matters is considered unsustainable for the future due to the limited number of DC members.

4.4 Specific provisions in the Veterinary Surgeons Act 1966 provide for committees that can consider disciplinary proceedings (Section 15). Schedule 2 Part I lays down the constitution of these committees, while Schedule 2 Part II deals with the procedure of the Disciplinary Committee. As these provisions are laid down prescriptively in the statute, there is no means of changing the size and membership of the committees without amending the relevant parts of the Act. Government proposes to introduce the reform by means of a Legislative Reform Order (LRO) under Sections 1 and 2 of the Legislative and Regulatory Reform Act 2006 (LRA). The intention is to use the LRO to change the size and membership of the PIC and DC. This will be achieved by amending the provisions of the Act which relate to the constitution of the committees. These changes are limited to Schedule 2, Part I (constitution of the committee) of the Act.

5. Policy Objective

5.1 The objective is to maintain public confidence in the RCVS by making the disciplinary procedure more independent from the setting of professional standards and more sustainable by increasing the membership of the Disciplinary Committee to allow for cases to be heard more quickly (because the number of days that the DC can sit can increase). Ensuring in statute the involvement of lay people removes any perceived veterinary bias, while using a system of open/public appointments means that those serving on the committees will be the best-fit against a specific job description. The aim is to improve the balance between public and professional interest as the new appraisal system for committee members would provide a more demonstrably objective and rigorous approach.

6. One-in, One-out

6.1 The RCVS is a civil society organisation as defined by Better Regulation. Therefore the proposed changes are “in scope” of One In, One Out. We assume that all the costs estimated in this IA, all of which fall onto the RCVS, are inevitable or unavoidable consequences of the regulatory changes. Re-basing to 2009 prices, calculating a present value for 2010, and then calculating the equivalent annual figures, the proposal has an equivalent annual cost of around £46k p.a. No benefits are monetised, and while some will accrue to the RCVS, not all do. Therefore in this IA we assume this cost is the net impact on business or civil society, an “IN”, and give the EANCB as £0.05m.

7. Consultation

Within the Government

7.1 There have been ongoing discussions between Defra, Devolved Administrations, and other Government Departments about making changes to the constitutional arrangement of the RCVS’ investigation and disciplinary committees. The outcome of these discussions is that the changes will have no negative impact on the veterinary professions and they will be consistent with the principles of better regulation.

Public Consultation

7.2 Over the last few years there have been ongoing meetings between Defra and RCVS about making changes to the constitutional arrangement of the PIC and DC. The RCVS has also been in discussion with representatives of the British Veterinary Association (BVA) to progress the proposals for the LRO. These proposals have been discussed and endorsed by BVA Council. No wider consultation has yet been carried out but this IA accompanies a full consultation of the proposed changes. During the consultation period we intend to conduct further research to get better data in order to firm up the proposal and views of consultees will be sought in this respect.

8. Options

Three options have been considered for this proposal:

Option 1: Do Nothing

8.1 Continuing with the status quo where no changes are made to the Veterinary Surgeons Act. There are no benefits to maintaining the current system and if we continue with this there will be no resolution of the issues identified above.

Option 2a: Replace the current Act with a new modern Act

8.2 The current arrangement for the management of the profession has grown up piecemeal and is fragmented. A new Act would resolve these issues and those identified in the IA.

8.3 New legislation would enable an up-to-date regulation of the veterinary profession as it could encompass modern expectations and provide a regulatory framework for veterinary technicians and veterinary nurses. This option would also manage improvements of the disciplinary system within the context of a broader reform and bring the profession in line with other professions like medical, dental, nursing and midwifery and legal. This is a much bigger, longer-term aspiration than option 3. Defra and RCVS have been in discussion over many years about possible changes to the current Act. Ministers have recently invited RCVS to come forward with detailed proposals as soon as practicable.

Option 2b: New modern Act that would allow self-regulation

8.3.1 An alternative to option 2a would be that once the Veterinary Surgeons Act 1966 has been amended or new legislation enacted, the RCVS would determine the composition and size of the

committees themselves in conjunction with the profession and members of the public. This means that instead of the Government using the LRO route to effect the proposed changes, the RCVS would seek to make the changes using Order making powers conferred by the new legislation.

8.3.2 Whilst this option would be in line with current Government's principle on the 'Big Society' we will not be using it as it would still require a complete revamp of the current primary legislation before the RCVS can use any enabling power to make any reform to the disciplinary system. As the provisions are laid down prescriptively in the Veterinary Surgeons Act 1966, there is no means for the RCVS to change the size and membership of its committees dealing with disciplinary issues without amending the relevant parts of the Act. Therefore, no purely non-regulatory option has been considered.

