



Welcome

Welcome to Haslers's Focus on...bulletin, looking at news and information relevant to specific business and industry sectors.

This Focus on Vets bulletin takes

a look at some of the issues affecting veterinary practices, including the rising costs of selling pet insurance and the impact of soaring tuition fees on the future of the profession.

If you have any feedback on this

issue of Focus on Vets, or would like to know more about our services or how we can help you, please contact us on **020 8418 3333** or email **Hiten Patel** (Partner, Business Services Group) **hiten.patel@haslers.com**.

Vets hit by insurance costs

While many people may think that the fallout from the mis-selling of payment protection insurance (PPI) is just an issue for large financial institutions, the impact is being felt far outside the bigger firms – and even veterinary practices are being affected.

As a result of the crisis, the amount that firms offering insurance need to pay into the Financial Services Compensation Scheme (FSCS) has increased dramatically. Whereas the average payment in 2008 was just £3,000, it has leapt to £211,000 this year.

The FSCS provides protection to customers of financial services firms in the event that their businesses collapse. Under the terms of the scheme, insurance providers are divided into two categories – actual insurers and intermediaries.

Only a quarter of the firms in the latter group are insurance brokers.

The others are businesses who do not specialise in providing insurance, including veterinary practices which offer pet insurance.

According to the British Insurance Brokers' Association (BIBA), this is too broad a classification, and it would

like to see the insurance brokers separated out from the firms whose core business is not insurance.

Such a move would be of great benefit to veterinary practices, for which the rising costs of insurance are likely to be a great problem.



RCVS working group focuses on tuition fees



From 2012, universities in England and Wales will be able to charge tuition fees of up to £9,000 – a substantial increase from the current capped level of £3,290.

While this was intended to be an upper tier, with the majority of courses costing around £6,000 - £7,000, it has quickly become clear that a large number of universities will go straight for the maximum level.

The impact of these measures will be felt most acutely by students on longer courses, such as medical and veterinary students. In fact, a veterinary degree could cost up to £54,000 just in fees, which would be paid for with loans.

Indeed, the Royal College of Veterinary Surgeons (RCVS) is so concerned that soaring tuition fees could change the "shape and direction" of the profession that it has set up a working group

to consider the impact and whether it should provide greater support to undergraduates.

There are concerns that the profession will become "the exclusive preserve of the children of the wealthy", which will affect its recruitment potential and the future of veterinary research.

The working group will report its findings to the RCVS council in February 2012.

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