

Explanatory Memorandum to the Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026

This Explanatory Memorandum has been prepared by the Health, Social Care and Early Years Group and is laid before Senedd Cymru in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

Minister's Declaration

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026. I am satisfied that the benefits justify the likely costs.

Dawn Bowden MS
Minister for Children and Social Care
10 February 2026

PART 1

1. Description

- 1.1 The Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026. (“the Order”), will revoke and replace the Child Minding and Day Care Exceptions (Wales) Order 2010 (“the 2010 Order”). The Order sets out circumstances where registration with Care Inspectorate Wales (“CIW”) as a child minder or day care provider under the Children and Families (Wales) Measure 2010 (“the Measure”) is not required and is therefore exempt.
- 1.2 Being exempt from registration means that a child minder or day care provider is not required to register with CIW, comply with the Child Minding and Day Care (Wales) Regulations 2010, or have regard to the National Minimum Standards for Regulated Childcare.
- 1.3 Guidance to accompany the 2026 Order will be developed after the Order is made and published prior to the Order coming into force.

2. Matters of special interest to the Legislation, Justice and Constitution Committee

- 2.1 None.

3. Legislative background

- 3.1 The Order sets out a number of exceptions to the definitions of “child minding” and “day care” in section 19(2) and (3) of the Measure, so as to exclude from the regulatory scheme a specified range of care arrangements for children.
- 3.2 The Order is made under Part 2 of the Measure, and revokes and replaces the 2010 Order (S.I. 2010/2839).
- 3.3 Part 2 of the Measure provides for the registration and inspection of child minders and day care providers in Wales by the Welsh Ministers. CIW carry out these registration and inspection functions on behalf of the Welsh Ministers.
- 3.3 Sections 21(1) and 23(1) of the Measure provide that a person must not act as a child minder or provide day care without being registered to do so by the Welsh Ministers in accordance with Part 2 of the Measure.
- 3.4 Section 19 of the Measure includes a power for the Welsh Ministers, by Order, to provide that, in the circumstances specified in the order, a person is not acting as a child minder or providing day care for the purposes of Part 2 of the Measure.

3.5 This Welsh statutory instrument is made under the Welsh Ministers' power in section 19 of the Measure and is subject to the Senedd approval procedure.

4. Purpose and intended effect of the legislation

4.1 The purpose of the Order is to set out circumstances where registration as a child minder or day care provider under the Measure is not required. The Order will revoke and replace the 2010 Order and in doing so, updates, clarifies and amends the circumstances in which registration is not required.

4.2 When a provider is exempt from registration, they don't have to comply with the requirements set out in the [Child Minding and Day Care \(Wales\) Regulations 2010](#), or have regard to the [National Minimum Standards for Regulated Childcare](#), and they do not get inspected by CIW.

4.3 The Welsh Government have reviewed the exceptions set out in the 2010 Order following recommendations to undertake a review in the following reports:

- [Call for Evidence regarding the 2010 Exceptions Order \(2019\)](#),
- [Minding the future: The childcare barrier facing working parents \(2022\)](#), and
- [The Ministerial Review of Play \(2023\)](#)

4.4 The reports listed in paragraph 4.3 outline concerns relating to the 2010 Order. Concerns are that: the Order is difficult to understand, has a negative impact on registered providers and the safeguarding arrangements for unregistered provision.

4.5 The aims of the review of the exceptions in the 2010 Order were to:

- ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest,
- ensure that the exceptions in place are proportionate and exempt those that don't need to register with CIW,
- promote robust safety measures for children across all childcare, playwork and activity settings which will support children to be safe and properly cared for,
- support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities, and
- simplify the 2010 Order for clarity and consistency in interpretation.

4.6 The review and resulting policy proposals needed to recognise the valuable and wide-ranging support registered and unregistered providers

offer children and families across Wales. The need to strike a balance, be proportionate and not diminish the range of activities available to children and families in Wales that promote their welfare and enrich their lives was imperative. The aim of the review of the exceptions in the 2010 Order was not to register all providers that offer childcare, playwork and activities for children.

- 4.7 The Order aims to modernise and clarify the exceptions for childcare, playwork and activity providers. Key changes include updating and aligning exceptions with the Childcare Offer guidance, introducing new age and time limits to some of the exceptions, revising age and time thresholds, updating rules for babysitters, and preventing suspended providers from operating under some exceptions.
- 4.8 The changes will help the childcare, playwork and activity sectors operate more efficiently by streamlining and clarifying the exceptions to reduce ambiguity and ensure proportionate oversight.
- 4.9 The Order is intended to improve equality, affordability and promote robust safety measures for children. Benefits include greater oversight and quality assurance for children aged two and under, greater flexibility for families, and earlier engagement in youth services through a reduced age threshold.
- 4.10 The changes in the Exceptions Order will affect children and families in Wales because some providers may now need to register with CIW, while others may no longer need to. This means some currently unregistered providers might have to become registered, and some registered providers might be removed from the registration requirement. These shifts in who must register will affect CIW, as they will see changes in the number of providers applying for or holding registration. Local authorities will also be affected, as they support both registered providers and unregistered providers who want to become registered, as well as those they commission services from. At a wider level, UK Government including Department for Work and Pensions (DWP) His Majesty's Revenue and Customs (HMRC) and His Majesty's Treasury (HMT), may be affected by the increased number of providers potentially being eligible to receive payment via their childcare financial schemes and thus an increase in claims by eligible families. Some but not all providers who will become registered will be able to offer Tax Free Childcare and Universal Credit Childcare, only provision that aligns with eligible provision in England will be able to provide this funding.
- 4.11 If the Order is not made, the 2010 Order will remain in place, leaving the situation unchanged. The existing lack of clarity identified across several articles in the 2010 Order would persist, along with the associated difficulties in interpretation. Providers who would otherwise be brought into scope of registration through the Order would continue to operate unregistered and without registration. More broadly, if the proposed changes to the 2010 Order are not progressed, the childcare, playwork

and activity sector will remain bound by an inconsistently interpreted regulatory framework that no longer reflects current practice or policy direction.

- 4.12 The Order applies solely to Wales. It makes amendments to the regulatory framework governing child minding and day care provision within Wales and has no direct effect on other parts of the United Kingdom. The provisions have uniform effect across all Welsh local authority areas and do not create differential territorial application within Wales.
- 4.13 A Justice Impact Assessment was completed alongside development of the Order to analyse and assess the impact of the changes in the Order on the justice system. Following this, a Justice System Impact Identification form was submitted to the Ministry of Justice advising our assessment that there is no or minimal impact on the justice system. The Ministry of Justice's assessment of impacts accorded with this.