Option 3: Change the constitution of the RCVS' disciplinary committees through the introduction of the LRO

8.4 This is the preferred option, allowing direct amendment to the Veterinary Surgeons Act 1966, through the promotion of better regulatory principles, to change the composition of the Preliminary Investigation and Disciplinary Committees. The new arrangements would allow and ensure that the RCVS appoints both veterinary surgeons who are not members of the RCVS Council and lay persons to the committees. The proposed reform would ensure that there is separation of responsibilities between those who set the professional standards and those who investigate and adjudicate those standards, as well as allowing for independence and impartiality to be shown in proceedings.

8.5 In addition, the changes also provide for the RCVS to have a larger pool of committee members to draw from. This means that committee members could meet more often, allowing cases to be listed sooner. Once members of the committees have been appointed, there will be a job specification to underpin performance management. Though the RCVS does not currently appraise committee members, under the new arrangements and in line with current policy of good governance it will do so. There will also be mechanisms in place to enable termination of appointments if committee members' performance (and general fitness for the job) is not up to standard.

8.6 Once the LRO is in place, it is envisaged that once a year, the PIC and DC Chairman would routinely appraise their respective committee members and see if there are specific training needs or other issues to address. The appraisal would be designed to ensure that the selection and appointment process has ensured that the committees have the right people to discharge their functions. Committee members will be provided with feedback on their performance.

8.7 Legal Advice is that an LRO would not be the appropriate mechanism to introduce an order-making power (that is a power to allow the RCVS to decide on the constitution of the committees from time-to-time by secondary legislation), as it would be difficult to argue that transparency was being increased when awarding additional discretion to the RCVS. On balance, it was concluded that this option would not comply with the requirements of the LRA. Therefore, this option was also rejected as a means of changing the constitution of the committees.

9. Cost and Benefit by Main Affected Groups

Sectors and Groups Affected

The proposed measure will affect animal owners, veterinary surgeons and the RCVS.

Costs

Option 1: Do Nothing

9.1 Doing nothing will neither increase nor decrease current costs to the public or businesses. Current costs fall on the RCVS and its costs are met from retention fees paid by veterinary surgeons. Continuing with this system would mean that veterinary surgeons, against whom complaints have been made, may be able to successfully appeal their cases on grounds of insufficient independence or impartiality. Additionally, the goal of safeguarding public confidence in the RCVS could be compromised.

Options 2a and 2b: Replace the current Act with new legislation

9.2 This option would manage improvements to the disciplinary system within the context of broader reform. Whilst there are no plans to abolish the current Act, Defra would be the lead Government Department on the development of a new Act and would need to work with Other Government Departments with responsibility for other regulated professions (e.g. the health sector and the legal system) to ensure a coherent and consistent approach is taken on policy development.

9.3 Defra and RCVS have been in discussion over many years about possible changes to the current Act. Ministers have recently invited RCVS to come forward with more detailed proposals as soon as practicable. The scope of what this new legislation could cover is potentially quite wide and its development would take some time. Extending the legislation was to extend to include veterinary technicians and veterinary nurses in the new regulatory framework. In this respect, the Department would have to engage extensively with representatives of these groups to establish the potential structures for any future framework. It would then set up a team with the requisite Bill expertise to come up with the draft proposals alongside proposals to amend the existing veterinary surgeons framework.

9.4 In light of the urgency for changes to be made to the disciplinary process we are mindful that the LRO is the best and most straightforward route to use for this course of action. In the absence of details of what a new Act might exactly cover and how it would be implemented etc, we are not currently able to comment on the costs it might impose on various parties.

Option 3: Change the constitution of the RCVS' disciplinary committees through the introduction of the LRO

Changes in Committees Constitution

9.5 In line with the principle of good governance, our preferred option is clear separation of the investigation and disciplinary process from the RCVS Council. As the key change is in the **number** and **method** of appointment of the members of the committees, the cost implications relate to those for **recruitment** and **training** as well as the **new appraisal system**. We assume for the purpose of the IA that the number of man-days spent on hearings in future would not change, meaning that the cost of PIC and DC hearings will remain the same. Although joining the committee is voluntary, in the sense that the posts will be advertised independently and candidates can choose to apply of their own volition, once appointed, sitting is not deemed to be voluntary. Members will be eligible for the loss of earnings recompense.

9.6 It is proposed that the numbers of the **Disciplinary Committee** will increase from **12 to 20** and the **Preliminary Investigation Committee** from **6 to 9**. It will be prescribed in the legislation that at least one-third of these members must be lay persons. It is also proposed that the quorum required for any of one meeting of the DC will reduce from 5 to 3, while remaining unchanged for the PIC at 3. This is largely to come into line with the precedents set in other comparable professions for their disciplinary committees (e.g. General Medical Council, Nursing & Midwifery Council, and General Dental Council). For both the committees, within this quorum there must be one veterinary surgeon and one lay person. However, RCVS have indicated that they intend to continue to hold disciplinary meetings with the same numbers of members in attendance as happens currently.

9.7 For PIC, this is usually all 9 members (6 members plus the 3 lay observers) meeting in plenary, although there may be occasions when one or two members cannot make the monthly meetings. It is not usual that in any one case hearing the DC meets with all members, but instead it normally convenes with the number of people appropriate to that particular case. Currently, DC aims for a quorum of 5 plus 2 spares. This is to mitigate any risk of a challenge or conflict necessitating someone having to stand down. If the committee was barely quorate at the outset then a challenge based on some conflict of interest could bring the whole proceedings to a halt. The intention to not change current practice means that the costs incurred for each hearing-day should remain unchanged.

9.8 The numbers of the PIC and DC members will change over a transition period and will then fall into a pattern of retirement/replacement as shown in the tables below. Transitional arrangements are needed to enable the committees to be fully constituted and trained, as well as ensuring continuity for those cases that are already in the system, which may be adjourned or part-heard.

Table 1 – Changes to PIC membership from 6 Council members (plus 3 lay observers) to 9 non-Council members

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H
Year No	Year	Existing Council members	Existing lay observers	Transition replacement members (non-Council)	Transition additional members (non-Council)	'Steady State' replacement of members (following reform and transition years)	Total number of PIC members in that year
Pre-reform	2011-2012	6	3				6
1	2012-2013	4		2	3		9
2	2013-2014	2		2 (plus the 2 from yr 1)	(plus the 3 from yr 1)		9
3	2014-2015			2 (plus the 4 from yrs 1 & 2)	(plus the 3 from yr 1)		9
4	2015-2016					0	9
5	2016-2017					3	9
6	2017-2018					3	9
7	2018-2019					3	9
8	2019-2020					0	9
9	2020-2021					3	9
10	2021-2022					3	9

Explanation of Table 1:

9.9 Currently, the PIC has 6 members elected by and from the RCVS Council and must include the President and two Vice-Presidents of the College. There are also 3 Lay Observers who sit with the committee. Under the reform, it is proposed that PIC will have a total of 9 full members, at least one-third of whom must be lay members.

9.10 Over the 10 years following the reforms, changes to the committee are split into 2 periods – a three year transitional period to reach the full complement of 9 non-Council members and then the ongoing 'steady state' replacement of members who have served their term of office on the committee. It is planned that the transition from 6 Council members and 3 Lay Observers to 9 non-Council members will take place over a three-year period. There will be the immediate expansion of membership to 9 with the recruitment of 3 non-Council members in year 1 and this is coupled with the gradual replacement of the existing Council members with non-Council (2 in years 1, 2, and 3)

9.11 In the 'steady state', membership of the PIC remains at 9 but individuals on the committee will change as members leave and are replaced by newly-appointed members, in keeping with the intention that members will serve a prescribed (4-year) term of office. In order to be able to sustain a cyclical replacement of 3 out and 3 in, while also maintaining the appropriate ratio of veterinary surgeons to lay persons, it is proposed that this begins in year 5. Every 4th year there does not need to be a replacement of members as all 9 will have served less than the proposed 4-year term. To reach this steady state where the expiry of terms of office/replacement follows a pattern means that those appointed in the early, transitional years may end up serving a term of office greater than 4 years. This will be permitted under the proposed reforms as the statute will allow for such flexibility. Terms of office will be determined by the RCVS Council.

9.12 As the 3 Lay Observers, as well as the 6 committee members, all currently receive training, the total number of people that will be attending the annual training on the work of the PIC will remain unchanged. Other costs relating to PIC relate to initial recruitment, recurring recruitment, and appraisal.

Table 2 – Changes to DC membership from 12 Council members to 20 non-Council members

Column A	Column B	Column C	Column D	Column E	Column F	Column G
Year No	Year	Existing Council members	Transition – replacement members (non-Council)	Transition – additional members (non-Council)	‘Steady State’ replacement of members (following reform and transition years)	Total number of DC members in that year
Pre-reform	2011-2012	12				12
1	2012-2013	8	4	4		16
2	2013-2014	4	4 (plus the 4 from yr 1)	2 (plus the 4 from yr 1)		18
3	2014-2015		4 (plus the 8 from yrs 1 & 2)	2 (plus the 6 from yrs 1 & 2)		20
4	2015-2016				5	20
5	2016-2017				5	20
6	2017-2018				5	20
7	2018-2019				5	20
8	2019-2020				5	20
9	2020-2021				5	20
10	2021-2022				5	20