5. Consultation

- 5.1 There is no specific statutory duty to consult before making a new Order under section 19(4) of the Measure. However, a consultation has taken place on the proposed changes and as embodied in a draft Order with relevant stakeholders and the wider public.

Pre consultation

- 5.2 Between Spring 2024 and Summer 2025, the Welsh Government undertook extensive engagement work. This was to better understand the registered and unregistered childcare, play and activity sectors and the impact potential changes may have on a wide range of stakeholders. The Welsh Government engaged with approximately 400 participants including children, parents or carers, the registered and unregistered parts of the childcare, playwork and activity sectors. In June 2024, the Welsh Government established an Advisory Group ("the Exceptions Order Advisory Group") to guide the policy development work.

Formal consultation

- 5.3 A 12 week consultation ran from 11 August 2025 to 3 November 2025 on the draft Order. The consultation was drawn to the attention of a wide audience of key stakeholders including providers of childcare, playwork and activities for children, CWLWM partnership members, Play Wales, schools, local authorities, CIW, Children's Commissioner for Wales, Estyn, Social Care Wales, Children in Wales, Sport Wales, Arts Council of Wales, WLGA, WCVA, CWVYS, representatives bodies for religious faiths, education providers and charities.
- 5.4 Separate easy read and child and young person's versions of the consultation and consultation response form were also made available.

- 5.5 97 written responses were received in total. Two of the responses were submitted via the easy read response form and two responses were submitted in other formats. No responses were received using the children and young person's response form.
- 5.6 Four focus groups were held as part of the consultation. Two groups for parents, one for the registered providers and one for unregistered providers. There were a total of 35 participants across the four groups (10 parents, 14 registered, and 11 unregistered providers).
- 5.7 The Welsh Government commissioned Children in Wales to undertake engagement sessions with young people to provide an opportunity for them to share their views on key issues from the consultation. Although these workshops did not form part of the consultation as they were considered as engagement, the work did provide valuable insights. Three workshops were held in different locations, attended by young people aged 10-25. The report prepared by Children in Wales is published alongside the report summarising the responses to the consultation.
- 5.8 Following the consultation, the Exceptions Order Advisory Group met to share the outcome of the consultation responses.
- 5.9 The consultation responses are being published alongside the Order and are available on [Welsh Government's consultation page](#).

REGULATORY IMPACT ASSESSMENT (RIA)

Purpose of RIA:

The Child Minding and Day Care Exceptions (Wales) Order 2010 ('the 2010 Order') sets out circumstances where registration with Care Inspectorate Wales ('CIW') as a child minder or day care provider under Part 2 of the Children and Families (Wales) Measure 2010 ('the Measure') is not required.

This RIA considers the proposed changes set out in the Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026 ('the 2026 Order') which would replace 'the 2010 Order'.

Nine proposals are considered in this RIA and two or three options have been presented for each proposal.

This RIA outlines proposed changes to the relevant articles in the 2010 Exceptions Order which we propose to change, identifying the costs, benefits and risks of preserving each article as currently presented in the 2010 Exceptions Order (Option one).

This RIA then outlines the alternative options, including proposed changes reflected in the 2026 Order, identifying the costs, benefits and risks of revoking the various existing exceptions in the 2010 Order by providing for new, updated provisions in the 2026 Order (Option two or three).

RIA Summary:

The proposed change options two and three will impact on some currently unregistered childcare, playwork and activity sectors. While additional information was obtained from the consultation regarding the 'Exceptions to childcare registration and the proposal for a Voluntary Approval Scheme', which took place between 11 August and 3 November 2025, the Welsh Government has limited knowledge about the size and breadth of the unregistered part of the sector, their current practises and operation. The consultation responses reflect that there is considerable variation amongst childcare, playwork and activity providers both in terms of the type of provision they offer, how they operate, and possible changes they would be required to make if they were required to register. Additionally, due to limited information about these providers, there is uncertainty about how they will respond to proposals outlined in the RIA and the impact this may have on CIW. As a result, the impact of these proposals is difficult to estimate.

The following section provides a largely qualitative assessment of the costs, benefits and risks associated with the alternative options under each of the nine proposals. Annex 1 provides further detail about the costs different stakeholders might incur, including an estimate of the cost to CIW to register additional service providers. CIW have estimated additional costs of £108,000 in 2026-27, £300,500 in 2027-28 and £365,400 in 2028-29. This is based on an estimate of a 5% increase in the number of child-minding and day care providers needing to

register each year (approximately 163 additional providers). Annex 2 presents examples of the types of costs service providers could potentially incur in order to meet registration requirements, some of these will be one-off costs and some will be recurrent. Which, if any, of these costs each provider will actually incur will depend on their own individual circumstances.

PROPOSAL 1

Circumstances in which a child minder is exempt from registration where they care for a relative

Option 1: Do nothing

This option reflects the current position. Under this option, article 3 of the 2010 Order would remain:

- (1) A person looking after a child does not act as a child minder if that person—*
- (i) is a parent, or a relative of the child; or,*
 - (ii) is a foster parent for the child.*

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

No benefits have been identified through the engagement and consultation exercises with this option.

Risks:

At present, there is some disparity between article 3 of the 2010 Order and practice guidance underpinning the Childcare Offer for Wales. This has led to confusion for some child minders who are unsure whether they are able to act as child minders for relatives, and on the part of parents when ascertaining if they can engage the services of a relative as a child minder for their child. Additionally, it may not be clear to family members that they are not required to register as a child minder to care for a relative child who lives in the same domestic premises and the child minding takes place at the child's home. There is a risk that family members who are not required to register may register as child minders by falsely claiming they offer their service to others outside their family. Being a registered provider would potentially enable them to make a claim for Welsh Government childcare and grant funding and/or UK Government childcare funding.

Option 2: Amend the exception to clarify the circumstances in which a person is exempt from registration where they care for a relative

Under this option, the exception would be replaced with a new exception which stipulates that relatives¹ and persons living in the same home as the child are able to act as registered child minders for related children or children they live with, provided all of the following conditions are met:

- they are not the child's parents and do not have parental responsibility for the child,
- they are not the child's foster carer,
- the care does not take place at the child's home, and
- the care is available and on offer to non-related children.

Cost:

Under this option, if providers meet the conditions and wish to register with CIW as a child minder, costs may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

Through amending the exception to clarify the circumstances in which someone is exempt from registering as a child minder when caring for a relative, the Order would align with the Childcare Offer for Wales guidance and CIW practice. This would provide clarity for child minders and parents regarding the arrangements under which a registered child minder can care for a relative. It will also clearly set out the circumstances in which someone is not required or able to register as a child minder to care for a relative or child they reside with. This will give greater reassurance to parents that they are able to choose a child minder who is a relative or person who lives with the child, whom they feel would best meet the needs of their child, in certain circumstances. Where an eligible family engages a child minder who meets the conditions, they may benefit through being able to access Welsh Government childcare and/or UK Government childcare funding for the care.