Explanation of Table 2

9.13 The DC is made up of 12 members of the RCVS Council. Under the statute today, lay members of Council are permitted (because both Privy Council and the UK Veterinary Schools may appoint lay persons to Council), but it would be both permissible and possible to have a DC constituted of all veterinary surgeons with no lay members. Despite the fact that the legal requirement does not exist currently, the RCVS ensures that the DC has a mix of veterinary surgeons and lay persons, with 6 of each. Under the reform, there will be a requirement that at least one-third of the committee will be lay. Over the years following the reforms, changes to the committees will be split into 2 periods – a three-year transitional period to reach the full complement of 20 non-Council members and then the ongoing ‘steady state’ replacement of members who have served their term of office on the committee.

9.14 It is planned that the transition from 12 Council members to 20 non-Council members will take place over a three-year period. In each of these three years, 4 of the existing Council members will be replaced by 4 newly appointed non-Council members. The additional members will also be added over the three years (4 in year 1, 2 in year 2 and a further 2 in year 3).

9.15 Once the DC has reached its full membership of 20, it is proposed that each year, from year 4 onwards, 5 members will leave the committee and be replaced by 5 newly appointed members. This is in keeping with the intention that members will serve a 4-year term of office in the committee (i.e. 20 members each serving 4 years, so replace 5 every year). However, this pattern of replacement of members in the ‘steady state’ years (post transition/year 4 onwards) also needs a few years to reach its own steady state where the expiry of terms of office/replacement follows a logical pattern. Therefore those appointed in the early years may end up serving a term of office of less than 4 years. This will be permitted under the proposed reform as the statute allows for such flexibility. The terms of office will be determined by the RCVS Council.

9.16 The implication that the increase in size of the DC has upon costs is that the total of DC members attending induction, annual and ad hoc training will increase from 12 to 20, an additional 8 people. Other costs relating to DC relate to initial recruitment, recurring recruitment, and appraisal.

Breakdown of Costs

9.17 The additional costs, following the introduction of the proposed reforms relate to the selection and appointment of members to both of the committees, training provision for the additional members of the DC, and the appraisal of all committee members. These additional costs are explained below and summarised in **table 3**. They all fall on the RCVS in the first instance.

Initial Recruitment Costs

9.18 Selection/appointment will be assisted by professional recruitment consultants – external to the RCVS – and it is likely that an appointments panel will include representatives of Defra and RCVS. The costs incurred, which are considered additional to the pre-reform position will be in the use of the external recruitment consultants. It is not intended that there will be a recruitment process in each of the three transition years, but that all 29 new members (20 to DC and 9 to PIC) can be selected through a single contract with a consultancy firm and subsequently appointed to serve in the appropriate year. Costs for this have been estimated using comparisons of other public appointments which have used consultancy firms and followed a similar process. This cost has been estimated to be in the region of £100K³. This cost has been shown as borne in year 1. However, how this cost is ultimately incurred (one-off cost or spread over the three transition years, would ultimately depend upon the contract between RCVS and the recruitment consultants). In the consultation we will invite responses in relation to the cost estimates.

Recurring Recruitment Costs

9.19 As explained in 9.10 and 9.14 above, members of both the PIC and DC will serve a ‘term of office’, which will normally be set at 4 years although it is recognised that in the early years this may have to be varied to accommodate the move from transitional years to the steady state. This means that as members’ terms of office come to an end when they will retire and be replaced, there will need to be ongoing recruitment/appointments taking place.

9.20 As shown in column G of table 1 (PIC) and column F of table 2 (DC), in the steady state there should be the recruitment/replacement of 5 members of DC each year. For PIC, the replacement is 3 new PIC members each year for three years followed by one ‘fallow’ year before the four-year appointment cycle resumes.

9.21 There is no intention to hold an external recruitment campaign each year, but instead to hold one, every two years starting in year 4. Half of the successful candidates would begin their term of office in that year, with the remainder having their appointments deferred until the following year. If it is assumed that the cost to appoint a full complement of committee members for a 4-year term is £100K (as in the initial recruitment costs) then it is assumed that the recruitment and appointment for half of this number every two years will incur a cost of £50K in the year that the recruitment is held. Although these are cost assumptions that have been made, it could be that there are savings to be made. Appointed members of the committees will have the option of standing for appointment for a second term and we assume that there should be minimal/reduced consultancy costs associated with the selection/re-appointment of an existing committee member. However, it would be impossible at this stage to pre-empt the aspirations of future committee members and therefore the effect that this would have on the figures. In light of this proposal, for the purpose of this IA the average cost of recruitment over the 10 year period appraised will be around £30K per annum.