Risks:

There is a slightly higher risk that family members who are not required to register, may register as child minders by falsely claiming their service is on offer to others outside their family. Being a registered provider would potentially enable them to make claims for Welsh Government childcare and grant funding and/or UK Government childcare funding. This was considered fraudulent behaviour by some respondents to the consultation who felt relatives may register as child minders solely to access funded childcare for relatives.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have

¹ "Relative", in relation to a child, means a step-parent, grandparent, brother, sister, uncle, aunt or first cousin (including any person who is in that relationship by virtue of a marriage or civil partnership or an enduring family relationship).

been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance in support of the 2026 Order.

PROPOSAL 2

Aligning the exceptions to the requirement to register in relation to nannies, au pairs and babysitters

Option 1: Do nothing

This option reflects the current position. Under this option, the extent of the relevant articles in the 2010 Order would remain unchanged:

Article 5:

(1) A person who is employed —

(a)(i) to look after a child or sibling group for parents (“the first parents”), or (ii) to look after a second child or sibling group for parents (“the second parents”) in addition to the children looked after for the first parents, and (b) who looks after the children concerned wholly or mainly in the first or second parents' own home or homes, does not act as a child minder.

Article 6:

A person does not act as a child minder where the person only begins to look after the child in the period between 6pm on any one day and finishes looking after the child by 2am the following day.

Article 13:

(1) A person does not provide day care where the care is provided at a hotel, guest house or other similar establishment for a child staying in that establishment where—

(a) the provision only takes place between 6 pm and 2 am; and

(b) the person or, as the case may be, any individual employed by the person, who is providing the care is doing so for no more than two different clients at the same time.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

Parents will continue to be able to make arrangements for their children to be cared for by nannies, au pairs and babysitters as per the terms of the existing exceptions in the 2010 Order. This allows parents to exercise their parental choice and make flexible arrangements that would suit their family.

Risks:

Keeping these three articles for providers who care for children in their own home, another family's home, or in a hotel or similar setting makes the exceptions complex and open to varying interpretation. The exceptions are currently different for those employed as nannies and au pairs and for those whose services are engaged as babysitters. The time caveat set out in article 13 of the 2010 Order may limit parents' ability to employ someone to care for their child beyond 6pm-2am for babysitting which may restrict their childcare options.

There is a risk that by specifying a maximum number of families rather than a maximum number of children, there may be high ratios of children to nannies, au pair or babysitters if there are large sibling groups within the families.

Option 2: Aligning exceptions in relation to nannies, au pairs and babysitters.

Under this option, the time limit of 6pm-2am for babysitters would be removed and - like nannies and au pairs - they could care for the children of a maximum of two sets of parents at once. The care provided by the babysitter, nanny or au pair would need to be provided wholly or mainly in the home of either of those two sets of parents or non-domestic premises (including a hotel or guest house) of the parents' choice. Care arrangements would be made between the parents and the babysitter, nanny or au pair.

Cost:

Providers who meet the eligibility requirements may be able to join the Approval of Home Childcare Providers (Wales) Scheme 2021 ("the Scheme"). The current approval cost of this is £55 per annum. However, joining the scheme is voluntary and thus the cost is payable by choice. While there would be a cost to CIW in administering any new applications to join the Scheme, the fee would partially offset the administrative cost. The number of new applications under the Scheme as a result of the proposed changes in the Order 2026 are expected to be minimal.

Benefits:

Clarity and simplicity will be achieved through parity in the exceptions for nannies, au pairs and babysitters in terms of number of families they can care for at once, where the care is provided, and stipulating the childcare arrangements are to be made between parents and provider. This will remove confusion when parents are wishing to use flexible arrangements for care. This will also remove any time restrictions for babysitting which gives parents more flexibility and better meets the childcare needs of a changing society. Through using a provider who is on the Scheme, eligible families may also be able to use Universal Credit Childcare or Tax-Free Childcare to help cover the cost of the care where the care aligns with UK Government requirements. As more providers would become eligible for the approval scheme, more parents would potentially have access to this financial support.

Risks:

There is a risk that by specifying a maximum number of families rather than a maximum number of children, there may be high ratios of children to nannies, au pair or babysitters if there are large sibling groups within the families. This may be seen as compromising safe care arrangements. This risk is somewhat reduced by the introduction of a limit to the number of families a babysitter can care for at once.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the understanding and application of the 2026 Order.

PROPOSAL 3

Transitional youth service² provision for ten-year-olds, allowing transitional support for those who are yet to turn eleven

Option 1: Do nothing

This option reflects the current position. Under this option, the wording in article 16 of the 2010 Order would remain unchanged:

(1) A person does not provide child minding or day care if and to the extent that—

(a) the person solely provides a youth service for young persons who have attained the age of eleven; and

(b) any care provided is incidental to the provision of that youth service.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders. Youth services are free to attend or of minimal cost.

Benefits:

Existing provision can continue as present in an unaffected way.

Risks:

Providers of youth services cannot offer transitional youth services to 10-year-olds under this option (which would be to preserve the status quo). If providers

² The term “transitional youth service” means a service providing educational, personal and social support to a child during their transition from primary to secondary education, and where no payment or a nominal payment only is required from participating children.

wish to extend their provision to 10-year-olds, they are limited to operating under other exceptions which place restrictions upon the length of time and frequency of provision. This reduces accessibility for young people who benefit from accessing transitional youth services.

Option 2: Exempt transitional youth service provision where young people have attained the age of 10 from being required to register as day care providers

Under this option, an exception would exempt a youth service providing transitional youth services for children aged 10.

Cost:

There are no identified costs to option two. Youth services are free to attend or of minimal cost. However, it is important to note that there may be increased costs for the delivery of provision for this additional cohort, but the delivery of this would be optional and thus incurring this cost is related to that choice.

Benefits:

Providers of youth services will be able to offer transitional youth services to 10-year-olds under this option without the requirement to register as a day care provider. They will no longer be required to adjust any provision to 10-year-olds within other exceptions relating to time and frequency of provision and will thus be able to expand the services they offer. This will provide greater opportunities for young people to participate in transitional youth services available to assist with their personal, social and educational needs. This is particularly beneficial for helping children transition between primary and secondary school. Defining and clarifying transitional youth services the exceptions will also potentially eliminate the risk of transitional youth service provision being misunderstood as childcare.

Risks:

Providers will need to manage any risks associated with mixed ages of young people attending youth services. Stakeholders have informed us that transitional sessions would be specific which would limit the risks of 10-year-olds mixing with older teenagers.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

PROPOSAL 4

Schools where the care is incidental to education (children aged two and under)

Option 1: Do nothing

This option reflects the current position. Under this option, the wording in article 14 of the 2010 Order would remain unchanged:

(1) A person does not provide day care where care is provided to children at a school and the provision of care is incidental to the provision of education.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

Schools could continue to offer education to children of any age without being required to register if the provision of care is incidental to the provision of education.

Risks:

Any children aged two and under attending schools are likely to require a level of care that is in line with that of children of the same age attending registered day care settings. Their care needs are likely to be significant, and it is unlikely that any care they receive at this age can objectively be viewed incidental to education. Children of this age ordinarily require dedicated day care provision which could include care routines such as nappy changes, nap times and support with eating. Due to the school being exempt from registration, the provision of this care to children attending would not be subject to inspection in the way that the care of children attending a registered childcare setting for the same length of time would.

Option 2: Amend to exempt provision only where all children attending are aged three or older.

Under this option, the exception would be changed so that it applies only where children attending the school for educational provision are aged three or older. Any schools that wish to offer provision to children aged two or under would be required to register that part of their school as a day care provision.

Cost:

Under this option, if providers wished to continue to offer provision to children aged two or under, they would be required to register with CIW as a day care provider. As a result, costs may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

Schools offering provision to children aged two and under would be required to register with CIW leading to parity with registered childcare providers which provide a service to children of the same age and with a comparable level of need. The care provision of these children will be subject to inspection by CIW and providers would be required to meet standards that would ensure the provision is suitable and the staff caring for the children have received the suitable qualifications and training to meet their care needs. This will give greater reassurance to parents that their child's needs are being met appropriately. Registration may enable providers to deliver funded programs such as the Flying Start and Childcare Offer for Wales, if they offer provision for children of the relevant ages, and may enable eligible families to claim Tax-Free Childcare or Universal Credit Childcare.

Risks:

There are five independent schools in Wales currently offering formal education to children younger than the age of three. The risk of this option is that they may remove this provision and provide education to children only from age three and above. This would reduce choice for parents who wish their child to attend these settings.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the understanding and application of the 2026 Order.

PROPOSAL 5**Coaching and tuition (number of activity types)****Option 1: Do nothing**

This option reflects the current position. Under this option, the wording in article 15 if the 2010 Order would remain unchanged:

(1) Subject to paragraph (2), a person does not provide day care where the person provides coaching or tuition in an activity of a type listed in paragraph (3) and any care provided to them is incidental to the provision of that coaching or tuition.

*(2) The exception in this article does not apply if —
(a) the children are below the age of 5 and attend for longer than four hours per day; or,*

(b)the person offers coaching or tuition in more than two of the types of activity listed in paragraph (3).

- (3) *The types of activity are —*
- (a)sport;*
 - (b)performing arts;*
 - (c)arts and crafts;*
 - (d)school study or homework support;*
 - (e)religious or cultural study.*

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

Providers offering coaching and tuition would be able to continue offering their service in up to two of the specified activity types. This maintains choice and opportunities for children to develop their skills.

Risks:

There is limited distinction between what is offered by some registered holiday clubs who offer a variety of activities and unregistered providers who offer a variety of activities who operate under this exception. This may create some disparity in the sector in terms of the standards that similar providers are expected to meet.

Option 2: Amend to exempt provision if coaching or tuition is delivered in one activity type only

Under this option, the exception would be amended to apply only where providers offer coaching and tuition in one type of specified activity.

Cost:

Under this option, if providers wish to continue to offer two types of activities, they would be required to register with CIW as a day care provider. Costs may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

There will be a clearer distinction between what is offered between coaching and tuition providers and day care providers. This may support parents in identifying when a provision is registered childcare or not. Exempt providers of coaching and tuition will be more distinct in their offering as they will only offer one type of activity, thus promoting the clearer specialism of coaching and tuition that the article seeks to exempt. The amendment will still retain some choice and opportunities for children to develop their skills.

Risks:

Providers currently offering activities across more than one activity type may choose to cease operating. This risk is particularly acute for volunteer-led

provision, where providers may be unwilling or unable to take on the additional costs and administrative burden of registration. Confusion may also arise for providers whose provision spans multiple categories, those focused on skills development, or those delivering a holistic, intertwined programme of learning. As a result, these providers may also choose to withdraw or adjust their provision.

Such changes could reduce diversity, choice, and skill-building opportunities for children and for parents who wish their child to attend these provisions. There may also be impacts on cultural transmission through opportunities to share faith and culture, social interaction, and children's skills development. Contraction and closure of provision may have a disproportionate impact on low-income families, as well as rural, Welsh-speaking, and other communities where provision is already limited.

If providers do choose to register, increased competition within the market may undermine the sustainability of established settings and place additional pressure on sector training provision, which is already challenging to access.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. Although the proposal as set out in option two was supported, comments provided in the consultation raised increased concerns regarding the potential negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the risks and costs of this proposal outweigh the benefits of making this change. Therefore, the Welsh Government intends to proceed with option 1 which will maintain the current position. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

PROPOSAL 6

Coaching and tuition (activity types)

Option 1: Do nothing

This option reflects the current position. Under this option, the category of activities set out in the article 15 of the 2010 Exceptions Order would remain unchanged:

(1) Subject to paragraph (2), a person does not provide day care where the person provides coaching or tuition in an activity of a type listed in paragraph (3) and any care provided to them is incidental to the provision of that coaching or tuition.

(2) The exception in this article does not apply if —

(a) the children are below the age of 5 and attend for longer than four hours per day; or,

(b) the person offers coaching or tuition in more than two of the types of activity listed in paragraph (3).

(3) The types of activity are —

(a) sport;

(b) performing arts;

(c) arts and crafts;

(d) school study or homework support;

(e) religious or cultural study.

Benefits:

Providers of coaching and tuition provision would continue to be able to offer activities in up to two of the activity types from the list that they are already familiar with.

Risks:

The current activity types lack clarity and do not clearly reflect the provision that currently exists.

Option 2: Amend the categories of activities.

Under this option, the list of activity types will be amended to:

(a) sport;

(b) expressive and creative arts;

(c) educational support – including languages, literacy & communication, humanities, science & technology, mathematics & numeracy; health and well-being;

(d) religious or cultural study

Costs:

Under this option, providers may need to review their provision to ensure it still operates under one of the new activity types set out in the exception.