Training

9.22 There are three types of training provided for the members of the two committees:

- Induction training – this is a one-day training session given to members of both committees in the first year of their term of office only.
- Annual training – this is a two-day training session held annually for members of both committees, to cover issues relevant to the respective committee. PIC training takes place at a regular monthly meeting, possible because all members of the committee attending each meeting. For the DC, members must meet specifically for the training event because generally only a limited number of DC members assemble in order to hear each case.
- Ah hoc training – this is an annual one-day training session for members of both committees and covers topical issues. As with the two-day annual training, PIC training takes place at a regular monthly meeting, possible because all members of the committee attend each meeting. For the

³ As estimated by RCVS.

DC the members must meet specifically for the training event because generally only a limited number of DC members assemble in order to hear each case. *IA costed for extra 8 people*

9.23 The RCVS assumes costs payable to members for attending training are as follows: £300 loss of earnings paid daily, average travelling costs of £75 and an overnight allowance of £175. Therefore a one-day training session incurs a cost of £375 per person (one day loss of earnings plus travel) and a two-day session at a cost of £850 (two days loss of earnings plus an overnight allowance). There is no additional cost of providing the training to members of the committees under this option compared to the baseline. This training is provided jointly by RCVS in conjunction with external providers and costs remain the same regardless of the number of delegates attending.

9.24 **Additional Costs Following Reforms**

- Induction – in the transition period, this cost applies only to those members of DC who are both new and additional to the committee (see column E of table 2). This cost is £375 per person for four people in year 1, two people in year 2 and two people in year 3. Under the current (pre-reform) system, there is already a general pattern of retirement/replacement of the 12 members of the DC, with the replacement members needing induction training. This is assumed to be 3 individuals each year in a 4-year cycle. From year 4 of post-reform, this cycle of replacement will be 5 individuals each year in the 4-year cycle. Therefore, the additional costs of induction training for years 4-10 are for 2 individuals each year i.e. £750 per annum. There will also be a system of retirement/replacement of the 9 individuals who sit on the PIC meetings, with the replacement members needing induction training. As the change to PIC is in the status of individuals and not the numbers, in this IA we assume that there will be no increase in induction training costs than those incurred for PIC under the present system. For the purposes of the IA we have assumed that turnover rate in the future will be the same as under the present system, but this will be confirmed during the consultation period.
- Annual training – 12 members of DC already receive the two-day annual training session. Additional costs therefore relate only to the costs incurred in reimbursing the additional/increased membership of DC at a rate of £850 per person. This will be payable for four people in year 1, six people in year 2 and eight people in years 3 and onwards. There are no additional costs for PIC under this option compared to the base case because the number of individuals does not change post-reform.
- Ad hoc training – 12 members of DC already receive the one-day annual ad hoc training session. Additional costs therefore relate only to the costs of reimbursing the additional/increased membership of the DC at a rate of £375 per person. This will be payable for four people in year 1, six people in year 2 and eight people per year for years 3 and onwards. There are no additional costs for PIC under this option compared to the base case because there is no overall increase in the number of people who sit on PIC meetings and because this training is conducted during a normal meeting of the PIC.

Under these proposals we have therefore estimated an annual average cost of around £10K for training, over and above the training provided under Option 1..

9.25 Appraisals: Appraisal for all members of the committees (both the newly externally recruited ones and the existing Council members) will commence from the beginning of the transition period (taking place – and with the costs incurred – at the end of each year). This is a wholly new system that is not applied to Council members sitting on the committees today. It is envisaged that each Chairman will carry out the appraisal for the members of his committee and is likely to manage up to four appraisals on any one day. The costs incurred are reimbursement to the individual for attending their appraisal (£375 daily rate made up of the £300 loss-of-earnings and the £75 travel components) as well as a daily rate reimbursement to the Chairman (appraiser) for each day that they attend to hold the appraisals. It has been assumed for the purposes of estimating costs that appraisal sessions will not be held on consecutive days; therefore the overnight rate will not apply.

9.26 From year 3, both committees are at full membership of 20 + 9 members including the Chairmen. Therefore, there will be 27 ‘normal member’ appraisals to be held, with a reimbursement cost of £375 x 27 =£10,125. These 27 appraisals could be held in 7 days with a reimbursement cost (paid to the appraiser) of £375 x 7 = £2,625. This gives a total annual cost of appraisal for normal members of the committees at £12,750.

9.27 In years 1 and 2 the DC has not reached its full membership so there are fewer appraisals to take place. In year 1 there are 16 + 9 members, meaning that there are 23 'normal member' appraisals to be held, which would take 6 days. This is a total reimbursement cost of 29 daily rates (29 x £375), which is £10,875. Similarly in year 2, there are 18 + 9 members, meaning that there are 25 'normal member' appraisals to be held, which would take 7 days. This is a total reimbursement cost of 32 daily rates (32 x £375), which is £12,000.