Benefits:

The amendment of activity types will more clearly reflect the kinds of activities that coaching and tuition providers offer in today's society. The breadth of the categories may provide opportunity to offer multiple activities within the activity types which allows for diverse learning opportunities for children. The educational support category will align with the Curriculum for Wales themes and thus support greater understanding of what falls within this exception.

Risks:

The breadth of the categories may provide an opportunity to offer multiple activities rather than focused coaching and tuition which the exception aims to address.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

PROPOSAL 7

Coaching and tuition (children aged four and under)

Option 1: Do nothing

This option reflects the current position. Under this option, the wording in article 15 of the 2010 Order would remain unchanged:

(1) Subject to paragraph (2), a person does not provide day care where the person provides coaching or tuition in an activity of a type listed in paragraph (3) and any care provided to them is incidental to the provision of that coaching or tuition.

(2) The exception in this article does not apply if —
(a) the children are below the age of 5 and attend for longer than four hours per day; or,
(b) the person offers coaching or tuition in more than two of the types of activity listed in paragraph (3).

(3) The types of activity are —
(a) sport;
(b) performing arts;
(c) arts and crafts;
(d) school study or homework support;
(e) religious or cultural study.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

At present, providers can offer coaching and tuition for children below the age of five for up to four hours a day. This provides opportunities for parents to use these services to work if they wish and for children to immerse themselves in the activities.

Risks:

Stakeholder engagement indicated that it is considered unlikely children aged four and under can focus on a coaching or tuition activity for up to four hours. Furthermore, given their stage of development and care needs, stakeholders considered it unlikely that the care children require could be considered incidental to the coaching or tuition over this duration of time.

Option 2: Amend the exception so that children aged four and under may attend for a maximum of two hours per day

Under this option, if a child aged four or under attends a coaching or tuition provision without their parent or carer for more than two hours in a day, the provider would be required to register as a day care provider. Providers can offer multiple sessions, but each child aged four and under can only attend up to two hours per day unless their parent is with them. This rule would not apply to children aged five and over, who can attend for an unspecified period of time. This rule only affects coaching and tuition where parents are not present.

Cost:

Under this option, if providers wish to continue to offer coaching and tuition to children aged four and under for a period greater than two hours per day without a parent present, they would be required to register with CIW as a day care provider. Costs may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

The reduction of the length of time that children aged four and under can attend coaching and tuition without their parent or guardian recognises their stage of development. Stakeholders noted that two hours is nearer to the length of time a child of this age can appropriately engage in an activity. By reducing the time from four hours to two hours, parents will still have access to opportunities for their children to attend activities without them present, albeit for potentially a shorter length of time. Where children attend for longer than the two hours permitted under the exception, the requirement for the provider to register will give greater reassurance to parents that their child's needs are being met appropriately by suitably qualified staff. Providers drawn into scope of registration will be visible to local authorities and will be able to receive support, recognition and access to funding if applicable. Registration may enable providers to deliver funded programs such as Flying Start and the Childcare Offer, if they offer provision for children of the relevant ages, and may enable eligible families to claim Tax-Free Childcare or Universal Credit Childcare.

Risks:

Some providers who currently offer coaching and tuition to children aged four and under for up to four hours may choose not to continue providing this service under the shortened time limit and may therefore cease their provision for children aged four and under. This presents a particular risk for volunteer-led provision, where providers may be unwilling to take on the costs and administrative burden associated with registration.

This would reduce opportunities for children aged four and under to engage in coaching and tuition, limiting choice for children and their parents who wish for their child to access these provisions. It may also have implications on opportunities to share faith and culture between generations. Contraction and closure of provision may disproportionately affect low-income families, as well as rural, Welsh-speaking, and other communities where provision is already limited.

If providers do choose to register, increased competition within the market may undermine the sustainability of established settings and place additional pressure on sector training provision, which is already challenging to access.

Respondents to the consultation noted that coaching and tuition without parents being present is unsuitable for very young children due to their care and developmental needs. This option does not adequately account for the care and developmental needs of younger children within the four-and-under age range.

Option 3: Excluding children aged two and under from the coaching/tuition exception, and amending so that children aged three and four may attend for a maximum of two hours per day (covered in Option 2)

In addition to Option 2 above, Option 3 includes that the coaching and tuition exception would not apply to children aged two and under. This would mean that coaching and tuition providers would not be able to offer coaching and tuition for children aged two and under where their parents are not present without registering as a day care provider or operating under another exception.

Cost:

Under this option, if providers wish to continue to offer coaching and tuition to children aged two and under for any period of time and/ or children aged four and under for a period greater than two hours per day, they would be required to register with CIW as a day care provider. Costs may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

The exclusion of children aged two and under from this exception recognises their stage of development because children aged two and under require particular provision of care routines such as nappy changes or support with toileting, nap times and support with eating. These care routines cannot reasonably be considered as care incidental to coaching and tuition. Stakeholders noted that it is not suitable for children aged two and under to receive coaching and tuition without the parent being present. Where children aged two and under do attend coaching and tuition, the requirement for the provider to register will give greater reassurance to parents that their child's needs are being met appropriately by suitably qualified staff. Providers drawn into scope of registration will be visible to local authorities and will be able to receive support, recognition and access to funding if applicable. Registration may enable providers to deliver funded programs such as Flying Start and the Childcare Offer for Wales, if they offer provision for children of the relevant ages,

and may enable eligible families to claim Tax-Free Childcare or Universal Credit Childcare.

The benefits for children aged three and four are the same as those identified in option 2.

Risks:

Some providers who currently offer coaching and tuition to children aged two and under or children aged three and four for up to four hours may not wish to continue to provide this service under the shortened time and may thus cease their provision for children of this age. This is a particular risk for volunteer-led provision who may not wish to take on the costs and burden of registration. This could reduce opportunities for children aged four and under to engage in coaching and tuition. This could reduce choice for children and their parents who wish their child to attend these settings and potentially impact upon opportunities for children to learn about their faith and culture. Contractions and closure of provision may have a disproportionate impact upon low-income families and rural, Welsh-speaking and other communities where provision is in short supply. If providers do choose to register, increased competition within the market may undermine the sustainability of established settings and place additional pressure on sector training provision, which is already challenging to access.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of the three options in light of the consultation responses. The benefits of option three have been identified to outweigh the risks and costs of options one and two, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

PROPOSAL 8

Expand the time limited exceptions to ensure that registered providers whose registration is suspended can't operate under those exceptions.

Option 1: Do nothing

This option reflects the current position. Under this option providers who have been suspended, under the Child Minding and Day Care (Wales) Regulations 2010 ("2010 Regulations") can operate under the time limited exceptions. Currently the exceptions don't expressly provide that suspended registered providers cannot operate under the two-hour limit. Under this option, providers who have been suspended from registration could continue operating their provision within the specified time-limits (despite their registration having been suspended by the regulator) under these exceptions during the period of their suspension:

Article 4:

A person does not act as a child minder where the period, or the total of the periods, in any one day in which the person looks after children does not exceed two hours.

Article 10:

A person does not provide day care where the period or the total of the periods in any one day on which children are cared for on premises does not exceed two hours.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

Doing nothing would allow suspended providers to continue to operate for a limited period of time per day.

Risks:

CIW can suspend a provider's registration when there is reasonable cause to believe that the continued provision of care by that provider could expose one or more child to the risk of harm and suspension is for a specified purpose. Through maintaining the exceptions without restrictions, suspended providers would be able to adjust their provision and continue to operate for up to two hours a day under the exceptions during the period of their suspension. This could potentially place children at risk.

Option 2: Amend exceptions relating to care for two hours or less a day so that they do not apply where Care Inspectorate Wales has suspended the provider's registration

Under this option, if a registered provider is suspended under the 2010 Regulations, they would not be able to operate under the time-limited exceptions during the period of their suspension.

Cost:

Under this option, providers whose registration is suspended will be subject to complete loss of their income and their employees may be subject to job loss. Additionally, parents will be required to find new childcare and will thus incur time and possible additional costs.

Benefits:

Suspended providers will not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children.

Risks:

This option could leave parents completely without childcare should the registered provider not be able to operate.

Conclusion

The Welsh Government has reviewed the costs, benefits and risks of both options in light of the consultation responses. The benefits of option two have been identified to outweigh the risks and costs, and therefore the Welsh Government intends to move forward with this option. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

PROPOSAL 9

Exceptions relating to children aged two and under

The following options consider changes to the following articles:

Article 4:

A person does not act as a child minder where the period, or the total of the periods, in any one day in which the person looks after children does not exceed two hours.

Article 10:

A person does not provide day care where the period or the total of the periods in any one day on which children are cared for on premises does not exceed two hours.

Article 9:

A person does not provide day care where the care is provided by that person on the premises in question on fewer than 6 days in any calendar year and the person has notified the Welsh Ministers in writing before the first occasion on which the premises concerned are used in that year.

These were originally considered alongside:

Article 15:

(1) Subject to paragraph (2), a person does not provide day care where the person provides coaching or tuition in an activity of a type listed in paragraph (3) and any care provided to them is incidental to the provision of that coaching or tuition.

(2) The exception in this article does not apply if —

(a) the children are below the age of 5 and attend for longer than four hours per day; or,

(b) the person offers coaching or tuition in more than two of the types of activity listed in paragraph (3).

(3) The types of activity are —

(a) sport;

(b) performing arts;

- (c)arts and crafts;*
- (d)school study or homework support;*
- (e)religious or cultural study.*

However, this is now considered under proposal 7 and those changes should be read in conjunction with those considered below.

Option 1: Do nothing

Doing nothing would mean no change to the articles relating to two hours per day or less or five days or less per year. Arrangements for children aged two and under would not be differentiated at all.

Cost:

This is the baseline option and as such there are no additional costs for any stakeholders.

Benefits:

At present, providers can offer care for children of any age to for up to and including two hours a day and for five days per year without registration. Coaching and tuition providers can operate for up to four hours per day for children below the age of five. These exceptions provide opportunities for parents to use these services to spend their time as they wish and for children to immerse themselves in the activities. Some new settings use these exceptions to market test their service before proceeding to set up a registered provision or while their application is being processed.

Risks:

Children aged two and under have greater care needs than older children. Some stakeholders have expressed concern that there is no quality assurance that these needs are being met in settings where the exceptions in relation to care which is less than two hours or less a day or five days or less a year are used.

Option 2: Amend the exceptions relating to two hours and five days to exempt provision only where children attending are all aged three and above

Under this option, the exceptions relating to two hours and five days would be amended so that they apply where the provider cares for children aged three and older.

These proposals are in addition to the proposals 7 and 8 above. Although these proposals were not featured in the draft 2026 Order which formed part of the consultation package, open between 11 August and 3 November 2026, the Welsh Government sought the public's view in relation to these possible changes as part of the consultation.

Cost:

Under this option, if providers wish to continue to care for children aged two and under, they would be required to register with CIW as a day care provider. Costs

may be incurred by CIW, families, local authorities, providers, UK Government and the Welsh Government, as set out in Annex 1.

Benefits:

Removing the option for children aged two and under to attend unregistered provisions, recognises their stages of development and increased care needs. Any providers continuing to offer care for children of this age will be required to register as a child minder or day care provider and will thus be subject to inspection for quality assurance. This will give greater reassurance to parents that their child's needs are being met appropriately by suitably qualified staff. Requiring childcare settings for children aged two and under to become registered could possibly lead to them adjusting their provision so that they operate for longer service durations as they would no longer be limited to two hours or five days. Registration may enable providers to deliver funded programs such as the Childcare Offer for Wales and Flying Start if they offer provision for children of the relevant ages, and may enable eligible families to claim Tax-Free Childcare or Universal Credit Childcare, if the provider decides to adjust their provision to operate for longer. Providers drawn into scope of registration will be visible to local authorities and will be able to receive support, recognition and access to funding if applicable.

Risks:

Requiring registration for settings where children aged two and under attend may lead to a reduction in the amount of provision available. Providers offering this care may be unwilling or unable to take on the burden of registration and may therefore close their provision or continue operating only for children aged three and above. These risks are particularly acute for volunteer-led provision, where providers may not wish to assume the costs and administrative burden associated with registration.

This could reduce options for children aged two and under, limiting social and developmental opportunities and negatively affecting child well-being. It may also impact family well-being where childcare provision operating under these exceptions—such as crèches offering care while parents or carers engage in education, religious activities, or well-being sessions—would now be required to register and may cease to operate. Stakeholders have also highlighted particular risks relating to these changes limiting parent and carer's ability to attend religious activities.

A reduction in provision would decrease choice for children and their parents. Contraction and closure of settings may disproportionately affect low-income families, as well as rural, Welsh-speaking, and other communities where provision is already limited.

If providers do choose to register, increased competition in the market may affect the sustainability of established settings and increase pressure on sector training provision, which is already difficult to access.

Additionally, the opportunity for new settings to use these exceptions to test the market before applying to become registered—or while their application is being

processed—would be removed. This may discourage providers from opening new settings if they cannot first determine whether their service would be sustainable. A further risk is that the increased operating costs associated with running a registered setting may be passed on to families, making provision less affordable and accessible.