9.28 For appraisal of the two Chairmen, it is proposed that their appraisals will be carried out by a legally trained person. In the case of the PIC Chairman this would likely be an external solicitor or barrister. In the case of the DC Chairman, this could be a DC Legal Assessor. The costs incurred are reimbursement to the two individuals for attending their appraisal (£375 daily rate made up of the £300 loss-of-earnings and the £75 travel components). There will also be the cost of the two legally trained appraisers. For assessment purposes we have used the daily rate of a DC Legal Assessor as an indicative figure. This is set at £583⁴.

9.29 As there is no appraisal system under the present system, all these costs are additional to the current position. It should also be noted that this proposal regarding appraisals are at the moment just that and would need to be put to internal consultation at RCVS. On average, during the decade, this IA estimates an annual average cost of around £14K for appraisal.

⁴ Rate approved by the Lord Chancellor in accordance with para 6(5) of Sch 2, Part II of the VSA (information supplied by the RCVS)

Table 3 – Additional costs of the LRO have been estimated as follows:

Year No	Year	Cost of recruitment of committee members (both DC and PIC)	Additional numbers of DC beyond current 12 – requiring annual and ad hoc training	Cost of annual training (unit cost £850)	Cost of ad hoc training day (unit cost £375)	Number of members of DC who are both new and additional – requiring induction training	Induction training to DC (unit cost of £375)	Cost of appraisal of members (not Chairmen) of both committees	Cost of appraisal of the two Chairmen of the committees (unit cost of £375)	Cost of external lawyer/barrister to carry out appraisal of the two Chairmen (unit cost of £583)	Total cost
1	2012-2013	£100,000	4	£3,400	£1,500	4	£1,500	£10,875	£750	£1,166	£119,191
2	2012-2014	£0	6	£5,100	£2,250	2	£750	£12,000	£750	£1,166	£22,016
3	2014-2015	£0	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£25,216
4	2015-2016	£50,000	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£75,216
5	2016-2017	£0	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£25,216
6	2017-2018	£50,000	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£75,216
7	2018-2019	£0	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£25,216
8	2019-2020	£50,000	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£75,216
9	2020-2021	£0	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£25,216
10	2021-2022	£50,000	8	£6,800	£3,000	2	£750	£12,750	£750	£1,166	£75,216

Table 4 – to show derivation of appraisal costs of normal members

	Total number of people on PIC and DC	Number of people to be appraised (i.e. not the two Chairmen)	Number of appraisal days (assume 4 people to be appraised each day)	Re- imbursement of members	Re- imbursement of appraisers (Chairmen)	Total cost
Year 1	9+16 = 25	23	6	23 x 375 = £8,625	6 x 375 = £2,250	£10,875
Year 2	9+18 = 27	25	7	25 x 375 = £9,375	7 x 375 = £2,625	£12,000
Year 3	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 4	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 5	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 6	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 7	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 8	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 9	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750
Year 10	9+20 = 29	27	7	27 x 375 = £10,125	7 x 375 = £2,625	£12,750

9.30 We estimate that the recruitment, training, and appraisal costs of the Preferred Option are around £54K per annum above today's costs. Although we have stated in paragraph 9.7 that we assume for the purposes of the IA that the number of man-days spent on hearings in future would not change, the RCVS recognises that over the coming years, there could be a need to further increase the number of members of both committees if the trend for an increase in workload continues. Provision is to be made for this in the legislation and will be subject to public consultation. It is proposed that as well as increasing the DC from a fixed 12 to a minimum of 20 members, flexibility would be introduced to increase the number of members up to a maximum of 40 members. Similarly, it is proposed that PIC will change from its fixed 6 members plus 3 observers to a minimum of 9 full members, but with the flexibility to raise this to a maximum of 15 members. This flexibility will be provided for in the legislation, although there are no indications at this stage that the RCVS will either need or want to use it during the period covered by the IA.

Benefits

Option 1: Do Nothing

9.31 The main benefit of doing nothing is that there will be none of the costs associated with the LRO or a new Act.

Option 2: Replace the current Act with a new modern Act

9.32 The benefits in this option are based on the assumption that the new Act would foster greater accountability in the profession and a better overview of roles and responsibilities. A policy objective of bringing the functions of all providers of veterinary services in the profession such as nurses, technicians, and

possibly some other providers of veterinary services into the new Act would ensure better alignment with other healthcare professions. One of the advantages of this new legislation would potentially be better protection for customers (pet owners/farmers) and public at large.