Option 3: Amend the exceptions relating to two hours and five days to exempt provision only where children attending are all aged three and above, unless the parent remains on the premises (but not present during the session) and is able to resume care of the child without undue delay

Under this option, the exceptions relating to two hours and five days will be amended so that they would not apply where the provider cares for children aged two and under, unless the parent remains on the premises (but not present during the session). Therefore, a creche which cares for children aged two and under where the parents are not present in the space or area the child is being cared for but remains on the wider premises for the duration of the care would not be required to register. It will also be stipulated that the parent will also be able to resume care of the child upon being asked by the provider to do so.

These proposals are in addition to the proposals 7 and 8. Although these proposals were not featured in the draft 2026 Order itself, the Welsh Government sought the public's view in relation to these possible changes as part of the wider consultation.

Cost:

Under this option, if providers wish to continue to care for children aged two and under without a parent present on the premises, they would be required to register with CIW as a day care provider. Costs may be incurred by CIW, families, local authorities, providers and the Welsh Government, as set out in Annex 1.

If the parent remains on the premises and is able to resume care of the child upon being asked by the provider to do so, there are no identified cost implications for this option.

Benefits:

Removing the option for children aged two and under to attend unregistered provisions, recognises their stages of development and increased care needs. This will give greater reassurance to parents that their child's needs are being met appropriately by suitably qualified staff.

However, there are providers who offer care for children aged two and under whilst parents engage in, for example, cultural, educational or wellbeing activities on the same premises. This option would allow for those providers to continue operating without having to register under Part 2 of the Measure as long as the parents were on the premises and the parent is able to resume care of the child without undue delay at the provider's request.

Allowing this kind of provision to continue without the requirement to register would support child and family wellbeing. A parent remaining on the premises

was considered by some respondents to the consultation to enable a level of parental choice and offer a degree of assurance to the parent as they would be nearby to attend to their child if needed.

Risks:

Enabling providers to care for children aged two and under without being required to register when parents are on the premises and able to resume care of the child without undue delay, could lead to inconsistency in interpretation of the rules. Ensuring a parent remains on the premises could be difficult to implement and a suitable definition of premises could vary amongst a range of providers. Some respondents outlined that when a parent is on the premises but not present the child's care requirements and the level of risk remain the same and therefore registration is required.

Conclusion

Based on the appraisal of the costs, benefits and risks of the options, prior to the consultation, the Welsh Government did not have a preferred option. The public consultation was used to gather information and views from the public relating to these proposed changes, and sought information about the rationale for their views and the potential impact of this proposed change.

The Welsh Government analysed this information post consultation and identified that the benefits of Option three outweigh the risks and costs. The Welsh Government considers the concerns raised by consultation respondents relating to activities such as church-based crèches, where parents/carers are nearby but not in the room are mitigated by Option three. Therefore, the Welsh Government intends to move forward with Option three. The Welsh Government proposes to publish guidance to support the consistent understanding and application of the 2026 Order.

COMPETITION ASSESSMENT

A competition filter test has been completed. Overall, the proposed exceptions, as presented in the 2026 Order, are not expected to have a negative impact on competition in Wales or the competitiveness of most businesses. The sector is made up of small and medium enterprises, with some provision also delivered through the voluntary and charitable sectors. No firms have more than a 10% market share and the three largest firms together have a market share of less than 50%. The sector is not characterised by rapid technological change.

The proposals may affect some providers by bringing them into the scope of registration under the Measure, and thus incurring costs relating to the additional demands of meeting the requirements set out in [2010 Regulations](#) and [National Minimum Standards for Regulated Childcare](#). Other providers may adjust their provision to ensure they fall into an exception and therefore avoid registration or close their provision if they do not wish to adjust their provision or register. This may result in some contraction in some areas of the market. However, set-up

and ongoing costs for new or potential providers would not be higher than the costs of existing registered providers. Any additional costs would be dependent upon each provider's individual circumstances and the adjustments they would be required to make in order to meet the regulatory requirements of registration.

INTEGRATED IMPACT ASSESSMENTS

All published Integrated Impact Assessments have been updated to consider impacts identified in consultation responses. These will be available to view at: <https://www.gov.wales/exceptions-childcare-registration-and-proposal-voluntary-approval-scheme-integrated-impact>

POST IMPLEMENTATION REVIEW

Following public consultation, the Welsh Government has considered information gathered and views received from the public relating to the proposed changes. This information was analysed and the 2026 draft Order further amended to reflect responses to the consultation.

An implementation plan will be developed once the 2026 Order is made, covering the period between April 2026 and April 2027, to ensure the sector and members of the public are fully prepared for the 2026 Order coming into force in April 2027. The implementation plan is required to set out the practical steps needed to support effective delivery, identify and manage risks, and ensure stakeholders have the information and tools necessary to comply with the new requirements. During this period, guidance will be developed to aid understanding of the Order alongside awareness raising to support the sector through the transition.

There will be a 12-month transitional period from April 2027 to April 2028 to support the sector in adapting to the new requirements. By April 2028 providers who are drawn into registration will be expected to have made an application for registration and if CIW consider a provider to be operating without registration after this time, enforcement action may be taken.

A mid-point review will be undertaken in Autumn 2027 to assess the initial impacts of the changes and identify any issues that require further clarification. A further review will take place at the end of the transitional year, coinciding with the Order becoming fully enforceable in April 2028. Consideration will be given to additional reviews scheduled at appropriate intervals thereafter to ensure the Order continues to operate effectively and to inform any future improvements.

Annex 1

Costs to stakeholders relating to individual proposals 1, 4, 5, 7 and 9, where providers may be drawn into scope of registration, or choose to adjust their provision in order to register:

Stakeholder	Costs
CIW	<p>Care Inspectorate Wales has estimated the costs associated with administering an increased number of provider registrations resulting from the proposals. However, it is difficult to predict how many are likely to register. As a result, an indicative estimate has been used to calculate potential costs, based on 163 providers which represents 5% of the current child minding and daycare register:</p> <ul style="list-style-type: none"> - Year 1 2026-27 - £108,000 – implementation planning - Year 2 2027-28 - £300,500 – transitional period - Year 3 2028-29 - £365,400 – full enforcement <p>In line with Principle 10 from section 2.6 of the Statement of Funding Policy, the UK Government would only cover Tax-Free Childcare and Universal Credit Childcare costs for provision in Wales that aligns with eligible provision in England. To ensure that Welsh-registered provision that is not eligible for these UK schemes can be identified by CIW, amendments to CIW's digital systems will be required.</p>
Families	<p>If providers incur registration and ongoing costs in order to meet the requirements set out in the 2010 Regulations and National Minimum Standards for Regulated Childcare, they may pass this on to families in setting fees.</p>
Local authorities	<p>There may be time costs for local authorities due to increased workload as a result of their role in potentially supporting unregistered providers who are being drawn into registration.</p> <p>There may be increased demand for local authority provided and/or commissioned mandatory training. The cost of this will vary across local authorities dependent on how they provide training, whether funding is available via the Children and Communities Grant Training and Support programme, if any costs are payable by providers, and the number of providers drawn into registration.</p> <p>Examples of costs that could be incurred by local authorities to meet increased demand for mandatory training driven by providers being drawn into scope of registration:</p> <ul style="list-style-type: none"> • Paediatric First Aid - 2 Day – 12 people - £785