9.33 A strong and effective professional body would contribute to the overall quality framework of standards and specifically, it would help to achieve the objective that regulation seeks to not only control and root out the rare examples of poor practice but also to raise the standards delivered by the overwhelming majority of professionals. No additional costs have been assumed to the RCVS for the introduction of a new Act of Parliament. Any policy functions that would emerge from the enactment of the Act would be carried out by Defra. Though these options would lead to the enactment of a new Act, in the absence of details of what it might exactly cover and how it would be implemented etc, we are not currently able to comment on the costs it might impose on various parties.

Option 3: Introduce a Legislative Reform Order

9.34 The main benefit of option 3 would be a visibly improved fairer and uncompromised system. This means that justice will be done and seen to be done. This would in turn maintain or even lead to increased public confidence in the veterinary profession – which is considered as a valuable benefit in its own right. We assume that new candidates would perceive value in joining the committees and see it as justifying their time because it is of benefit to the veterinary profession. Other benefits of this option are set out below.

Benefits for Animal owners:

9.35 The risk of complainants feeling that the RCVS disciplinary system is protecting veterinary surgeons would be reduced as there would be a legal requirement to include lay people (non-veterinarians) on the committees. The proposed reform would thereby increase public confidence in the RCVS as a regulator and the veterinary profession in general because of the increased independence of the PIC and DC, in common with other professions.

Benefits for veterinarians:

9.36 Having a larger pool of people to call upon opens up the possibilities of holding more frequent case hearings or holding concurrent case hearings, so cases could continue to be dealt with in a timely manner. It would also remove burdens falling on RCVS Council members in attending DC and PIC meetings. The proposal would reassure those complained against that the people who set the rules are not the same as the people who consider their cases.

10. Risks and Assumptions

10.1 If we continue with the status quo i.e. option 1, there is the risk of dissatisfaction and increasing complaints by members of the public since current arrangements are functional but restrictive and out of date. Crucial reform is therefore necessary to separate responsibilities between those setting standards and those who investigate and adjudicate possible breaches of those standards. There is a risk that an appeal could be lodged with the Privy Council on the basis of Article 6 of Schedule 1 to the Human Rights Act 1998 on the right to a fair trial⁵.

10.2 For option 2, it would take a number of years to work out the proposals, decide on way forward, and change the whole Act. There is therefore the risk of delay in implementation as the non-separation of disciplinary responsibilities between the Council and the disciplinary committees would not be in line with the principles of better regulation or ensure compliance with the Human Rights Act 1998, with the same risks as maintaining the status quo.

10.3 The major risk of option 3 is that reforms proposed through the making of the LRO are insufficient to address the concerns of those who are dissatisfied with the current way in which RCVS handles complaints. We are aware that during consultation we will probably receive negative responses from these sources. The Minister is regularly briefed on this matter. We propose to monitor this and conduct an evaluation of the new

⁵ This is what happened in the case of *Preiss vs General Dental Council* [2001] 1 WLR 1926 and caused the reform of regulation of the dental profession, including the disciplinary system.

system in October 2015, while continuing to assess if there was sufficient support to replace the current Veterinary Surgeons Act 1966.

Assumptions

10.4 The main assumptions that have been made for all options are:

Option 2

- The new Act would ensure that the regulation of the veterinary profession, and perhaps wider, reflects modern societal expectations;
- The regulator would be given with a more transparent and up to date statutory responsibilities
- There would be more accountability to Parliament

Option 3

The proposed reform (option 3) would enable better regulation of the veterinary profession through separation of responsibilities. This would allay concerns of partiality raised by stakeholders as members (veterinary and lay) appointed to both Committees are not RCVS Council members, thus creating more confidence in the regulatory framework. This would:

- maintain public confidence in the RCVS
- reduce the risk of appeal by the respondent on any particular case on Human Rights grounds
- ensure that there are enough committee members to deal with the hearing days demanded by caseloads.

11. Evidence Based

11.1 For the purpose of this Impact Assessment, information regarding RCVS costs was provided by the RCVS. All the figures used in the IA are relevant and based on representative costs used by other healthcare professionals.

12. Wider Impacts

12.1 If implemented, option 2 would take over three years to finalise and become operational which is unacceptable due to the public pressure for the reform of the disciplinary system. The preferred option (3) would ensure that those selected to serve on the committees have the necessary skills and experience to discharge the functions required of them. Also, the opportunity to appoint a mix of veterinary surgeons and lay people will mean that any perceived bias within the profession is removed.

13. Summary and Preferred Option

13.1 The current process no longer meets the expectation of those who take complaints to the RCVS as there are concerns of perceived partiality between the RCVS and veterinary surgeons complained about. In view of this, there is a strong case for a clear separation of power between those setting the standards of the veterinary profession and those who investigate and adjudicate possible breaches of those standards. The preferred option is therefore option 3 which is consistent with Better Regulation's Five Principles of Good Regulation (transparent, accountable, proportionate, consistent, and targeted).