	<ul style="list-style-type: none"> • Emergency Paediatric First Aid - 1 Day – 12 people - £595 • Safeguarding Group B – 24 people - £650 • Safeguarding Group C – 20 people - £1,250 <p>Note: not all members of staff at a setting would be required to undergo each of the training listed above. Settings would need to adhere to the mandatory training requirements for staff in registered settings outlined in the National Minimum Standards.</p>
Providers	<p>In order to meet the requirements set out in the 2010 Regulations and National Minimum Standards for Regulated Childcare, providers may need to adjust elements of their provision. This will be at both monetary and time cost. The adjustments required will vary across providers, dependent upon their current operating model, qualifications of staff and premises. As such, it is difficult to estimate the cost of this proposal across Wales.</p> <p>Figures relating to the possible costs of an unregistered provider becoming registered are presented in Annex 2.</p> <p>If a setting is already running in line with the 2010 Regulations and National Minimum Standards for Regulated Childcare, the only costs the setting may incur is to procure a medical reference and a DBS certificate if they do not have one dated within the last three months or subscribe to the DBS update service. In contrast, the figures suggest that a provider who is required to make significant adjustments to their provision in order to meet these legal requirements, will have greater costs. This significant variance is due to a broad range of variables and the limitation of being dependent upon the specific situation of each provider.</p>
UK Government (HMRC / DWP)	<p>A potential increase in registered provision eligible for UK Government childcare support schemes (Tax-free Childcare and Universal Credit Childcare) may lead to increased demand for these schemes from eligible parents.</p> <p>The changes to the exceptions may draw more providers into registration, however any provider registering as a result of 2026 Order with provision that does not align with the eligible provision in England will not be able to offer Tax Free Childcare or Universal Credit Childcare. These providers will be identified and filtered out by CIW before details are passed onto HMRC and DWP as eligible providers.</p>
Welsh Government	<p>Costs associated with CIW activities are covered in the entry relating to CIW above.</p>

	<p>Registered childcare providers are eligible for capital small grant funding via local authorities under the Welsh Government Childcare and Early Years Capital Programme. There is a potential increase in demand for Welsh Government grants through an increased number of providers becoming registered. Should there be a vast increase in registration numbers across all local authorities, without additional funding, less funding would be available for settings. Similar pressures may be placed on the childcare and play grant under the Children and Communities Grant.</p> <p>A potential increase in the supply of provision for Flying Start childcare, if additional providers become registered and eligible to provide these schemes. This may allow more families to access provision if a lack of provision had been a constraining factor. If this was the case this may then increase the funding spent by local authorities on provision, which could lead to increased costs for Welsh Government, albeit within the wider limits of the funding provided to local authorities for the Flying Start Childcare Expansion programme.</p> <p>A potential increase in the supply of provision registered to deliver the Childcare Offer for Wales, if additional providers become registered and eligible to provide these schemes. This may allow more families to access provision if a lack of provision had been a constraining factor. If this was the case this may then increase the funding spent by the Welsh Government's demand-led budget.</p>
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Annex 2

Examples of adjustments that providers may be required to make to their provision together with costs that could be incurred as a result of the proposed changes:

Requirement	Cost (Financial and Time)
Qualifications	<p>Staff may be required to undertake qualifications to meet the requirements set out in the National Minimum Standards for Regulated Childcare</p> <p>Variable financial costs dependent upon qualification required and whether funding is available</p> <p>Also time costs relating to the period of time required for staff to undertake the identified training</p>
Recruitment	Estimated cost £200 to advertise for new staff
Staff Ratios / Recruitment	<p>May require additional staff to meet the required ratios set out in the National Minimum Standards for Regulated Childcare</p> <p>Approximate hourly rate £13ph</p>
Safeguarding training	<p>All staff will require safeguarding training at a level specified in the National Minimum Standards for Regulated Childcare</p> <p>Financial costs range from £0 to £180, dependent upon level of training required and whether funding available – renewal required so ongoing</p> <p>Time cost for undertaking of training</p>
Food hygiene training	<p>Those responsible for the preparation and handling of food will require food hygiene training</p> <p>Financial costs from £0 to £30 dependent upon provider and whether funding available – renewal required so ongoing</p> <p>Time cost for undertaking of training</p>
Paediatric first aid training	<p>All staff require a paediatric first aid qualification at a level specified in the National Minimum Standards for Regulated Childcare</p> <p>Financial costs from £0 to £132 dependent upon funding and accessibility – renewal required so ongoing</p> <p>Time cost for undertaking of training.</p>
DBS check	£54.50 - £65 per staff member - renewals required so ongoing cost

Medical check	Approx £50 – costs vary by GP surgery
Premises adjustments	Variable financial costs dependent upon situation Costs could include (but not exclusive to): <ul style="list-style-type: none"> • Environmental health requirements • Installing additional fire safety equipment • Additional toilets/sinks
Insurance – building and vehicle	Will vary dependent upon provider and level of cover needed - ongoing cost – estimate £600 per annum
Insurance – public liability	Will vary dependent upon provider and level of cover needed – ongoing cost
Certificate of heating safety check	Approx £100 per annum
Registration with Information Commissioner’s Office	£52 or £78 per annum
Legal Status	From £0 to £65 dependent upon legal status chosen to operate under
Resources (Not mandatory)	Guide cost £5000 one off cost with annual wear and tear budget Costs could include (but not exclusive to): <ul style="list-style-type: none"> • Kitchen equipment • Lockable storage • IT • Play resources expected to be of a certain standard and replaced more frequently
Support from umbrella bodies (Not mandatory)	From £0 to £300 per annum
Umbrella body membership (Not mandatory)	Variable – from £30 to £155 per annum
Accountancy services (Not mandatory)	Estimate £500 per annum

Filing reports / Accounts (Not mandatory)	From £0 to £62 per annum
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Source: Figures provided by Coram PACEY Cymru, Clytie Plant Cymru Kids' Clubs, Early Years Wales and Cytûn – Churches Together in Wales