14. Description of Implementation Plan and Monitoring

14.1 The proposed implementation date is 31 October 2012. We propose to introduce the reform by means of a Legislative Reform Order (LRO) under sections 1 and 2 of the Legislative and Regulatory Reform Order 2006 (LRRRA). Appointments of Committee members will be managed and overseen by the RCVS both initially and on an ongoing basis.

14.2 The RCVS would engage recruitment consultants to assist with the search and selection for candidates to appoint to the PIC and DC. There would also be a separate but parallel recruitment for the Chairs of both committees. The recruitment consultants will advertise for candidates and provide the RCVS with a list of suitable candidates to interview and the Chairmen of PIC and DC would help with the appointment of their committee members. The RCVS would set up an interview or appointments panel comprising of College and external members to develop and agree recommendations for Council to adopt. The intention is that panel members would meet at different stages or forms to conduct the various stages of the interview process. The costs for all of these stages of the recruitment process have been accounted for in the overall figure of £100K recruitment costs.

14.3 The RCVS would manage the process of appointments, both initially and on an ongoing basis. They would also arrange appropriate training and manage the performance of the committee members through an appraisal system. Those appointed to the committees will be given a 4-year term of office by the Council and will be eligible to serve on either committee for 2 terms only, whether or not those terms run consecutively.

15. Post Implementation Review

15.1 In line with the current moratorium policy, Defra and the RCVS will carry out a review of the Regulations within three years of full implementation to ensure that it is operating in a reasonable and proportionate manner. The review would look at the effectiveness of the disciplinary process and whether it meets the expectation of stakeholders. RCVS would make public the findings of the review once it is underway and completed.

15.2 The RCVS may have to establish liaison groups with animal owners similar to assess the effectiveness of their complaints and disciplinary procedures, and to consider whether it meets the expectations of stakeholders.

15.3 The success criteria for the new measure would be that the RCVS is in compliance with the Human Rights Act 1998 and the Preliminary Investigation and Disciplinary Committee maintains the confidence of the public and the profession. Other criteria for success include the RCVS having ongoing interest from members of the public to sit on the Committees and are able to appoint and keep excellent external people on the committees, which will in turn allow DC cases to be heard promptly.

16. Specific Impact Tests

Small Firms Impact Assessment

16.1 For the purpose of Impact Assessments, 'small firms' mean fewer than 20 employees and micro firms mean fewer than 10 employees. The main impact that the preferred option would have on the veterinary profession including small businesses is improved disciplinary processes and professional standards. There are no new requirements or direct compliance costs falling on members of the veterinary profession. However, there may be additional costs imposed on veterinary surgeons or practices in the future through an increase in retention fee. This reform would have the same impact across the profession irrespective of the size of the business. There are therefore no adverse effects anticipated by the Government on small businesses.

16.2 All those involved in animal health and veterinary surgeons on the register of the RCVS will be affected by this proposal.

17. Competition Assessment

17.1 The reform would affect all veterinary surgeons registered with the RCVS in the same way and is highly unlikely to directly affect the market structure or change the size or number of veterinary practices. In view of this the impact of the proposal is not significant on competition.

17.2 Also, the proposed reform does not:

- Directly limit the number or range of suppliers (or providers);
- Indirectly limit the number or range of suppliers (by altering demand);

- Limit the ability of suppliers to compete;
- Limit suppliers' incentives to compete vigorously.

In view of this, there is no requirement to undergo a detailed competition assessment.

18. Carbon Assessment

18.1 The proposal would have no significant effect on carbon emissions.

Other Environment

This is not broadly applicable as the reform would not:

- Lead to a change in the financial cost or environmental and health impacts of waste management;
- Impact significantly on air quality;
- Involve any material change to the appearance of the landscape or townscape;
- Disturb or enhance habitat or wildlife;
- Affect the number of people exposed to noise or the levels of exposure.

19. Health Impact Assessment

19.1 The reform would not have any adverse impact on human health therefore this assessment is not applicable for this proposal.

20 Human Rights

20.1 The reform is compliant with the principles of Human Rights Act 1998.

21. Justice Impact Test

21.1 There is no impact on Legal Aid or on the wider justice system (e.g. courts and tribunals, prisons and offender management) since the reform creates no new criminal sanctions or civil penalties.

22. Rural Proofing

22.1 The proposal is applicable to all veterinary surgeons irrespective of whether they are in the rural areas or not.

23. Sustainable Development

23.1 The Government is committed to the five principles of sustainable development:

- Living within environmental limits
- Ensuring a strong, healthy and just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly

This reform is in line with the principle of good governance and has been highlighted throughout the document.